

NUEVA ESPERANZA, INC.

# Roberto Clemente Homes

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Request for Proposal  
(RFP Number: P-004440)

Esperanza  
11/19/2014

ORIGINAL

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ORIGINAL

## Narrative

Roberto Clemente Homes will partially demolish the former Roberto Clemente Middle School located at 3921-3961 N 5<sup>th</sup> Street, Philadelphia, PA 19140 and build a 38-unit, 3-story, affordable rental housing and commercial development. The first floor will provide 5,500 square feet of commercial/retail space and 8 rental units. The second and third floors will be exclusively rentals units. The proposed development will have 28 two-bedroom units and 10 three-bedroom units. The project includes laundry facilities in each apartment, on-site parking, and an outdoor play area for children.

The ownership structure of the development will be a Pennsylvania limited partnership. This type of ownership structure is standard for affordable rental projects that receive financing in connection with the Low Income Housing Tax credit. A Pennsylvania limited partnership will be formed with a limited and general partner. The limited partner will be an investor in the project. The general partner will be a corporation related to Esperanza. The investor (limited partner) will own 99% of the limited partnership. A corporation related to Nueva Esperanza, Inc (Esperanza) will be the general partner and own 1% of the limited partnership. The general partner is responsible for the management of the affordable housing. As a nonprofit 501(c)3, Esperanza does not contemplate pecuniary gain or profit, incidental or otherwise, from the limited partnership.

Esperanza requests a \$500 unit-based operating subsidy for 28 of our 38 units. Esperanza is requesting operating subsidy for the two-bedroom units. In June, Esperanza submitted an application (RFP Number: P-004403) to PHA for 10 project based vouchers for all three-bedroom units. Therefore, Esperanza is requesting unit-based subsidy for the remaining 28 two-bedroom units.

Esperanza is using low income housing tax credits (LIHTC) to finance the bulk of this development. The next round of LIHTC applications for urban areas is due January 30, 2015 with an estimated award date of May 2015. Given the financing timeline, Esperanza expects to begin construction on the project in December 2015. Esperanza expects the units to be ready for occupancy in December of 2016. For more details on financing, please see the Table 1 below.

Source	Application Due Date	Procurement Date	Estimated Closing Dates
PHA Vouchers	June 2014	December 2014	January 2015
PHA ACC	November 2014	REAPPLY/ December 2014	January 2015
City of Philadelphia, Housing Trust Fund	November 2014	REAPPLY/ December 2014	January 2015
FHLB New York	Submitted	Secured Feb 18, 2014	April 30, 2015
LIHTC Equity	January 30, 2015	May 2015	August 2015

## Community Resources

The project is located on a commercial corridor and major public transportation route (bus #47), is across the street from a grocery store, one block away from an accredited two-year college, and is a 10-minute walk of an 87-acre park, which hosts a weekly farmer's market, and a community health center.

Roberto Clemente Homes was included in the recommendations for reinforcing affordable housing outlined in the *Hunting Park Neighborhood Strategic Plan 2022*, a 10-year neighborhood strategic plan completed by Nueva Esperanza, Inc (Esperanza) in connection with 790 community residents, officially approved by the Philadelphia City Planning Commission (see Appendix 1 for approval letter), and supported by Councilwoman Maria Quiñones-Sanchez. Clemente Homes is located in the North district for the City of Philadelphia 2035 plan. The North district does not have a scheduled date for when planning will begin in this district. Esperanza has been in on-going communication with the city planner assigned to the North district.

Roberto Clemente Homes will be located one block south of Esperanza's main campus (address 4261 N 5<sup>th</sup> Street). The proximity of the project allows Esperanza to provide many of the empowerment opportunities provided at the main campus at Roberto Clemente Homes. These opportunities include: housing counseling workshops for residents interested in purchasing their first home; financial literacy training workshops for residents; college access seminars for residents and their children; financial aid trainings to help residents and their children understand and navigate the complexities of college financing; and access to computers for job searches and employment resources. Additionally, Esperanza will help develop, design, and implement a formal on-site tenants' association to allow tenants a voice in their housing choice and a role in the governance of the property.

### **Site and Neighborhood Standards**

The poverty level for census tract in which Roberto Clemente Homes sits (383) is 49%. See Appendix 2 for the American Community Survey 2007-2011 5-year estimates on poverty. Esperanza respectfully requests an exception to the Site Neighborhood Standards.

There are three reasons an exception to the Site Neighborhood Standards is justified for Esperanza. First, the community has displayed positive upward trends in key community measures, specifically education, employment, and housing value. Since 2002, property values have increased from \$27,000 to approximately \$57,000; high school graduation rates have increased from 53% to 60%, and the unemployment rate has dropped. These upwards trends suggest the community is experiencing major positive changes which point towards long-term stability and an ultimate decrease in poverty rates.

Second, there are no public housing developments in the Hunting Park community. The closest PHA development to Hunting Park is Warnock Village senior and family housing development on Germantown Ave, over 1.5 miles from the Roberto Clemente Homes development. The lack of public housing means there is no concentration of public housing in Hunting Park or the surrounding North Philadelphia communities.

Lastly, the Hispanic community has been historically underserved by PHA. Hispanics make up 12% of the Philadelphia's overall population and are the largest percentage of the people living in poverty. However, a recent report from PHA revealed that only 1,463 of the 32,759 residents in PHA housing (4%) were Latino.

Given the positive upward trends in key community development metrics, a lack of risk of increasing the concentration of public housing or poverty in the neighborhood, and the lack of Hispanics served by PHA housing, Esperanza respectfully requests exception to the Site Neighborhood Standards.

## **Housing Needs Analysis**

The project is located in a residential and densely populated part of the city, with a young, fast growing, and predominately Hispanic (74%) population. Currently, 34% of the population is 20 years old or younger. Since 2000, the Hunting Park population has grown at eight-times the rate of the city of Philadelphia. The project is designed to meet the high demand for affordable rental housing for low-income families. Tenants are expected to be families with children. This project is consistent with the recommendations for reinforcing affordable housing outlined in the *Hunting Park Neighborhood Strategic Plan 2022*, a 10-year neighborhood strategic plan completed by Nueva Esperanza, Inc (Esperanza) in connection with 790 community residents, officially approved by the Philadelphia City Planning Commission, and supported by Maria Quiñones-Sanchez, the area City Councilperson.

Given the size of this dilapidated building, rehabilitation of this site is considered a key capital improvement in the development of a thriving corridor. The plan describes the site as an eyesore to the community, saying, “the building stands like a skeleton, after scrappers ripped apart anything they could from inside to sell to scrap yards.” By transforming the site, we help to create a model block and extend the 5th street commercial corridor below Hunting Park Avenue.

Hunting Park is in need of both housing and economic opportunities. Affordable, safe housing stock is low; Hunting Park has lost 13.5% of its housing stock since 1990. This reduction is caused in large part by the massive demolition of homes to resolve the large-scale sinking house problem in the early 1990s. Demand for affordable rental properties in Hunting Park also continues to rise each year. The percentage of renters in this community has grown from 30% in 1990 to 46% in 2010.

With such significant demand, the growing percentage of renters in this community often has fewer affordable housing opportunities. There are 3,150 families in Hunting Park but only 530 two-bedroom rental units. While there are more options in the 3-or-more bedroom market, those that find renting options face higher housing costs. Renters in our community are 1.5 times more likely to be cost-burdened, spending more than 30% of their income to meet their housing costs, compared to homeowners (75% of renters are cost-burdened versus 50% of homeowners). With the large number of rental properties made available through this project, Esperanza stands to significantly impact the percentage of cost burdened renters. This in turn may free up more resident income for spending along our commercial corridor, which strengthens the community as a whole. Please see Appendix 3 for a copy of the market analysis.

### **Independent Site-Based Waiting List**

Esperanza requests the use of an independent site-based waiting list (ISBWL) for the Roberto Clemente Homes project. Esperanza will be partnering with Community Realty Management for property management services of Roberto Clemente Homes. CRM has managed many properties that maintain ISBWL.

## **Site/Layout**

Located on 5th Street and Luzerne Street, the 1.5 acre site for the Roberto Clemente Homes contains two standing structures: an outbuilding and a multistory former industrial building. The existing outbuilding will be completely demolished. The existing multistory former industrial building will be selective demolished to create the framework for a 3 story, 54,000 square foot mixed use building, which will include 38 apartment units and 5,500 square feet of retail. There will be 28 two-bedroom units averaging 900 square feet, and 10

three-bedroom units averaging 1200 square feet. Each unit will have one bathroom. A rental office and community room for residents is provided on the first floor. Please see Appendix 4 for maps and site plans.

## **Project Amenities**

The project includes laundry facilities in each apartment, on-site parking, and an outdoor play area of children. Each apartment unit will be equipped with an independent thermostat system to allow for personalized temperature control. Cable television, internet outlets and telephone entry system will be provided in each apartment unit as well as a telephone entry system. The project is located on a commercial corridor and major public transportation route, is across the street from a grocery store, and within a 10-minute walk of an 87-acre park that hosts a weekly Farmer’s Market and a community health center. The development is 100% visitable.

## **Developer Capacity and Qualifications**

Esperanza has assembled an experienced and highly qualified team of development professionals to complete the Roberto Clemente Homes development project. Please see Appendix 5 for a list of resumes. Details on the experience and qualifications of the development team are outlined below.

### **Owner**

The business organization for the development will be a Pennsylvania limited partnership. This type of ownership structure is standard for affordable rental projects that receive financing in connection with the Low Income Housing Tax credit. A Pennsylvania limited partnership will be formed with a limited and general partner. The limited partner will be an investor in the project. The general partner will be a corporation related to Esperanza. The investor (limited partner) will own 99% of the limited partnership. A corporation related to Nueva Esperanza, Inc (Esperanza) will be the general partner and own 1% of the limited partnership. The general partner is responsible for the management of the affordable housing. As a nonprofit 501(c)3, Esperanza does not contemplate pecuniary gain or profit, incidental or otherwise, from the limited partnership.

The proposed board of directors of the general partner is identified below. All the rights and powers of the general partner and entire control and management of its affairs are vested in and exercised by a Board of Directors. The proposed structure for 3961 Board of Directors is as follows:

### **Reverend Luis Cortés, Jr.**

*President*  
Esperanza  
215-324-0746  
[lcortes@esperanza.us](mailto:lcortes@esperanza.us)

### **Reverend Danny Cortés**

*Executive Vice President &  
Chief of Staff*  
Esperanza  
[dcortes@esperanza.us](mailto:dcortes@esperanza.us)

### **William Hopkins**

*Executive Vice President of Finance*  
Esperanza  
[whopkins@esperanza.us](mailto:whopkins@esperanza.us)

### **Other Project Principals**

#### **Architect:**

PZS Architects, LLC

- Andrew Kraetzer
- David Polatnick

**Engineer:**

Aquaeconomics, LLC

- Paul N. Lonie, Sole Proprietor

**Contractor:** Esperanza has been working with Dale Corporation. Esperanza expects to bid after receiving LIHTC.

Dale Corporation

- **Anne E. Fadullon**, Managing Director
- **Gregory Hallquist**, Business Development

**Property Management Company:**

Community Realty Management

- Michael B. Simmons, President and CEO
- Pamela W. Monroe, Senior Vice President
- Bernardo M. Coles, Senior Asset Manager

**Attorney:**

Regional Housing Legal Services

**Consultant:**

Sherick Project Management Inc.

- Joseph Sherick, President
- Susanne Stone, Vice President
- Susan McPhedran
- Jeff Peezick
- Joel Patterson

**Team Structure**

Esperanza will be the owner/developer of the Roberto Clemente Homes. Esperanza will work closely with Sherick Project Management, in the predevelopment and development phases of the Roberto Clemente Homes. Esperanza is working with Dale Corporation, for predevelopment construction. Esperanza may continue to work with Dale Corp; however, we expect to bid after receiving full financing. After construction completion, Esperanza will work with Community Realty Management for property management. Below find a list of the team entities:

<u>Developer</u>	<u>Architect</u>	<u>Engineer</u>	<u>Project Consultant</u>	<u>Management Co.</u>
NEI 4261 North 5 <sup>th</sup> Street Philadelphia PA 19140 Tel: (215) 324-0746, Fax: (215) 324-2542	PZS Architects, LLC 5312-18 Ridge Avenue Philadelphia, PA 19128 Tel: (215) 483-1915 Fax: (215) 930-0484	Aquaeconomics, LLC Two Penn Center Plaza, Suite 200 Philadelphia, PA 19102 Tel: 267-885-9875	Sherick Project Management, Inc 230 N. 2nd Street, Suite 3D Philadelphia, PA 19106	Community Realty Management 36 South Main Street Pleasantville, NJ 08232 Tel: (609)646-8861 Fax: (609) 646-0826

**Profile of Principals**

*Walter Toliver, Legal Counsel and Senior Vice President, Nueva Esperanza, Inc:* Walter Terrell Toliver, Esquire has served or is currently serving as Project Counsel for 12 affordable housing developments for senior citizens

(HUD Section 202) as well as disabled adults (HUD Section 811). As Project Attorney, Mr. Toliver has helped his clients incorporate, acquire 501 (c) (3) tax-exempt status and proceed through both Initial Closing and Final Closing with HUD. Mr. Toliver has also worked with his clients in the acquisition and zoning of the development sites. Mr. Toliver has helped clients to secure financing from various other agencies, including but not limited to, the City of Philadelphia Redevelopment Authority, the Pennsylvania Housing Finance Agency, and the Federal Home Loan Bank of Pittsburgh. Mr. Toliver has served as a resource on which clients can call during the operation of their facilities.

*Phil Dawson, Senior Economic Development Manager:* Phil manages all elements of Esperanza's business development and commercial corridor revitalization efforts at Esperanza. Phil works closely with businesses along the 5th Street commercial corridor and assists in the facilitation of the Hunting Park Business Association. Phil has a Bachelor's degree in Urban Studies and Master's in City Planning from the University of Pennsylvania.

*David Polatnick, AIA, Principal, PZS Architects, LLC:* PZS has extensive experience designing new facilities as well as renovating and converting existing buildings into residential and commercial facilities of all types. PZS recently completed two mixed-use projects: 426 Mulberry in Scranton, Pennsylvania and 21<sup>st</sup> and South Street in Philadelphia. 426 Mulberry is a renovation of a historic art deco building at once housed the Greater Scranton Chamber of Commerce. The building was converted into 39 apartment units and the ground floor was redesigned as a retail space that includes four tenants. The mixed-use project at 21<sup>st</sup> and South Street included ground floor renovations for three retail outposts totaling 21,000 square feet of commercial space. David received his Bachelor of Architecture degree from Temple University.

*Andrew Kraetzer, AIA, LEED AP, Associate, PZS Architects, LLC:* Andrew is the project architect responsible for drafting schematics, site plans, and other necessary documents. Andrew is originally from California, and earned his Bachelor of Arts from Middlebury College and Master of Architecture from University of California at Los Angeles.

*Paul N. Lonie, Aquaeconomics, LLC, Sole Proprietor:* Paul is the site civil engineer, responsible for the land use survey, utilities survey, and other necessary documents. Paul has over 40 years of experience in surveying, development, zoning and municipal relations in the City of Philadelphia.

*Joe Sherick, President, Sherick Project Management (SPM):* SPM is a full service real estate development consulting firm with over 17 years of experience in all aspects of community development and revitalization including feasibility studies; project planning and scheduling; property acquisition; budgeting and financing; environmental and geotechnical coordination; zoning and building code review; closing documents; identifying, qualifying and managing professional service providers and much more. Over the last 13 years SPM has been involved in the development and completion of nearly 80 housing projects and over 3,800 dwelling units ranging in size from single unit, \$65,000 budget, to an over 50 unit, \$52 million budget including 75 low income housing tax credit developments. The majority of their time has been utilized by non-profit organizations specializing in support services for some of our more vulnerable citizenry.

*Michael Simmons, President and CEO, Community Realty Management (CRM):* CRM provides professional property management services for a portfolio in excess of 7,500 residential units, consisting of subsidized apartments, Low Income Housing Tax Credit apartments, conventional apartments, condominiums and cooperatives, in addition to office and commercial properties.

### **Project Services Experience**

Esperanza was founded in 1987 by the Hispanic Clergy of Philadelphia in direct response to the challenges and opportunities in North Philadelphia's Latino community. Driven by the biblical mandate to serve and advocate

for “the least of these,” Esperanza’s mission is to strengthen Hispanic communities. Esperanza’s programs are part of a comprehensive community development approach which includes education, housing development and counseling, workforce development, capacity building and advocacy. Esperanza provides opportunities to the community through our main campus location which encompasses Esperanza College (2000), Esperanza Academy Charter High School (2000), the Esperanza Employment Advancement Retention Network (EARN) Center (2007), Esperanza Housing and Economic Development, and housing counseling.

Roberto Clemente Homes will be located one block south of Esperanza’s main campus. The close proximity of the project allows Esperanza to provide many of the empowerment opportunities provided at the main campus on-site at Roberto Clemente Homes. These opportunities include:

- Housing counseling workshops: Esperanza currently holds monthly first time homebuyers workshop at its main campus location. When the project is completed, Esperanza will begin holding on-site bimonthly (once every two months) workshops for Roberto Clemente Homes residents interested in learning more about homeownership. In 2012, Esperanza served 157 first time homebuyers through six (6) homebuyer workshops, provided first time homebuyer counseling to 379 individuals, and foreclosure counseling to 401 individuals. As a result of our foreclosure counseling, Esperanza saved 136 homes from foreclosure.
- One-on-one credit counseling: As part of the housing counseling programs, Esperanza offers credit counseling assistance to individuals interested in purchasing a home. When the project is completed and in connection with the housing counseling workshops, Esperanza will begin providing on-site bimonthly credit counseling workshops for Roberto Clemente Homes residents interested in improving their credit. In 2012, Esperanza provided one-on-one credit counseling to 379 individuals.
- College access seminars: Esperanza College of Eastern University, a two year associate’s degree program with the option for a seamless transition to Eastern University for a 4-year degree, is currently located at Esperanza’s main campus location. When the project is completed, Esperanza will offer quarterly college access seminars for residents and their children, providing important information on how to apply to college and the application process.
- Financial aid classes: As part of Esperanza College’s efforts to increase its number and retention of students, the college engages in numerous financial aid workshops and classes, to prepare students for college financing. When the project is completed, Esperanza College will hold quarterly on-site college financing classes for residents and their children.
- Tenants’ Association: In addition to these opportunities, Esperanza will support the development, design, and implementation of an on-site tenants’ association.

## **Prior Affordable Housing Experience**

Over the past 20 years, Esperanza has demonstrated success in developing properties for low income families and businesses, with nearly 100 rehabilitated properties rented or sold, and 16 rental properties currently available. In 1990, in response to the need for more affordable housing, Esperanza renovated five apartments specifically for rental to senior citizens. In 1993, 1998, and 2000, Esperanza built a total of 36 new townhomes on previously vacant lots that were sold to low-income families. Where vacant lots had previously been a disadvantage to the neighborhood, these homes now provide safe, attractive, and affordable housing. Esperanza is committed to the ongoing development of properties in Hunting Park by continuing to purchase vacant homes for rehabilitation and, offering them for rent or for sale to low-income community members.

## **Property Management Plan**

The Management Agent for Roberto Clemente Homes is Community Realty Management and as such is responsible for the day-to-day operation of the property and for implementing the Management Plan. Other responsibilities are outlined in the Management Agreement.

The Management Agent will regularly report to the owner, however, the agent will have the authority to take action within the framework of the policies and budgets established by the owner, without specifically consulting the owner, except in connection with its regular reporting functions. The Managing Agent will provide the owner or his representative with monthly financial reports. The Managing Agent will present an annual budget to the owner for review. The agent must consult with the owner prior to making any non-emergency expenditure in excess of \$5,000.00 which is not part of the approved budget. In the event of an emergency which poses a threat to the safety of the residents of the development, the staff, or the property itself, the Agent will take immediate action to alleviate the situation regardless of the dollar amount involved and will notify owner within twenty four (24) hours.

### **Staffing**

An Executive Property Manager shall be assigned to the site and he/she shall have the authority to make decisions within the scope of this Management Plan. The Executive Property Manager shall serve as a liaison between the owner and agent and has responsibility for all employees and management at the site. The Executive Property Manager will in turn report to the Senior Vice President and the Vice President, Occupancy and Compliance at the corporate office.

Site staffing will include a Property Manager who under the direction of the Executive Property Manager, shall oversee the daily activities of the site. His/her duties shall include administrating rules and policies, adhering to all HUD compliance issues, working with maintenance to schedule major tasks, relate to vendors/contractors, the tenant population and the community at large and shall advise the Executive Property Manager of any problems that need outside expertise.

A Maintenance Superintendent, under the supervision of the Property Manager, shall be assigned to the site and will be responsible for the day to day maintenance of the physical structure. As needed, additional staff such as general maintenance, janitorial, grounds, etc. will be assigned to the site.

### **Employment Policies**

All hiring of on-site staff shall be in accordance with the applicable Federal and State Equal Opportunity and Labor Laws. All advertising will carry the "Equal Opportunity Employer" logo and state that all qualified applicants will receive consideration without regard to race, creed, color, sex, handicap or any other prohibited grounds and protected groups.

The selection of all staff positions will be done on the basis of experience, reliability, vocational competence, personal character and ability to meet and relate to the residents and their problems. Employment opportunities also will be afforded to residents of the surrounding community.

Resumes and applications are carefully reviewed and interviews scheduled with the top candidates for each position. Once an applicant is selected, references are checked. Selected candidates will go through routine pre-employment screening which includes a credit and criminal background check, and landlord references. Drug screening/testing is not required.

Written performance evaluations will be conducted on an annual basis, however, verbal evaluations will be done more frequently as needed.

All full-time employees assigned to the site shall be considered employees of the managing agent and shall be entitled to the benefits received by all employees. These benefits include but are not limited to sick/personal days, vacation days, health insurance, pension plan and job related educational opportunities. Overtime rates for non-exempt employees will be paid as prescribed by state labor laws.

An Employee Handbook outlining Community Realty Management's personnel policies and health benefits will be given to each employee. A copy of the table of contents can be found in the attachment section, and provides a good idea of the varied areas covered.

### **Employment Training Plan**

Staff must continually expand upon their skill levels and abilities. Our training strategy is designed to enhance the employee's skills, thus increasing productivity and employee satisfaction. To accomplish this, Community Realty Management, proposes the training strategies outlined below.

- As needed, management will train all employees to properly perform their responsibilities and will make outside training available and encourage participation.
- On the job training will be conducted to familiarize employees to the physical plan. Training of Community Realty Management policies and procedures will be done on an ongoing basis.
- Company provided seminars will be held in areas such as, employment practices, fair housing, HUD training, 504 Compliance, LIHTC, health and safety issues, Inspection Seminars, employee's "Right to Know," etc. Executives from CRM hold various industry designations such as COS, CPM, HCCP, SHCM, ARM, etc.
- Additional training of approved courses at higher education institutes or training and seminars conducted by a professional association will be encouraged. These courses can include, but are not limited to the following: Occupancy, HUD, LIHTC, real estate licensing, plumbing and mechanical courses, various IREM and NAHMA trainings, etc.

It is our philosophy that any training that enhances the employee's potential and their performance at the property is a worthwhile investment. As an outgrowth of this philosophy, we do not restrict employees from taking courses that seem to be outside their discipline; or that are beyond their current level of employment.

### **Non Discrimination**

Management will not discriminate against any resident, employee or applicant for employment because of race, creed, color, age, religion, sex, ancestry, national origin, or solely because of their disability.

Owners are prohibited from inquiring and discriminating for reasons of sexual orientation, gender identity or marital status. All eligible families, regardless of marital status, sexual orientation, or gender identity, will have the same opportunity to participate in HUD programs.

Such action shall include, but not be limited to the following: employment, promotions, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Management agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. All state and federal regulations will be followed.

## **Accounting Systems & Financial Management**

All accounting operations – payroll, accounts payable, accounts receivable, and general ledger – are fully computerized utilizing specialized property management software. The software program has the capability to export data files into any commonly used format such as Excel or other Microsoft products.

Community Realty Management will maintain financial statements using the accrual or cash methods of accounting based on the owner's preference. All records and financial statements will meet HUD guidelines and requirements.

Through years of experience and consultation with public accounting firms, we have built extremely strong systems of internal control that provide reasonable assurance as to the safeguarding of assets from unauthorized use as well as to reliable financial records for the preparation of financial statements.

Vendor payments require prior approval from both the Property Manager and Executive Property Manager. Purchase orders are signed and double checked for accuracy prior to any bill paying.

Reports, such as a rent roll, cash receipts journal, account receivable listing, monthly operating reports, budget to actual variance report, accounts payable, and detailed check register are prepared on a monthly basis.

## **Payroll**

Monitoring of payroll is done via a time sheet system. Property Managers review all payroll hours for approval. Overtime, for emergency calls, is reviewed for approval by the Executive Property Manager. The time sheets are sent to the Payroll and Benefits Administrator at the corporate office for processing.

Payroll is done on a bi-weekly basis and checks are mailed to the on-site office. Employees also have the option of direct deposit.

Overtime for non-emergency work will require pre-approval from the Executive Property Manager or the Senior Vice President.

## **Purchasing & Accounts Payable**

Purchasing of goods and services will be completed in accordance with the requirements of the owner. Competitive pricing will be obtained for every purchase made by the Property Manager.

- A purchase order is required for all tangible purchases.
- An on-line purchase order system, part of the site's software, will be utilized when making purchases as well as specific services.
- All purchases exceeding the spending limit of the Property Manager will require the approval of the Executive Property Manager. Purchases exceeding \$5,000.00 will require approval from the owner.
- The approval of the invoices will be done by someone other than the person making the purchase.
- A purchase order and receiving slip [where applicable] will accompany each invoice when submitted to the corporate office for payment.
- All invoices are approved weekly. Each invoice must be stamped, initialed for approval by the Property Manager and submitted to the Executive Property Manager for review.

Management will make its best effort to standardize services, purchases and /or savings without compromising quality. Management will abide by any written limitations or restrictions given by the owner.

### **Budgeting**

The annual budget preparation process begins five months prior to the beginning of the coming fiscal year. The budget process shall include:

- Consideration of the current cost needs and financial resources of the property
- A review of all existing and upcoming service contracts
- A review of staffing needs, salaries, and projected changes in salaries or benefits
- A review of utility consumption to forecast upcoming, incorporating projected cost changes in rates.

The first draft of the budget will be created at the on-site level with input from all team members. This preliminary budget is then forwarded to the Executive Property Manager for additional recommendations and changes prior to submission to the Senior Vice President. After review by the Senior Vice President, a recommended budget is submitted to the Board of Directors for approval 60 days prior to the start of the new financial year.

### **Bank Accounts**

Bank accounts that are utilized will be specified by the owner. All accounts are fully insured and will be reconciled on a monthly basis.

### **Audits**

At the end of each fiscal year a Public Accounting Firm, approved by the owner, will conduct and prepare a Certified Financial Statement. It is understood that the format to be used will comply with all generally accepted accounting principles. The report will be submitted to the owner within ninety (90) days after the fiscal year. This service will be paid from the property's operating account.

### **Advertising & Marketing**

Advertising will be done on an as needed basis. All advertising will carry the Equal Housing Opportunity and disability logos.

### **Application Process**

The agent shall assure compliance with HUD and Fair Housing Laws and requirements of all pertinent federal and state laws, regulations and project funding sources. Please refer to the Resident Selection Plan. Every tax credit application package will be reviewed by the Occupancy and Compliance Department at Community Realty Management prior to move-in.

### **Rent Collection Procedures & Enforcement**

Rents, in the form of money orders, checks or cashier's checks, will be collected at the site office. Deposits will be prepared on a daily basis and deposited into a local bank, designated by the owner.

### **Rent Collection Policy**

It is our policy to use aggressive means to maximize effective gross income. Rent is due on the first (1<sup>st</sup>) day of the month and no later than the fifth (5<sup>th</sup>) day of each month. Outlined below are avenues which will be pursued to eliminate the delay of rental payments and potential collection expenses.

Delinquency control begins with the proper screening of prospective applicants. Landlord references, credit and eviction reports are reviewed for prior rent-paying patterns. At the time of move-in, via the move in orientation, residents are educated on rent paying policies and non-paying policies resulting in evictions.

### **Collection Procedures**

1. On the sixth (6<sup>th</sup>) business day of the month the Property Manager will take the appropriate course of action as permitted by state law to collect the rent which may require the use of an attorney. The collection process will include serving a Notice to Vacate and the process will continue until the account is paid in full or the resident vacates the apartment.
2. By the 16th day of the month, the Property Manager will submit a Collection Activity Report to the Executive Property Manager and the Senior Vice President, for review and monitoring.
3. The first day of any month, the Property Manager will submit to the Executive Property Manager and Senior Vice President an updated Collection Activity Report.

### **Reasonable Accommodations**

The Property Manager and staff will be well-trained with 504 compliance requirements to meet the needs of all disabled residents. A file defining such requirements will be maintained at the site as well as required postings on the site bulletin board.

### **Resident – Management Team Relations**

The resident-management team relationship will be a key component in the successful overall management of the site. Positive resident and management team interaction will facilitate the goal of creating a healthy, safe, harmonious, and supportive quality of life within the community.

Management staff will be professional, trained and experienced in property management issues, rules, and regulations, housing legislation, policy and guidelines. The staff will be skilled in recognizing and resolving resident issues as they relate to the housing environment. This is especially important as the issues of one resident can quickly impact on relations throughout the community.

Informational, wellness oriented, and educational programs will be sought and implemented as applicable. Resident and community volunteer groups will be supported in coordinating social events, arts and crafts, holiday gatherings, and other recreational activities.

### **Grievance Procedures for Residents**

Community Realty Management fully anticipates that any resident grievances will be addressed and resolved at the site level and/or supervisory level. In the event a resident chooses to contact the management company to resolve an issue, a grievance poster is posted on the site's bulletin board which will include CRM's address and telephone number and the name of the Fair Housing Officer. Residents will be requested to put their concerns in writing.

Upon receipt of a written complaint, a response will be made within seven (7) business days, in one or more of the following manners, as appropriate:

1. Via telephone
2. Schedule and conduct a home visit or on-site meeting
3. In writing

Situations requiring immediate remedy will be addressed upon receipt of written notification, as appropriate and necessary. Within fourteen (14) business days a determination in the form of a written response will be forwarded to the resident.

### **Routine Maintenance**

Community Realty Management prides itself on its strong and conscientious ability to deal effectively with the maintenance of the apartments. The staff is responsible to respond quickly and completely to resident requests.

Property management involves more than just providing a basic human need – shelter. It requires an understanding that resident needs and perceptions vary. What constitutes a minor, unnoticed problem to one resident might be a major concern to another. To perform maintenance tasks more efficiently, a schedule is mandatory. To accomplish this, a Preventive Maintenance and Corrective Maintenance Program are in place to address the daily, weekly, monthly, semiannual, and annual tasks of the property. These programs serve as guidelines for the maintenance staff so that they may effectively maintain the building systems, common areas, grounds and in-unit maintenance items. Resident's requests will be responded to within 24 hours from the time they are reported. All emergency calls will be responded to immediately.

To ensure residents have a safe and sanitary home, communication with residents must be courteous and extremely clear. This means that all staff members are to be courteous, helpful and efficient with all residents at all times. It is vital that all staff members understand that the success of the site is directly related to resident satisfaction. Satisfied residents renew their leases, and tell friends positive things about the property, generating referrals.

### **Work Order System**

Work orders, which are part of the site's software program, are generated for all service requests such as specific requests by the resident, items noted from an annual inspection or observed by a staff member, and common area needs requested by a resident or observed by a staff member. Also included in this category are failures in the mechanical systems or damages sustained by the building, grounds, or equipment as part of the day-to-day operations and use. Repairs are performed either by on-site personnel or, if necessary, by contracting with outside contractors when the scope of the repair work is beyond the capabilities of the maintenance staff. Management will determine when to use outside contractors to make repairs based on workmanship needs and cost effectiveness.

As part of our maintenance program, we utilize a computerized work order system. We require that all maintenance staff react to resident service requests within twenty-four (24) hours. A quick response will prevent a bad situation from getting worse. It is also vital to keep written track of service requests.

The employee must sign every work order when the work is performed. If the resident is available, a signature is requested.

### **Emergency Work Order Procedures**

Emergency work orders or urgent service needs can be defined as any one of the following:

- Fire
- Restoration of heat, hot water, electricity or any other service, when disrupted.
- Correction of major tripping/liability problems in common areas, sites or apartments.
- Repair of broken windows.
- Repair of locks and other security devices.

- Clearing of backups in any drainage system.
- Correction of any condition permitting moisture or water into an apartment or common area
- Any other circumstances causing safety, health or security hazards to residents or staff.
- Inoperable appliance.

Items such as indicated above, receive top priority and are corrected immediately.

### **Pest Management Plan**

A licensed professional will handle all routine extermination and other related problems. Residents will receive written notification of extermination visits no less than twenty-four (24) hours prior to the scheduled visit. Residents with infestation problems will have their housekeeping habits monitored frequently. All written documentation will be kept in the unit maintenance file.

As a preventive measure, all common areas will be scheduled for service at the same time as the units. The contractor chosen to exterminate on-site must supply management with the MSDS sheets for the chemicals being used and this document will be posted on the site's bulletin board.

The site staff will utilize an observation checklist while in the unit with the exterminator. The checklist will be used as a visual observation of specific maintenance and safety items usually left undetected or not reported by residents. The checklist is completed by the maintenance technician for each unit and returned to the Property Manager for follow up. A copy of the checklist is placed in the unit maintenance file.

### **Preventative Maintenance Program**

Community Realty Management has a comprehensive system of checks and balances to meet the preventive maintenance needs of the property. A procedures manual prepared and individualized for each site is the main reference for our maintenance staff.

CRM is concerned about extending, preserving and enhancing the useful life and value of existing buildings and equipment. Property maintenance plays a key role in conserving these assets.

We realize that long term property maintenance requires a first rate, effective and efficient system for accomplishing maintenance at each site. Such a system must accommodate both corrective and preventive maintenance activities and preserve the useful life of the buildings and equipment. The central piece of the preventive maintenance plan is a system of charts, logs and inspection reports that are used for scheduling and tracking of maintenance tasks. Preventive Maintenance is a series of pre-planned tasks which are performed at regular scheduled times during the year (annual, semi-annual, quarterly, monthly, weekly, or daily), and are intended to preserve or expose conditions which could otherwise damage the satisfactory appearance, operation or safety of the property.

### **Fire and Safety**

Although periodically checked by maintenance staff, the inspection and repair of particular building components such as the fire alarm system, sprinkler system, elevator and security system will be subcontracted out to a reliable vendor.

### **Unit History**

We maintain an ongoing unit history— through the use of Unit Inventory and Painting Logs, a record of all major work completed on a particular unit. This history includes all appliance replacements, the last date the unit was painted, the date flooring was replaced, and any extensive repairs done to the unit. This unit history

is maintained in the logs and updated as needed. The logs are maintained by the Property Manager and Superintendent and audited by the Executive Property Manager on an annual basis.

### **Emergency Procedures**

Emergency preparedness and awareness is essential to property management. Sites are required to conduct at least two emergency activity drills throughout the year and provide a written summary of each drill to the Executive Property Manager. An Emergency Procedures Manual is kept at each site.

### **Subcontracted Maintenance Services**

Management will access and review all existing maintenance service contracts to determine if current contractors should continue to be utilized. In the event management continues to use the current contractors, management will be responsible for the monitoring of those service contracts and to provide payment for such services. If management decides to utilize other contractors, bids will be obtained.

1. The Property Manager will prepare written specifications with the assistance of the Superintendent.
2. Three bids will be sought, where possible.
3. A Bid Tabulation Form will be utilized to list all of the qualified bidders and submitted to the Executive Property Manager with copies of all estimates and recommendations for review and approval. A copy of the Bid Tabulation Form will also be submitted to the Senior Vice President.
4. All contracts will be maintained in a service contract binder properly labeled in alphabetical order. A tracking sheet located in the front of the binder will indicate the type of service contract, name of contractor, expiration date of service, and insurance expiration date. The service contract binder will be maintained by the Property Manager and audited by the Executive Property Manager on an annual basis.

### **Bid Procedures**

The following process will be used when bids are needed for any job:

- Budget will be reviewed for allowable expense
- Specifications will be written and provided to each bidder so that all bidders are bidding on the same work
- Bidders will be invited to the property to inspect the contracted work site and also to pick up bid packages consisting of:
  - Instructions to Bidders
  - Specifications
  - Proposal Form
  - Contractor Information (references)
  - Administrative Questionnaire

Bids are always received in writing.

Comparative pricing will be done on a regular basis for all products and services. Many vendors give their lowest price on the first order placed with them and then they increase their price when the same items are reordered.

Contractors must present a copy of their certificate of insurance before commencing with any work. The certificate must list Community Realty Management and the owner as additional named insured. A copy is filed in the site office. The certificate must show that the contractor is insured for worker's compensation and personal property liability coverage.

### **Annual Apartment Inspection Program**

Apartment inspections are performed annually by the management staff to determine if apartments are being properly maintained and in good repair. At no time will any apartment go beyond a twelve- (12) month period without an inspection.

As needed, work orders will be issued and charges will be assessed for damages above and beyond normal wear and tear. The Property Manager will provide the residents with a minimum forty-eight hours notice of the annual inspection and will make every attempt to have the resident at home for the inspection. Only as a last resort will the inspection be done without the resident at home at which time a passkey will be used.

Upon completion of the inspection, the resident will receive written notification of the results of the inspection and the required corrective action. Management will prepare a written plan to address any deferred maintenance problems within a reasonable time frame. All emergency findings will be corrected immediately.

### **Vacancy Turnaround Procedures**

Recognizing that vacant apartments negatively affect the owner's bottom line, apartments will be prepped immediately upon becoming vacant. Apartments will be painted, cleaned, exterminated and maintenance performed in accordance with Community Realty Management standards, which are consistent with the State Sanitary Code. Turnaround time should be no more than five to seven days except for unusual circumstances.

To guide the performance of these tasks, management staff will utilize a move-out inspection form. Any damages beyond normal wear and tear will be charged to the resident.

In addition to turning the unit in a timely manner, applications for occupancy are reviewed on a regular basis. Applications need to be approved in advanced so that the applicant is ready to move once the unit is prepared for occupancy.

All Property Managers are required to submit a Weekly Activity Report every Monday which indicates which apartments are vacant, projected ready dates and projected move-in dates. The turnover time is monitored by the Executive Property Manager and the department of the Vice President, Occupancy and Compliance.

### **Supportive Services Plan**

Esperanza was founded in 1987 by the Hispanic Clergy of Philadelphia in direct response to the challenges and opportunities in North Philadelphia's Latino community. Driven by the biblical mandate to serve and advocate for "the least of these," Esperanza's mission is to strengthen Hispanic communities. Esperanza's programs are part of a comprehensive community development approach which includes education, housing development and counseling, workforce development, capacity building and advocacy. Esperanza provides empowerment opportunities to the community through our main campus location which encompasses Esperanza College (2000), Esperanza Academy Charter High School (2000), the Esperanza Employment Advancement Retention Network (EARN) Center (2007), Esperanza Housing and Economic Development, and housing counseling.

Roberto Clemente Homes will be located one block south of Esperanza's main campus. The close proximity of the project allows Esperanza to provide many of the same opportunities provided at the main campus at Roberto Clemente Homes. These opportunities include:

- Housing counseling workshops: Esperanza currently holds monthly first time homebuyers workshop at its main campus location. When the project is completed, Esperanza will begin holding on-site bimonthly (once every two months) workshops for Roberto Clemente Homes' residents interested in learning more about homeownership.

- One-on-one credit counseling: As part of the housing counseling programs, Esperanza offers credit counseling assistance to individuals interested in purchasing a home. When the project is completed and in connection with the housing counseling workshops, Esperanza will begin providing on-site bimonthly credit counseling workshops for Roberto Clemente Homes residents interested in improving their credit.
- College access seminars: Esperanza College of Eastern University, a two year associate's degree program with the option for a seamless transition to Eastern University for a 4-year degree, is currently located at Esperanza's main campus location. When the project is completed, Esperanza will offer quarterly college access seminars for residents and their children, providing important information on how to apply to college and the application process.
- Financial aid classes: As part of Esperanza College's efforts to increase its number and retention of students, the college engages in numerous financial aid workshops and classes, to prepare students for college financing. When the project is completed, Esperanza College will hold quarterly on-site college financing classes for residents and their children.
- Tenants' Association: In addition to the opportunities listed above, Esperanza will support the design, development, and implementation of an on-site tenants' association.

## Budgets

Please see Appendix 6 for budget documents including Budget Narrative and funding commitments.

## Readiness and Project Schedule

### Evidence of Site Control

Esperanza entered into an Agreement of Sale with the School District of Philadelphia on April 29, 2013. Please see Appendix 7 for the fully executed agreement of sale.

### Evidence of Zoning Permits

Esperanza received approval from the Zoning Board in October 2013. Please see Appendix 8 for the zoning permit.

### Project Schedule

Milestone/Project Objective	Date (MM/YY)
Site control of the Project site(s)	Completed: April 2013
Completion of environmental review process	Completed: October 2013
Completion of architectural design and other specifications	Completed: October 2013
Preliminary Site Plan approval(s)	Completed: October 2013
Final Site Plan approval	Completed: October 2013
Submission of applications for all proposed sources of construction and permanent financing	January 2015
Anticipated procurement of all proposed sources of construction and permanent financing	May 2015
Forecasted closing date(s) for all proposed construction financing	August 2015
Commencement of construction cost bidding process	August 2015

Issuance of building permits	Sept 2015
Commencement of construction/rehabilitation of project units	December 2015
Commencement of the AHP draw down process	January 2016
Completion of the construction/rehabilitation of all Project units	December 2016
Commencement of marketing and the tenant selection process	July 2016
Forecasted date for Project to be placed into operation	February 2017
Forecasted date when full occupancy will be achieved	March 2017

### Relocation Issues

There will be no families occupying the property on the date of submission of this proposal. This is a new construction rehabilitation project. No persons will be displaced.

### Occupancy and Affordability

BR	# Units	Avg. SF	Tenant Paid Rent	Utility Allowance	Total Tenant Expense	Rental Asst Pmt	Rental Asst Source	Monthly Income to Project/Unit	Total Housing Expense	Targeted Rent Income Level	Monthly Income to Project, All Units	PHFA Rent Limit	Total Tenant Exp as % of Rent Limit
2BR	3	900	177	179	356	500	ACC	677	856	20%	2,031	355	100
2BR	15	900	350	179	529	500	ACC	850	1,029	50%	12,750	887	60
2BR	10	900	450	179	629	500	ACC	950	1,129	60%	9,500	1065	59
3 BR	1	1,200	195	216	411	1,029	HAP	1,224	1,440	20%	1,224	410	100
3 BR	6	1,200	250	216	466	974	HAP	1,224	1,440	50%	7,344	1025	45
3 BR	3	1,200	300	216	516	924	HAP	1,224	1,440	60%	3,672	1230	42

### Community Support

The redevelopment of this location is included in the recently completed Hunting Park Neighborhood Strategic Plan 2022; a 10-year revitalization plan spearheaded by Esperanza. The plan includes affordable housing as a core theme, included the participation of nearly 800 community residents, and was formally approved by the City of Philadelphia Planning Commission.

### Resident Involvement

In 2012, Esperanza completed a 10-month neighborhood strategic planning process involving activities designed to collect community feedback including resident perception surveys, focus group discussions, community-wide meetings, advisory committee meetings, and stakeholder interviews. Esperanza invited community residents and other stakeholders to serve on the 22-member Advisory Committee and three subcommittees—1) Community Economic Development, 2) Education and Supportive Services, and 3) Affordable Housing. Additionally, community members and representatives of local institutions were asked to participate in community-wide meetings and focus group discussions. In all, nearly 800 people participated in creating the *Hunting Park Neighborhood Strategic Plan 2022*. This project is consistent with the recommendations for reinforcing affordable housing outlined in the neighborhood plan. The neighborhood plan was officially approved by the Philadelphia City Planning Commission and is supported by Maria Quiñones-Sanchez, the area City Councilperson.

### *Resident Surveys*

Esperanza organized a resident perception survey process, securing and supervising workers to canvas the neighborhoods in the planning area, knocking on doors to introduce themselves and talk with neighbors about strengths and needs in the community. The canvassing was conducted in July of 2011 over the entire community, and in all, 446 surveys were completed and returned, representing 11% of the 4,142 households in the Hunting Park planning area. Survey participants were evenly distributed throughout the study area. Esperanza staff uploaded the survey results into a database to analyze survey results and findings. Esperanza used this resident data to inform the strategic plan.

### *Engagement through Meetings*

Esperanza invited residents and other stakeholders to serve on an Advisory Committee and three subcommittees — 1) Affordable Housing, 2) Community Economic Development and 3) Education and Supportive Services — to guide the work, review and comment on the data, and provide information from their knowledge of Hunting Park. Their feedback was used to inform and shape the strategic plan. In addition, community members and representatives of civic and service institutions based in or operating in Hunting Park participated in community-wide meetings and focus group discussions.

In addition to the outreach efforts Esperanza undertook during the neighborhood planning process, over the last 18 months, Esperanza was involved in three community-wide meetings specifically for the Roberto Clemente development. Esperanza estimates the attendance of these two meetings to be 120 community members.

The most recent community meeting was held Wednesday, October 29, 2014. Esperanza operates the local Registered Community Organization (RCO) in Hunting Park. The RCO system was created by the City of Philadelphia to improve community notification of proposed developments and make community involvement more predictable across the city. For more information on RCOs, see [www.phila.gov](http://www.phila.gov). As part of a schedule RCO meeting, Esperanza hosted a community wide meeting soliciting feedback on Roberto Clemente Homes. Visual images of the proposed development were arranged for residents to review. Please see the sign in sheet in Appendix 9 for attendance of this meeting.

On May 16, 2013, Esperanza presented Roberto Clemente development at the Equal Partners In Change (EPIC) community stakeholders group. This group has been holding monthly community meeting in Hunting Park for nearly 5 years, hold meetings in both English and in Spanish, receives an estimated average monthly meeting attendance of 75 community members, and is regularly attended by local law enforcement officials, area block captains, locally elected representatives, and city officials. EPIC meetings are held from 4PM to 6PM on the third Thursday of every month at Antonia Pantoja Elementary School. At the May 16, 2013 EPIC stakeholder meeting, which highlighted on community groups and provided an opportunity for groups to speak about their programs, Esperanza had a table with visual displays of the Roberto Clemente development. Attendees were able to approach the table and ask questions about the proposed development. At this meeting, Esperanza collected feedback on the proposed development and advertised a second community meeting to be held on Friday, May 31, 2013.

Esperanza holds a quarterly community meeting the last Friday of every month from 4PM to 7PM. This meeting focuses on the implementation of the Hunting Park Strategic Plan and is designed to build social capital. These monthly meetings are officially called Family Fun Nights (FFN). The May 31, 2013 FFN focused entirely on the Roberto Clemente development. Visual images of the proposed development were arranged for residents to review. The building architect was in attendance and provided a 20-minute presentation on the proposed development. After the presentation, residents asked questions and provided feedback on the proposed development. This meeting was held in both Spanish and English. Please see the sign in sheet in Appendix 9 for attendance of this meeting.

## Diversity

Esperanza is committed to maintaining a high level of inclusiveness in our project development process. As a community based organization committed to economic development, Esperanza has incorporated steps to ensure women and minority business enterprises are a part of the development process as well as set commitments for our organization to include low-income persons and businesses in the development process.

### Minority and Women Business Enterprises

Esperanza took great steps to ensure women and minority business enterprises were involved in the redevelopment of the Roberto Clemente building. Esperanza used the City of Philadelphia Office of Economic Opportunity (OEO) registry to identify and solicit bids from women and minority business enterprises for the services of architectural design, environmental inspection, and civil engineering. In total, Esperanza reached out to thirteen (13) different minority and women business enterprises identified on the OEO registry for bids on services for the Clemente development.

Esperanza selected a minority business enterprise, PZS Architects, LLC, to provide architectural services for the Roberto Clemente development. Esperanza also selected a women business enterprise, Real Estate Strategies, Inc, to provide the market study for the Clemente development. See Appendix I for a copy of the assurance letter from these two firms.

### Section 3

As part of the Roberto Clemente Homes development, Esperanza makes the following Section 3 commitments: 1) to hire low income people from Hunting Park area, and 2) to utilize businesses in area that are owned by low-income people.

Esperanza's commitment to the goals outlined in Section 3 stretches back to its earliest developments. Esperanza has utilized local business and contractors since its first construction project in 1991. Esperanza has consistently had goals for utilizing local businesses and individuals for every major construction project it has had, including: The Villa Homes I, II, and III, the Rite Aid development, the development of Esperanza Academy, and the development of Esperanza's main campus. Furthermore, Art Haywood, Esperanza's executive Vice President and legal counsel has tremendous experience in Section 3 implementation, outlining his knowledge in an article titled, "Making Section 3 Work,"<sup>1</sup> published by Clearinghouse Review, March 1994.

Esperanza outlines the following goals for Section 3:

- 5-10% for Section 3 business utilization
- 10% for workforce participation
- 15% total for local hire

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<sup>1</sup> [http://heinonline.org/HOL/Page?handle=hein.journals/clear27&div=178&g\\_sent=1](http://heinonline.org/HOL/Page?handle=hein.journals/clear27&div=178&g_sent=1)

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