



Request for Proposals (RFP) for the Use of Project-Based Vouchers (PBV's) for New Multi-Family Construction

Housing Authority of the City of Bloomington, November 2019

I. SUMMARY AND OBJECTIVE

In accordance with 24 CFR Part 983, public housing authorities that administer a tenant-based voucher program may attach a portion of its vouchers to specific units in furtherance of the authority's goals related to deconcentrating poverty and expanding housing and economic opportunities. The vouchers used for such purpose are referred to as Project-Based Vouchers (PBV's).

The Housing Authority of the City of Bloomington is soliciting proposals for the commitment of up to 18 of its vouchers for a new-construction multi-family development of at least 50 units to be located in the City of Bloomington. The purpose of providing the vouchers is to help make possible the construction of new mixed-income housing units that will be affordable to families earning 60% of the area median income or less, and for a portion (up to one-third) of those units to be affordable to families with extremely low incomes (30% of area median income).

The Housing Authority will evaluate proposals and make a selection as part of a competitive process described in this Request for Proposals (RFP), which is based on Chapter 17 of the Housing Authority's Administrative Plan for the Housing Choice Voucher Program.

Proposals must be completed in the format specified on the application form attached to this RFP.

Proposals are due by 4:30 PM on January 9, 2019. Proposals will be reviewed and evaluated in anticipation of selection of a proposal by January 31, 2019.

In order for the proposal to be considered, the owner must submit the proposal to the Housing Authority by the published deadline date, and the proposal must respond to all requirements as outlined in the RFP. Incomplete proposals will not be reviewed.

All communications regarding this RFP should be made in writing to Jeremy Hayes, Interim Executive Director, via e-mail at jeremyh@bloomingtonha.com, by fax to 309-828-9029, or to the Housing Authority administrative office, 104 E. Wood Street, Bloomington, IL 61701.

II. PROPOSAL REQUIREMENTS

The Proposal must meet the following requirements:

- A. The applicant must complete and sign the application form attached to this proposal.
- B. The units proposed to be constructed must be located within the City of Bloomington.
- C. The applicant must have current site control.

- D. The proposal must include a site plan and preliminary architectural drawings sufficient to establish the character and feasibility of the proposed development.
- E. The proposal must include the proposed number and mix of units in terms of the number of bedrooms and bathrooms, and identify which of the proposed units are to have project-based vouchers attached. The Housing Authority has identified a specific need for
- F. The proposal must include a project budget identifying sources and uses of all financing needed to initiate and construct the development; a projection of operating income and expenses; cash flow projections; and detailed information regarding the feasibility of financing (including evaluation of feasibility of being awarded Low Income Housing Tax Credits and a project of equity to be generated).
- G. The applicant and units must meet requirements of the Housing Choice Voucher regulations and the Authority's approved Administration Plan;
- H. Any application submitted with HUD and/or other governmental financing, must have a subsidy layering review completed;
- I. Should an applicant wish to have Project-Based Vouchers more than 25-unit or 25% of units per project in the submission, evidence must be provided that it meets the established in HUD Notice PIH 2017-21 (HA).
- J. The length of the term of the Annual Contributions Contract under the PBA program shall be for a minimum of one year up to a maximum of ten years, depending on the availability of funding; The Authority reserves the right to renew this contract at its discretion.

The Housing Authority reserves the right to issue several RPFs, and if it so desires for specific types of housing, with the total number of units capped by federal regulation.

III. RATING PROPOSALS AND SELECTION CRITERIA

The Housing Authority's Administrative Plan calls for proposals for new construction proposals will rate and rank proposals for newly constructed housing using the following criteria:

- Owner experience and capability to build housing as identified in the RFP;
- Extent to which the project furthers the PHA goal of deconcentrating poverty and expanding housing and economic opportunities;
- If applicable, the extent to which services for special populations are provided on site or in the immediate area for occupants of the property; and
- Projects with the lowest percent of assisted units will receive the highest score.

Specific criteria and scoring system are outlined below:

Scoring of Proposals:

- (A) **SITE CONTROL (MANDATORY) - 5 POINTS:** May be in the form of option, deed, or other legal instrument acceptable to the PHA. Applications submitted without current site control will not be considered and returned. Should the site control expire prior to a valid agreement between the applicant and the PHA, any awarding under the PBV will become null and void;

- (B) PREVIOUS EXPERIENCE - 10 POINTS: Includes previous experience in subsidized housing, Housing Choice Voucher or Section 8 housing, and/or the relationship the applicant has with the Housing Authority;
- (C) MANAGEMENT - 10 POINTS: Previous experience in managing affordable housing;
- (D) MARKETING PLAN - 10 POINTS: A proposed plan must be submitted showing: the need for the number of units requested; how the applicant intends to market any approved units to qualified applicants; how well does the proposal meet the goals of the PHA's Annual Plan, and whether it meets the PHA's waiting list requirements. Plans for proposed selection criteria must also be included.
- (E) PROJECT FEASIBILITY - 10 POINTS: The need for rental assistance in order to make the project feasible. The utilization of other funds (including but not limited to Low Income Housing Tax Credits) in making the development subsidized;
- (F) SPECIAL NEEDS/TARGETED POPULATIONS - 25 POINTS: The ability of the project to address unmet special needs and deal with an unserved/under-served segment of the population of McLean County. This includes but is not limited to housing for persons with disabilities, families earning 60% of the area median income or less, families with extremely low-income (30% of area median income), and veteran housing.
- (G) DESIGN – 5 POINTS: The design and layout of the proposed subsidized unit(s), and an analysis of how it will address the needs of the residents and add to the immediate surrounding area;
- (H) UNIQUE CHARACTERISTICS - 25 POINTS:
- As compared to other applications for the PBV Program and other subsidized housing developments in the county.
 - The location of the proposed unit(s) in a census tract with less than 20% poverty.
 - Cooperation from other units of local government including, but not limited to, reduction in local regulatory barriers. Local government will be given the opportunity to comment on each proposal; comments must be received within 10 days (of date notice sent) to have an effect in this category.
 - Preference under this category is also given to proposals in which the applicant offers to partner with a not-for-profit housing development partner and the Housing Authority in the proposed development.
- (I) BONUS POINTS – 20 POINTS
- Given at the discretion of the Authority or to address a new or different need (including but not limited to the degree and terms of partnership with the Housing Authority offered by the applicant).
 - May be added to point total but cannot be used to exceed the maximum of 100 points.

Applications will be ranked on a 100-point scale. The Authority reserves the right to establish the level of scoring which will be acceptable for inclusion in this program. It may adjust the parameters as necessary.

Strong preference will be shown to those applications that address unserved or under-served populations, and to those that are involved with the Housing Authority or any of its affiliates.

The point levels are maximums that can be achieved while reviewing applicants. The Authority's review and decision may be subject to HUD review.

IV. STANDARDS FOR DEVELOPMENT SITES

It is the Housing Authority's goal to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal the Housing Authority will limit approval of sites for PBV housing in census tracts that have poverty concentrations of 20 percent or less.

However, the PHA will grant exceptions to the 20 percent standard where the PHA determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement.

In order to be selected for PBV assistance, a site for newly constructed housing must meet the following HUD required site and neighborhood standards:

- The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed;
- The site must have adequate utilities and streets available to service the site;
- The site must not be located in an area of minority concentration unless the PHA determines that sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or that the project is necessary to meet overriding housing needs that cannot be met in that housing market area;
- The site must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- The site must promote a greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons;
- The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate;

- The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services equivalent to those found in neighborhoods consisting largely of unassisted similar units; and
- Except for housing designed for elderly persons, the housing must be located so that travel time and cost via public transportation or private automobile from the neighborhood to places of employment is not excessive.

V. ENVIRONMENTAL REVIEW AND OTHER REGULATORY REQUIREMENTS

Housing Authority activities under the PBV program are subject to HUD environmental regulations in 24 CFR parts 50 and 58. The responsible entity is responsible for performing the federal environmental review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The PHA may not enter into an agreement to enter into a HAP contract nor enter into a HAP contract until it has complied with the environmental review requirements.

The Housing Authority may not enter into an agreement to enter into a HAP contract or a HAP contract with an owner, and the PHA, the owner, and its contractors may not acquire, rehabilitate, convert, lease, repair, dispose of, demolish, or construct real property or commit or expend program or local funds for PBV activities under this part, until the environmental review is completed.

The Housing Authority must supply all available, relevant information necessary for the responsible entity to perform any required environmental review for any site. The Housing Authority will require the owner to carry out mitigating measures required by the responsible entity (or HUD, if applicable) as a result of the environmental review.

VI. CONDUCT OF DEVELOPMENT WORK

Labor Standards:

If an Agreement covers the development of nine or more contract units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics employed in the development of housing. The HUD-prescribed form of the Agreement will include the labor standards clauses required by HUD, such as those involving Davis-Bacon wage rates.

The owner, contractors, and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR part 5, and other applicable federal labor relations laws and regulations. The PHA must monitor compliance with labor standards.

Equal Opportunity:

The owner must comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 CFR part 135. The owner must also comply with federal equal employment opportunity requirements.

Owner Disclosure:

The Agreement and HAP contract must include a certification by the owner that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from federal procurement and non-procurement programs.

The owner must also disclose any possible conflict of interest that would be a violation of the Agreement, the HAP contract, or HUD regulations.

VII. FORMAT FOR PROPOSALS

Proposals should follow the format specified in the attached **Application Form/Cover Sheet for Project-Based Voucher Proposal**. Any proposals not submitted in the format specified will be considered incomplete and will not be reviewed.

VIII. RESERVATION OF RIGHTS

The issuance of this RFP does not constitute an agreement by the Housing Authority that any agreement to provide project-based vouchers will actually be entered into by the Housing Authority. The Housing Authority expressly reserves the right at any time to:

1. Right to Reject, Waive, or Terminate the RFP. The Housing Authority reserves the right to reject any or all proposals, the right to waive any informality in the RFP process, and the right to terminate the RFP process at any time, in its sole and absolute discretion, if deemed by the Housing Authority to be in its best interests. By submitting a proposal in response to this RFP, the applicant waives all rights to seek any legal remedies regarding any aspect of this RFP, the Housing Authority's selection of a developer, and the Housing Authority's rejection of any and all submittals.
2. Right to Not Award. The Housing Authority reserves the right not to award project-based vouchers pursuant to this RFP.
3. Right to Terminate. The Housing Authority reserves the right to terminate an award of project based vouchers pursuant to this RFP, at any time for its convenience upon 5 business days written notice to the successful proposer(s).
4. Right to Determine Financial Responsibility and Viability. The Housing Authority reserves the right to require of proposer information regarding financial responsibility and viability or such other information as the Housing Authority determines is necessary to ascertain whether a proposal is in fact financially viable.
5. Right to Request Additional Information. The Housing Authority may, during the evaluation process, request from any respondent additional information which the Housing Authority deems necessary to determine the respondent's ability to construct and manage proposed units. If such information is requested, the respondent shall be permitted three (3) working days to submit this information.
6. Right to Retain Written Proposals. The Housing Authority reserves the right to retain all written proposals submitted to the Housing Authority by all proposers in response to this RFP, and not permit the withdrawal of same for a period of 60 calendar days subsequent to the deadline for receiving said proposals. The Housing Authority may permit the withdrawal of proposals if requested in writing by the proposer and such request is approved in writing by the Housing Authority's Executive Director in his sole and absolute discretion.

7. **Right to Negotiate Fees.** The Housing Authority reserves the right to negotiate any price or provisions and accept any part, or all parts of any or all submittals, whichever is in the best interest of the Housing Authority.
8. **Right to Reject Any Proposal.** The Housing Authority reserves the right to reject and not consider any proposal that does not meet the requirements of this RFP, including but not limited to incomplete proposals and/or proposals offering alternate or non-requested services.
9. **No Obligation to Compensate.** The Housing Authority shall not be liable for any pre-contractual expenses incurred by any respondent. The Housing Authority shall be held harmless and free from any and all liability, claims, or expenses whatsoever incurred by, or on behalf of, any person or organization responding to this RFP.
10. **Public Disclosure of Proposal Documents.** To the extent applicable, documents submitted in connection with this RFP may be subject to disclosure pursuant to state law. In the event that a respondent desires to claim portions of its submittal exempt from disclosure, it is incumbent upon the respondent to clearly identify those portions with the word "confidential" printed on the lower right-hand corner of the page. The Housing Authority will consider a respondent's request for exemption from disclosure; however, the Housing Authority will make a decision based upon applicable laws. Assertions by a respondent that the entire submittal or large portions are exempt from disclosure will not be honored. All responses to this RFP shall become the property of the Housing Authority and will be retained or disposed of accordingly.

All respondents submit their applications to the Housing Authority with the understanding that final approval of any agreement is contingent upon and subject to review and approval by the Board of Commissioners of the Housing Authority.

All communications regarding this RFP should be made in writing to Jeremy Hayes, Interim Executive Director, via e-mail at jeremyh@bloomingtonha.com, by fax to 309-828-9029, or to the Housing Authority administrative office, 104 E. Wood Street, Bloomington, IL 61701.

Application Form/Cover Sheet for Project-Based Voucher Proposal
Housing Authority of the City of Bloomington

The following items may be provided as attachments to this application form, but a signed original must be submitted. Proposals must be submitted in both hard copy format addressed to Housing Authority of the City of Bloomington (ATTN: Jeremy Hayes) 104 E. Wood Street, Bloomington, IL 61701 AND electronic format as one or more PDF's via e-mail to jeremyh@bloomingtonha.com. **Proposals are due and must be received by 4:30 PM on January 9, 2019.**

(1) Name, Address, and Contact Information for Project Sponsor:

(2) Site of proposed new multi-family construction project (include Census Tract):

(3) Summary of Sponsor's development project (size, layout, total units, unit mix, etc.):

(4) List of site plan and architectural drawings made part of the proposal:

(5) Description of Sponsor's site control:

(6) Project budget, financial projections, and related information specified in II.F of the RFP:

(7) Summary of Sponsor's experience in housing development:

(8) Summary of Sponsor's experience in housing management, including participation in Section 8 program:

(9) Marketing plan for proposed development project, including demonstration of the need for type of units proposed:

(10) Description of the proposed project's ability to address unmet special needs and assist underserved segment of the population:

(11) Description of applicant's offer to partner with a not-for-profit housing development partner and the Housing Authority in the proposed development:

(12) Description of any unique characteristics and special features of the proposed development:

By signing below, the applicant acknowledges the following:

Information included in this application and all attachments hereto are true and accurate.

The project-based voucher program is a component of the federal Housing Choice Voucher (HCV) program as described in the Housing Authority's *Administrative Plan for the HCV Program*. The applicant acknowledges that any federal regulations referred to in the RFP and the *Administrative Plan* are subject to change and not intended to be a comprehensive or exhaustive guide to federal regulations related to project-based vouchers.

The Housing Authority reserves all rights indicated in Section VIII of the RFP including the right to reject any or all proposals, the right to waive any informality in the RFP process, and the right to terminate the RFP process at any time. The applicant waives all rights to seek any legal remedies regarding any aspect of this RFP, the Housing Authority's selection of a developer, and the Housing Authority's rejection of any and all submittals.

Print Name, Title, Organization

Signature

Date