### ADDENDUM NO. 1 TO THE BOROUGH OF HADDONFIELD REQUEST FOR QUALIFICATIONS AND PROPOSALS FOR REDEVELOPMENT PROJECT

### Dated: June 30, 2023

#### **To:** Potential Respondents

This Addendum No. 1 is to advise potential Respondents regarding one amendment and two updates to the Borough of Haddonfield's Request for Qualifications and Proposals for a Redevelopment Project dated May 26, 2023 (the "RFQ/P"), summarized as follows (capitalized terms used but not defined herein shall have the meanings given to such terms in the RFQ/P):

- 1. Amend the Submission Deadline from July 27, 2023 to August 10, 2023;
- 2. Update potential Respondents on the settlement reached in the litigation between, among others, the Borough, 2 Hopkins Lane and 2 Hopkins Lane URE which, among other things, results in the termination of the 2 Hopkins Lane Redevelopment Agreement and all rights of 2 Hopkins Lane URE to redevelop the Property; and
- 3. Update potential Respondents on the Borough's willingness to consider one or more of the following:
  - a. Market rate and/or affordable rental residential units;
  - b. For-sale market-rate residential units;
  - c. Market-rate age targeted units;
  - d. Market-rate age restricted units; and/or
  - e. Non-age targeted/restricted market-rate and affordable units.

This Addendum No. 1 also provides responses to the questions from potential Respondents submitted to the Borough pursuant to the terms of the RFQ/P.

### AMENDMENT 1:

The "Submission Deadline" set forth on the Cover Page of the RFQ/P and on Page 9 under the heading "IV. SUBMISSION REQUIREMENTS – *General Requirements* – B. SUBMISSION DEADLINE/FORMAT" is Wednesday, July 27, 2023 at 4:00 p.m. EST.

AMENDMENT: The "Submission Deadline" is hereby amended to be Thursday, August 10, 2023 at 4:00 p.m. EST.

### UPDATE 1:

The RFQ/P on Pages 5-6, under the heading "III. BACKGROUND ON THE PROPERTY – *Current Status of the Property*" describes (i) the issuance by the Borough to 2 Hopkins Lane URE

of a Notice of Default under the 2 Hopkins Lane Redevelopment Agreement and the status of such Notice of Default as of the date of issuance of the RFQ/P and (ii) the federal lawsuit filed by 2 Hopkins Lane on December 6, 2022.

UPDATE: On June 19, 2023, the Borough, 2 Hopkins Lane and 2 Hopkins Lane URE participated in a mediation session in an attempt to resolve all matters arising from the federal lawsuit filed by 2 Hopkins Lane. During that mediation, the parties agreed on the terms of a settlement, subject to review and approval by the Borough Commissioners. On June 26, 2023, the Borough Commissioners adopted a resolution approving the terms of the settlement with 2 Hopkins Lane and 2 Hopkins Lane URE.

Pursuant to such settlement, the parties have, among other things, resolved all issues in the lawsuit filed by 2 Hopkins Lane and any and all claims arising from 2 Hopkins Lane URE's designation as "redeveloper" of the Property, and will terminate the Redevelopment Agreement, and all prior agreements between the parties. 2 Hopkins Lane and 2 Hopkins Lane URE also approved such terms of settlement. The settlement is subject to negotiation and approval of a settlement agreement and adoption by the Borough of a bond ordinance pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.

# **UPDATE 2:**

The RFQ/P on Pages 1 and 3, under the headings "I. INTRODUCTION" and "III. BACKGROUND ON THE PROPERTY – *Redevelopment Plan*" and " – *Redevelopment Vision and Specific Goals and Objectives*" describes the project as "age-targeted" and "owner-occupied".

UPDATE: The Borough will consider market-rate for-sale residential units and/or market-rate rental residential units. The affordable units must be rental residential units only. The Borough will also consider market-rate residential units that are age-targeted, age-restricted and/or non-age-targeted/restricted. The affordable units must be family units and shall not be age-targeted or age-restricted. Proposals that include rental residential units, age-restricted market rate units and/or non-age-targeted/restricted units will require an amendment to the Redevelopment Plan.

## **RESPONSES TO QUESTIONS SUBMITTED BY POTENTIAL RESPONDENTS**

This **Addendum No. 1** is also to respond to questions that have been submitted by those applicable Respondents to the Borough through the Borough Administrator, Sharon McCullough and a copy to its Redevelopment Counsel, Matthew D. Jessup, in accordance with the terms of the RFQ/P.

1. Would the Borough consider a Senior Housing rental model vs. an owner-occupied development?

Yes, the Borough will consider market-rate for-sale residential units and/or market-rate rental residential units. The affordable units must be rental residential units only. The Borough will also consider market-rate residential units that are age-targeted, age-restricted and/or non-age-targeted/restricted. The affordable units must be family units and shall not be age-targeted or age-

restricted. Proposals that include rental residential units, age-restricted market rate units and/or non-age-targeted/restricted units will require an amendment to the Redevelopment Plan.

2. Would the Borough consider a Senior Housing community that has both a rental and ownership component?

Yes. See answer to Question 1 above.

3. The Request for Qualifications and Proposals identifies three existing buildings on the Property which are designated historic buildings that must remain in place and be repurposed. Please explain the architectural and cultural significance of these three buildings in their current location. Are these three buildings included in the "associated accessory structures" of the historic Lullworth Hall as referenced on page 6 of the Redevelopment Plan?

Haddonfield is the second oldest Historic District in the State of New Jersey and is listed on the State and National Historic Registry. Block 14, Lot 2 is included in the Historic District. At least two of the structures date back to the late 1800s (the building referred to as the "Hospital" and the Old Stone building). The small shed-type structure has not been dated. This building could be relocated.

No, the three buildings referenced in Question 3 are not included in the associated accessory structures of the historic Lullworth Hall. The associated accessory structures of the historic Lullworth Hall are located on the Lullworth Hall property, which is located at Block 13, Lot 25.01. Such parcel of property is not subject of the RFQ/P.

4. The stated objectives of the Redevelopment Plan include the provision of adequate parking. Are there any defined minimum or maximum parking quotas that would be considered adequate?

Respondents should base their proposals on the requirements set forth in the Residential Site Improvements Standards ("RSIS"). If a Respondent seeks relief from RSIS, such Respondent should document the relief and explain the need and justification for such relief.

5. Should proposals address the Public Use / Active Recreation, Passive Open Space and above all the Lullworth Hall portions of the Bancroft Property as well, or just the 8.2-acre Residential portion.

Proposals should be limited to the 8.2-acre property identified on the map attached to the RFQ/P as Exhibit A as the "Residential" portion of such property.

The Borough will consider proposals that incorporate an active/passive recreation component within the 8.2-acre Property, particularly given the 300-foot riparian zone impacting the Property.

6. If doing a mix of unit types (i.e. townhome, duplex, midrise and/or condominium flats) can the affordable units be concentrated entirely in one type of housing, and market rate housing in another, or must they be distributed evenly amongst all unit types.

If a Respondent proposes multiple unit types as described above, the affordable units should be distributed evenly amongst all unit types and physically dispersed throughout the project.

7. Is the 2 Hopkins Lane Redevelopment Agreement a public document that is available to potential respondents, would access necessitate an OPRA request or is it not available to the public?

The 2 Hopkins Lane Redevelopment Agreement is a public document that is available to potential Respondents in accordance with applicable law, including via OPRA request.

8. Is the original Settlement Agreement a public document that is available to potential respondents, would access necessitate an OPRA request or is it not available to the public?

The Settlement Agreement is a public document that is available to potential Respondents in accordance with applicable law, including via OPRA request.

9. Have there been any material changes to the default status of 2 Hopkins Lane since the issuance of the RFP?

Yes. On June 26, 2023, the Borough Commissioners adopted a resolution approving the terms of a settlement with 2 Hopkins Lane and 2 Hopkins Lane URE. Pursuant to such settlement, the parties have, among other things, resolved all issues in the lawsuit filed by 2 Hopkins Lane and any and all claims arising from 2 Hopkins Lane URE's designation as "redeveloper" of the Property, and will terminate the Redevelopment Agreement, and all prior agreements between the parties. 2 Hopkins Lane and 2 Hopkins Lane URE also approved such terms of settlement. The settlement is subject to negotiation and approval of a settlement agreement and adoption by the Borough of a bond ordinance pursuant to the Local Redevelopment and Housing Law, <u>N.J.S.A.</u> 40A:12A-1 et seq.

10. Has a mediation meeting been scheduled since the issuance of the RFP?

The Borough, 2 Hopkins Lane and 2 Hopkins Lane URE participated in a mediation session on June 19, 2023. The settlement described in response to Question 9 above resulted from that mediation session.

11. What are the annual principal and interest payments to service the bonds that were issued to acquire the Bancroft Property?

Average annual debt service on Borough bonds previously issued to fund the acquisition of the portion of the Bancroft Property **not subject** to the RFQ/P is approximately \$250,000 per year through 2040. The Borough has or expects to have \$10,325,000 in short-term debt in

connection with the Property that <u>is subject</u> to the RFQ/P, including, but not limited to, the cost to acquire such Property and the cost to demolish unsafe structures on the Property.

12. Did the School District pay the Borough for the Property they acquired or was a land swap the only consideration?

The Borough received \$1,500,000 from the New Jersey Department of Environmental Protection Green Acres Program ("Green Acres") for the purchase of the Bancroft Property. The Borough provided a municipal match of such funds in the amount of \$1,500,000 from the Borough's Open Space Trust Fund. The combined \$3,000,000 was repurposed, with Green Acres' approval, for the Borough's purchase of Radnor Field from the Borough Board of Education. Subsequent to such purchase, the Borough sold a portion of the Bancroft Property to the Borough Board of Education for the same price.

13. Is 2 Hopkins Lane's option price available to potential respondents?

See the Redevelopment Agreement which, pursuant to the terms of the settlement described in response to Question 9 above, will be terminated.

14. What is the current status of the Lullworth Hall project?

In February 2023, the Borough entered into a Conditional Redeveloper's Agreement with Haddonfield Development Group, LLC, in connection with a project consisting of (i) renovation and adaptive repurposing of the existing Lullworth Hall Building into three (3) residential units, including restoration of the original roof and exterior structures; (ii) construction of one (1) residential unit in a carriage house-style detached from Lullworth Hall; (iii) construction of garage parking detached from Lullworth Hall; and (iv) provision of site beautification and any other on-or off-site improvements as may be agreed to amongst the parties.

15. The RFP notes 90 Age Restricted units including 10 affordable units while the Redevelopment Plan provides options in the General Regulation section 1, A, B, C. Is it correct that the RFP request for age targeted for sale units the only option being sought?

The Borough will consider market-rate for-sale residential units and/or market-rate rental residential units. The affordable units must be rental residential units only. The Borough will also consider market-rate residential units that are age-targeted, age-restricted and/or non-age-targeted/restricted. The affordable units must be family units and shall not be age-targeted or age-restricted. Proposals that include rental residential units, age-restricted market rate units and/or non-age-targeted/restricted units will require an amendment to the Redevelopment Plan.

16. The RFP notes that if more than 90 units are proposed, 12.5% must be affordable but not more than 12 total affordable units are to be provided. Is it correct that 96 units could be proposed with 12.5% affordable equating to 84 market rate age targeted and 12 affordable units?

Respondents should review the Redevelopment Plan for affordable housing requirements. If 96 total residential units are proposed, then 12.5%, or 12 affordable units, would be required.

17. The Redevelopment Plan notes the affordable units are to be low and moderate income. Is it correct that there is not a requirement for very low-income units?

The following table represents the income and bedroom distribution requirements, assuming 10 affordable units are constructed:

	Two bedrooms	Three bedrooms	Total
Very Low	1	1	2
Low	3	0	3
Moderate	4	1	5
Total	8	2	10

18. The Redevelopment Plan notes that 20% of the affordable units are to be 3 bedroom units with the balance 2 bedroom. Have there been any changes to that stipulation?

Please see response to Question 17.

19. Has the State Historic Preservation Office been involved to date in the three remaining historic buildings? If so, can you share any correspondence?

The State Historic Preservation Office is aware that the Redevelopment Plan has been adopted for the Property. The Borough has participated in conversations and a site visit with the State Historic Preservation Office regarding the historic buildings. There have been no determinations or decisions made regarding the historic buildings.

20. The Redevelopment Plan calls for connections to the County Park. Has the County been engaged to date in any material conversations about their preferences?

The Borough Commissioners have had preliminary discussions with the County Commissioner liaison to the County Park System regarding the possibility of funding for the passive recreation space on Block 14, Lot 2. No action has been taken by the County or the Borough regarding this issue other than such preliminary discussions.

The Borough will consider proposals that incorporate an active/passive recreation component within the 8.2-acre Property, particularly given the 300-foot riparian zone impacting the Property.

21. Have any site plans been previously presented to the Borough for development of the Property?

Yes. 2 Hopkins Lane URE submitted a site plan for the development of the Property that was never deemed complete by the Borough Planning Board.

22. Are the building heights and number of stories as detailed in the Redevelopment Plan still to be followed for the submission?

The Borough is looking for proposals that comply with the Redevelopment Plan although amendments may be considered if requested by a Respondent to address market and/or site conditions; provided they further the Borough's vision as set forth in the Redevelopment Plan.

23. Are there any changes anticipated in the current Master Planning the Borough is undertaking that would impact the Bancroft property?

None at this time.

24. Who is the planner for Haddonfield?

Edward E. Fox III, AICP, PP Environmental Resolutions, Inc. 815 East Gate Drive, Suite 103 Mount Laurel, NJ 08054 Office: (856) 235-7170 E-Mail: efox@erinj.com

25. Redevelopment allows for multi-family but they reference them as condominiums in the RFQ/P. Question is would the Borough support age-restricted rentals here or should it be assumed that they are only interested in for-sale product?

The Borough will consider market-rate for-sale residential units and/or market-rate rental residential units. The affordable units must be rental residential units only. The Borough will also consider market-rate residential units that are age-targeted, age-restricted and/or non-age-targeted/restricted. The affordable units must be family units and shall not be age-targeted or age-restricted. Proposals that include rental residential units, age-restricted market rate units and/or non-age-targeted/restricted units will require an amendment to the Redevelopment Plan.

26. In the RFP Exhibit A, in the passive open space, I see there is a parking lot already established within that space, as well as overlay of streets on the back of the property. In our architecture rendering can we assume that the developer would be allowed to designate the parking lot to support the residential plan submission?

No. Respondents should limit their proposal to the Property.

27. The area shaded in yellow and labeled "Residential 8.2 acres" in Exhibit A is the only area being contemplated for sale pursuant to the RFQ, correct?

Correct.

28. I understand the Borough is seeking an age-targeted residential owner-occupied project.

a. Would the Borough consider a project that contains rental units?

Yes. See response to Question 25.

b. If so, would only a portion of the project be permitted for rental units, or would a 100% rental unit project be considered?

The Borough will consider a project that is 100% rental.

c. Would the Borough consider a project that contains non-age-restricted units?

Yes. See response to Question 25.

- 29. For the three (3) existing buildings on the Property:
  - a. Does the Borough have any request for what these historic structures should be re-purposed into?

None at this time.

b. Would the Borough consider the repurposing of these buildings into leasing offices and/or amenity facilities that service the multifamily component of the Project?

The Borough will consider any proposal that furthers the Borough's vision as set forth in the Redevelopment Plan, together with the provisions described in the RFQ/P and herein.

c. Would the Borough consider maintaining title to these properties in exchange for a contribution toward the renovation of these buildings by the Respondent?

The Borough will consider any proposal that furthers the Borough's vision as set forth in the Redevelopment Plan, together with the provisions described in the RFQ/P and herein.

<u>NOTE</u>: This Addendum No. 1 shall be considered part of the Project documents and should be identified on the Acknowledgement of Receipt of Addenda – <u>Exhibit E-7</u>, which is attached hereto and should be included as part of your Qualifications Proposal submission package.

## Exhibit E-7 Borough of Haddonfield PROPOSAL FORM E-7

# ACKNOWLEDGEMENT OF RECEIPT OF ADDENDA

## The Undersigned Respondent hereby acknowledges receipt of the following Addenda:

Addendum Number	-	Dated	<u>Ac</u>	knowledge Receipt
				(Initial)
	-			
	-			
Acknowledgment by	Bidder:			
Name of Bidder:				
By Authorized Repres	entative:			
Signature:				
Printed Name of Title:	:			
Date:				