

# City of Ann Arbor

## Ann Arbor Housing Commission

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Request for Proposal  
to Project-Based Vouchers

### RFP AAHC -2020-1

#### **SUBMISSION DEADLINE**

Friday, October 23, 2020 at 2:00 pm EST

An Equal Opportunity Employer

*An Equal Housing Provider*

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## SECTION I: OVERVIEW

### A. Introduction

The Ann Arbor Housing Commission (AAHC) is issuing this Request for Proposal (RFP) for the purpose of inviting interested Owners/Developers (Proposers) to submit proposals to use Project-Based Vouchers (PBVs) for their rental units to support the preservation or creation of affordable supportive housing for eligible families. Project-Based Vouchers may be awarded for an existing housing project, project that will be rehabilitated or newly constructed.

### B. Overview of Services

AAHC is making available Project-Based Vouchers to support the preservation or creation of affordable housing opportunities within the City of Ann Arbor. Project-Based Vouchers may be awarded to multiple eligible applicants up to the maximum number available.

The project-based subsidy will be attached to the units listed on the Contract and not to the individual tenant. AAHC reserves the right to award all, none, or a portion of the vouchers applied for under PBV assistance. The AAHC, by issuing this RFP, seeks Proposals from owners/developers who will commit units of rental housing to receive assistance through project-based vouchers, as detailed more fully within **Section II** of this RFP. AAHC intends to enter into one or more agreements with the selected Proposers to provide the Housing for the PBV's. The term of the awarded Agreement(s) shall be an initial 15 or 20 years with an option to renew for up to 20 years. The initial contract may not exceed 20 years and the extension may not exceed 20 years.

### C. RFP Timetable

- i. The release date of this RFP is September 9, 2020 (the "Release Date").

#### PRE-BID CONFERENCE

- ii. An optional pre-bid conference ("Pre-bid Conference") will be held by Zoom on September 14, 2020 at 9:00 a.m. Contact Weneshia Brand at [wrbrand@a2gov.org](mailto:wrbrand@a2gov.org) to RSVP.
  - a. AAHC additionally recommends that prospective Proposers submit, via e-mail, written questions in advance of the Pre-bid Conference to Weneshia Brand, Director of Operations at [wrbrand@a2gov.org](mailto:wrbrand@a2gov.org) by no later than 12:00 p.m. on September 13, 2020 so that she can address them at the pre-bidder's meeting.
  - b. Proposers will be permitted to ask additional questions at the Proposers' Conference.
  - c. Questions submitted in writing must include the business name and the name, title, address, telephone number, and e-mail address of the individual to whom responses to the Proposer's questions should be given.
  - d. Final questions deadline will be October 21, 2020, no later than 2:00pm. All questions and answers will be provided to all firms that attended the pre-bidder's conference.

## PROPOSAL DUE DATE

- iii. Proposals must be received by AAHC no later than 2:00 p.m. on October 23, 2020 (the “Proposal Submission Deadline”). Proposers should refer to Section VI (I) of this RFP for details on Proposal packaging and submission requirements.
- iv. The anticipated award date of the Agreement(s) to the Selected Proposer(s) is on or about November 9, 2020.
- v. The earliest contract award start date is January 1, 2021, but the HAP agreement start date may be up to December 2024.

## SECTION II PROGRAM OVERVIEW, BACKGROUND AND FEDERAL REQUIREMENTS

### A. Program Administration

The Project-Based Voucher (PBV) Program is administered through HUD regulations and the policies outlined in the Ann Arbor Housing Commission’s Administrative Plan. The Code of Federal Regulations Title 24, Part 983, are the primary governing regulations of the PBV program. These regulations, program rules, notices, and forms can all be found on HUD’s website at:

[https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/hcv/project](https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/project) The AAHC’s Administrative Plan is available for review at <https://www.a2gov.org/housingcommission>

### B. Purpose

The purpose of the PBV Program is to encourage property owners to attach Project-Based Voucher assistance to a rental property in order to preserve and increase the number of housing units serving very low-income persons (50% AMI or less) in the community. The AAHC’s goal is to decrease the concentration of poverty in Washtenaw County by providing opportunities for very low-income households to live in high opportunity areas with employment opportunities, public transportation or high mobility areas, low-poverty rates, and access to goods and services. In addition, the AAHC’s goal is to increase opportunities for extremely low-income (30% AMI or less), homeless, disabled, and other special needs households to live in permanent supportive housing.

### C. Funding

Funding for project-based assistance comes from funds already obligated by HUD to the AAHC’s Housing Choice Voucher Program. This funding is subject to annual federal reauthorization. The AAHC may use up to 20% of the voucher unit allocation from HUD for a PBV program. In addition, the AAHC may project-base an additional 10% of the voucher unit allocation for PBV units if those units are reserved for homeless households; and/or veterans; and/or if the project owner provides services to persons with disabilities or to elderly persons; and/or if the project is located in a census tract with a poverty rate of 20% or less.

## D. Description of PBV Program

Under this PBV Program, the AAHC will provide assistance to housing developments defined by HUD as follows:

- I. **Existing housing** is considered an existing unit for purposes of the PBV program, if at the time of notice of PHA selection the units substantially comply with HQS.
- II. **New construction housing** is housing that does not exist on the proposal selection date and is developed after the date of selection pursuant to an Agreement between AAHC and the owner for use under the PBV program.
- III. **Rehabilitated housing** is housing that is planned to be rehabilitated and the rehabilitation will be completed after the date of selection pursuant to an Agreement between AAHC and the owner for use under the PBV program.

HUD-established HQS specifications are described in the Code of Federal Regulations, Chapter 24, Section 982.401. All PBV assisted units must meet HQS and other requirements before rental assistance can commence.

After the project is awarded and all terms and conditions have been met, the AAHC will enter into an Agreement to a Housing Assistance Payment (AHAP) for new construction or housing that will be rehabilitated. After the project is constructed, rehabilitated or if the housing is an existing property not requiring renovation, then the AAHC will enter into a Housing Assistance Payment (HAP) contract with the owner.

The HAP contract establishes the initial rents for the units and describes the responsibilities of the AAHC and the owner. Rental assistance (which is based on each household's income) is provided while the units are occupied by eligible individuals or families referred from the AAHC's Project-Based Voucher waitlist or the Continuum of Care (CoC) Homeless by-name list. All HAP contracts and subsequent renewals are contingent upon the future availability of appropriated HUD funds.

## E. Cap on Number of PBV Units per Project

PBV may be provided for the greater of twenty-five units or twenty-five percent (25%) of units in a project. However, the following units are excluded from the project cap and up to 100% of the units may have a PBV: units exclusively serving the elderly, or units housing households eligible for supportive services that are available to all families receiving PBV assistance for the project. In addition, units in projects that are in a census tract with a poverty rate of 20 percent or less are subject to a higher PBV cap of forty (40%) of the units.

## F. Occupancy and Vacancy of PBV Units

Project-based units must be leased only to families eligible for Housing Choice Voucher assistance for the term of the HAP contract. For existing housing projects, designated PBV units

that are occupied on the proposal selection date must be occupied by a family eligible for Housing Choice Voucher PBV assistance. If the family is not eligible, the unit cannot be selected for PBV assistance.

PBV units that are vacant at the time of project selection or become vacant at any time during the term of the PBV HAP contract will be filled with eligible applicants from the Housing Commission Project-Based Voucher waiting list. The owner and tenant of a Project-Based unit must notify AAHC immediately if a tenant will be moving from a PBV unit. The Housing Commission will maintain a waitlist for projects awarded under this Request for Proposal. The AAHC will maintain a single waitlist for all Project-Based Voucher projects, unless the Owner/Developer requests that a separate waitlist be maintained, which will be considered on a case by case basis. The AAHC will select applicants from its waiting list to determine eligibility for the PBV program. AAHC will then refer qualified individuals/families to the owner for tenant screening. Once an applicant is approved by the owner, the owner may execute the lease. If the individual/family is denied the owner must provide written notice to the family and AAHC within 10 business days.

If the referral is accepted, the apartment must pass a Housing Quality Standard Inspection (HQS) before the tenant moves in and before the AAHC can make a rental subsidy payment. The tenant will be responsible for paying application fees, security deposits and their portion of the rent directly to the owner/property manager. Tenants will pay 30% of their adjusted gross income for rent and utilities (based on a utility allowance) and the AAHC will pay the balance of the rent to the owner/property manager's bank account by the first of the month each month.

The AAHC must meet HUD's income target of providing 75% of its vouchers to households at 30% of Area Median Income or less, including project-based vouchers.

If the owner notifies the AAHC within a reasonable time, when a tenant moves out, the AAHC will pay the full rent to the owner for up to 60 days for the vacancy while the AAHC and the owner/property manager are processing a new tenant.

## G. Ineligible Units

Certain special housing types are NOT eligible for project-based assistance. These include transitional housing, owner-occupied units, shared housing, public housing, Section 202 housing, Section 236 housing (exception made for units subsidized with Section 236 interest reduction payments), units that are receiving another operating subsidy, and units occupied by families who are not eligible for participation in the PBV program. Please see 24 CFR 983.53 for a complete list of ineligible properties.

## H. Rent Limits

The units that will be listed on the project-based contract will have rents limits. HUD regulations must be followed at the time that the rents are set for the initial rent and any subsequent rent increase that is requested by the Owner/Developer. The gross contract rent

(including utility allowance) may not exceed the maximum set by HUD, which is currently 110% of Fair Market Rent (FMR) for both initial rent and annual adjustments. In addition, a rent reasonable study must be conducted in relation to rents charged in the private market for comparable unassisted units to ensure that the rents do not exceed rents in comparable units.

<b>Fair Market Rents at 110% (Including Utilities) Effective 10.2020</b>					
<b>Studio</b>	<b>1 BR</b>	<b>2 BR</b>	<b>3 BR</b>	<b>4 BR</b>	<b>5 BR</b>
\$1132	\$1147	\$1,390	\$1,752	\$2081	\$2,393

The owner must request rent increases from the AAHC at least 90 days prior to the effective date of the rent increase. The AAHC will conduct a rent reasonable assessment prior to approving a rent increase.

## I. Federal Requirements

Certain other Federal requirements also apply to PBV assistance, including, but not limited to:

- i. Fair Housing. Non-discrimination and equal opportunity. See 24 CFR 5.105(a) and section 504 of the Rehabilitation Act. Selected projects are subject to Fair Housing reviews which may include review of marketing and outreach plans and reasonable accommodation policies.
- ii. Environmental Review. See 24 CFR parts 50 and 58 and 24 CFR part 983.58.
- iii. Eligibility Restrictions. Prohibition on use of debarred, suspended, or ineligible contractors. See CFR 5.105(c) and 24 CFR, part 24.

In addition to the above, the following applies for new construction and rehabilitation projects:

- iv. The project will be subject to a HUD subsidy layering review, in accordance with HUD subsidy layering regulations (24 CFR 4.13) to prevent excess subsidy.
- v. Labor Standards. Regulations implementing the Davis-Bacon Act, Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), 29 CFR part 5, and other federal laws and regulations pertaining to labor standards applicable to an Agreement covering nine or more assisted units.
- vi. Section 3 of the Housing and Urban Development Act of 1968



## SECTION III. OFFER OF PROJECT BASED VOUCHERS

### A. Number of PBV Units Available

The Housing Commission will make Project Based Vouchers available for up to 150 vouchers through this RFP process, depending on available funding.

50 vouchers are available for homeless households

10 vouchers are available for veterans (exclusive of VASH)

40 vouchers are available to households providing supportive service to persons with disabilities or to elderly persons

50 vouchers without additional restrictions on the occupants (fall within 20% PBV cap)

### B. Project Eligibility

The goal of project-based assistance for housing is to deconcentrate poverty and expand housing and economic opportunities. See 24 CFR Section 983.57 Site Selection Standards.

In order to be considered under this RFP, all projects submitted must meet the conditions stated below:

- i. Proposed projects must be located within the City of Ann Arbor.
- ii. Priority will be given to projects located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey 5-Year Estimates. A project that qualifies for the increased project cap at the time of HAP contract execution continues to qualify for the exception for the length of the contract regardless of changes in the poverty rate for the census tract in which the project is located. You may review poverty rates by census tract at <https://www.huduser.gov/portal/maps/hcv/home.html>
- iii. Proposed projects that are not in a census tract with a poverty rate of 20% or less will be considered if one or more of the conditions below exist:
  - a. The census tract in which the proposed PBV development will be located in is a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
  - b. The PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
  - c. A census tract in which the proposed PBV development will be located is undergoing significant revitalization;
  - d. State, local or federal dollars have been invested in the area that has assisted in the achievement of this statutory requirement;

- e. 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;
- f. Over the past 5 years, there has been an overall decline in the poverty rate:
- g. A census tract where more than 50% of residents are post-secondary students (college students).
- h. A project that is providing permanent supportive housing which provides a wide spectrum of supportive services including at least 5 of the services listed below:
  - a. It is not necessary that the services be provided on-site or by the owner, if they are approved services and the owner/developer can demonstrate that the services will be provided. To qualify, a family must have at least one member receiving at least one qualifying supportive service. The owner/property manager may not require participation in medical or disability-related services other than drug and alcohol treatment in the case of current abusers as a condition of living in a PBV unit, although such services may be offered.
  - b. The owner will either provide supportive services or refer tenants to supportive services provided in the community. The supportive service requirement will be monitored at a minimum annually during the annual income recertification process. The owner may also refer tenants to specific supportive services as needed. Supportive services can include but are not limited to:
    - Family Self Sufficiency Program
    - Payee Services
    - Financial Literacy/Credit Counseling
    - Employment/Job Skills
    - Anger Management/Conflict Resolution
    - Mental Health Support
    - Medical Care
    - Substance Abuse Recovery Support
    - Domestic Violence
    - Parenting and Child Welfare
    - Education and Employment Support
    - Coordination of Entitlements
    - Money Management and Financial Literacy
    - Assistance with Basic Needs
    - Legal Services
    - Child Care

- Transportation
  - Security
  - Household Maintenance and Activities of Daily Living
  - Connections to Mainstream Services and Community Resources
  - Tenancy Problems and Lease Violations
  - Guest Monitoring and Support
  - Eviction Prevention
- iv. PROJECT CAP: Owner/Developer may request to project-base no more than 25 units or 25% of the units at a proposed project (there is no minimum requirement). However, the following units are excluded from the PBV project cap and up to 100% of the units may have a PBV: units exclusively serving the elderly, or units housing households eligible for supportive services that are available to all families receiving PBV assistance for the project. In addition, units in projects that are in a census tract with a poverty rate of 20 percent or less are subject to a higher PBV cap of forty (40%) of the units.
  - v. Existing projects must substantially meet Housing Quality Standards (may be recently constructed or rehabbed).
  - vi. For Construction and Rehabilitation projects, the construction must **not** have started at time of selection for PBV (and cannot start until all post-award conditions are met and an Agreement is signed).
  - vii. New construction projects must provide a detailed plan for its construction and permanent financing which identifies the committed financing and anticipated remaining funding sources, including the status and commitment timeline for each source.
  - viii. Owner/Developer must have site control or evidence to indicate that the needed approval/documentation for site control is likely to be obtained and will not delay the project.
  - ix. Owner/Developer must provide evidence that the proposed new construction is permitted by current zoning ordinances or regulations, or evidence to indicate that the needed rezoning is likely to be obtained and will not delay the project.
  - x. The Project must meet all applicable requirements of the HUD Project-Based and Housing Choice Voucher program regulations.
  - xi. Due to the above conditions and requirements, owner/developer should be aware of the significant lead time necessary to secure all required approvals prior to commencement of construction.
  - xii. Execution of an Agreement to enter into a Housing Assistance Payments contract (AHAP) or Housing Assistance Payment (HAP) is contingent upon completion of all of the above requirements.

- xiii. Owner/Developer must be aware that tenants residing in project-based voucher units are eligible to receive a tenant-based voucher from the AAHC after living in the project-based voucher apartment for one year, as tenant-based vouchers become available.

## C. Limit on Number of Projects

Owner/Developer can submit up to 3 proposals for consideration under this RFP for all of its related legal entities. Each application must be for a single project. A project is defined as a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land.

## D. PBV Voucher Award

Proposals that meet the program requirements outlined in Section III B. Will be evaluated and ranked according to the rating and selection factors described below and in Section VIII of this RFP. A ranking list will be prepared according to points awarded to each proposal.

Project applications that have previously been awarded funding under a competitive proposal, that did not contemplate vouchers provided under this RFP, may be awarded project-based vouchers under this award without completing a full application. These projects need to complete a cover sheet and evidence of the award from a previous competition.

For projects that must provide a complete application, the project applications scoring the highest points will be **conditionally** awarded project-based vouchers up to the amount requested on the proposal. After awarding the highest scoring application(s), the Housing Commission may conditionally award the next highest-ranking applications with project-based vouchers up to the amount requested and so on. If the Housing Commission determines that an application is eligible for PBV funding but cannot be fully funded at the amount requested by the owner/developer, the owner will be given the opportunity to receive partial funding.

Before selecting projects, the Housing Commission will determine that each application is responsive to and in compliance with the Housing Commission's written selection criteria as stated in this RFP, and in conformity with HUD program regulation and requirements at 24 CFR part 983. The Commission may request additional documentation as needed to determine an applicant or project's eligibility or qualifications. AAHC may, at its discretion, select none of the proposals submitted and reserves the right to postpone or cancel the final award of the proposals at its convenience.

## E. Pre-Award Conditions

Prior to project selection, AAHC must conduct:

**Site and Neighborhood Standards Review under 24 CFR 983.57.** Before proposal selection, AAHC will conduct an inspection of the proposed PBV site. Site selection standards include 1) An assessment of the physical attributes and appropriateness of the site for the proposed units; and 2) An assessment of whether the project is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities as stated in AAHC's Administrative Plan. Owners/developers may be asked to submit additional information to help facilitate this site review.

## F. Post Award Conditions

For the selected project(s), the following items must be completed before AAHC and the owner can execute an Agreement (AHAP) or Housing Assistance Payments (HAP) contract.

- i. **Environmental Review.** PBV activities are subject to HUD environmental regulations in 24 CFR parts 50 and 58. AAHC must obtain documentation of environmental clearance from the Responsible Entity who conducted or approved the environmental review (see 983.58).
- ii. **Determination of initial contract rent.** The AAHC will determine the amount of initial rent to owner according to 24 CFR Section 983.303, paragraph (c). If the project is an AAHC-affiliated property, the rent will be determined by an independent agency.
- iii. **Subsidy layering review.** New construction or rehabilitation PBV projects that utilize tax credits or other governmental housing assistance from federal, state or local agencies are subject to a subsidy layering review (see 24 CFR 983.55) to prevent excessive public assistance for the project. Owners/developers will be required to submit a list of documents to AAHC which will then be submitted to HUD for the review unless a review has already been completed under another competition.

## G. Equal Opportunity

AAHC is an Equal Opportunity Business Enterprise which promotes competitive solicitations and does not discriminate on the basis of race, color, religion, creed, national origin, sex, disability, age or sexual orientation. The Housing Commission encourages Minority, Small, Women- or Disabled- owned Business Enterprises to respond to this solicitation.

## SECTION IV. AGREEMENT FOR SERVICES

### Housing Assistance Payment (HAP) Agreement

Under the agreement resulting from this Request for Proposals, the Proposer must perform the following Services:

- i. Commit new, units to be rehabilitated or existing rental units to be part of this program, in which selected units will receive a Project Based Voucher for up to an initial fifteen or twenty-year term, with additional renewals at both parties' option up to a 20-year term. Should a selected tenant leave the rental unit, the assistance will remain with the unit as long as the new tenant meets the Housing Choice Voucher eligibility requirements.

The terms and condition of the program will be in compliance with the Sample Agreement and Contract found at:

[https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/hcv/project](https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/project)

## PAYMENT FOR SERVICES

The Owner/Developer shall be compensated for services performed in accordance with the terms and conditions of the Agreement, the terms and conditions are defined in the HAP Contract. Compensation shall consist of a monthly rental subsidy.

## COMMITMENT LETTER

After the developer/owner's proposal is approved the Housing Commission will issue a conditional commitment letter, which will be followed by either the AHAP Contract for new construction and rehabilitation projects or a HAP contract for existing projects, once all terms and conditions are met.

## SECTION V. RFP PROCEDURES

### A. General Information - Communications with AAHC

- I. From the Release Date of this RFP until AAHC awards the Agreement, the only contact the Proposer may have with AAHC regarding this RFP is with AAHC's Director of Operations, Weneschia Brand. The Proposer should rely only on representations, statements or explanations contained in this RFP, in documents that AAHC provides to the Proposer, and in such formal written addenda as may be issued by AAHC prior to the Proposal Submission Deadline. The Proposer must not rely on any material, whether written or oral, that the Proposer receives from any other source.
- II. It is the Proposer's responsibility to ensure that it has a complete and thorough understanding of all requirements, expressed or implied, regarding what AAHC expects from the Proposer, as set forth in this RFP, prior to submitting its Proposal. By submitting a Proposal, the Proposer covenants that it will not make any claims for or have any rights to damages because of any misinterpretation or misunderstanding of

the Scope of Services, as described in **Section IV** of this RFP, or because of any misinformation or lack of information concerning this RFP.

## B. Modifications; Negotiations

- I. On or before the Proposal Submission Deadline, a Proposer may submit a modified complete Proposal to replace all or any section of a previously submitted Proposal. AAHC personnel will not insert pages or otherwise modify the Proposer's Proposal. The Proposer has the full responsibility for ensuring that its final Proposal has been submitted in desired form by the Proposal Submission Deadline. The front cover of a modified Proposal must identify it as a modified Proposal and must include the date on which it is submitted.
- II. AAHC reserves the right to issue addenda to correct, modify or amend this RFP (including any Scope of Service requirements and/or terms or conditions) prior to the Proposal Submission Deadline, by sending written notification to each party who attended the mandatory pre-bidder conference. AAHC will advise such parties regarding any clarifications or revisions it makes to this RFP. If, in AAHC's sole judgment, additional time is required for Proposers to respond, AAHC may grant an extension of time to all Proposers.
- III. AAHC reserves the right to communicate with any of the Proposers, but it is not obligated to do so. AAHC may discuss the Proposals of any Proposers concurrently or sequentially, as AAHC may determine to be in its best interest. No Proposer has any rights against AAHC arising from any such invitation to a discussion, or from any negotiations that may arise pursuant to the discussions.
- IV. A Proposer must comply with all requests for information and, if requested by AAHC, appear for discussions. If a Proposer fails to do so within the time period given (or within any time extension that AAHC may grant), AAHC may deem the failure to be an act of non-conformance with the RFP requirements, which will permit AAHC to award the Agreement to another Proposer or to solicit new Proposals. In furtherance and not in limitation of the foregoing, before a final award is made, AAHC may require a Proposer to produce more detailed information concerning the professional background of those persons who own and manage such Proposer, a report on the financial background of such Proposer, and/or information concerning the nature and status of any past, pending or threatened charges or actions (including lawsuits, criminal or disciplinary actions, administrative proceedings by any governmental or regulatory agency or bankruptcy action) against such Proposer or any of its partners, directors, officers, employees or shareholders, as the case may be.

## C. Withdrawal of Proposals

- I. **Prior to Proposal Submission Deadline.** A Proposer may withdraw its Proposal from consideration at any time prior to the Proposal Submission Deadline by notifying AAHC's Coordinator in writing of its desire to withdraw the Proposal.
- II. **After Proposal Submission Deadline.** Proposers may withdraw their Proposals with written notice to the AAHC's Proposal Committee Board.

## D. Postponement or Cancellation of RFP or Rejection of All Proposals

AAHC reserves the right to postpone or cancel this RFP, to reject any and all Proposals, to re-advertise for new Proposals and/or not to award any Agreement pursuant to this RFP, if AAHC deems it in its best interest to do so.

## E. Costs Incurred by Proposers

AAHC is not liable for any costs that a Proposer incurs in preparing its Proposal, for any work performed in connection therewith, or for travel expenses related thereto (including, without limitation, expenses related to attending the Proposers' Conference). AAHC's receipt of a Proposal from a Proposer in no way obligates AAHC to that party.

## F. Freedom of Information Act

This proposal and responses to this proposal are subject to the Freedom of Information Act.

## G. Public Announcements

Any party receiving this RFP shall not make news releases or other public announcements relating to this RFP without the prior written approval of AAHC.

## H. AAHC Discretion

AAHC, in its sole discretion, may waive what it considers to be non-material non-conformance by a Proposer with the requirements of this RFP.

## I. Proposal Packaging and Submission Requirements

- i. Each Proposer is required to submit one (1) signed original and one (1) copy of its Proposal package. The original signed hard-copy must be clearly labeled as such. Each proposer must also submit one electronic copy to [WRBand@A2gov.org](mailto:WRBand@A2gov.org). If there are any differences between the original and any of the copies (or the electronic copy of the Proposal), the material in the hard copy original will prevail.



- ii. Each original Proposal must be signed by a principal or officer of the Proposer, who is duly authorized to commit the Proposer to fulfilling the Proposal. If a joint venture is submitting a Proposal, the original Proposal must be signed by a principal or officer of each member of the joint venture and a detailed description of the form of the joint venture must be included. The copies may have original signatures or photocopies of the signatures. All Proposals and accompanying materials (i.e., CD-ROMs and/or Flash drives) shall become the property of AAHC and will not be returned to the Proposers.
- iii. All proposals (AAHC's application form and supporting documents) must be legible and organized. All proposals must be bound by use of a binder or similar cover device.
- iv. The Proposer must include its complete return address on the outer envelope or wrapper enclosing any materials submitted in response to this RFP. Such outer envelope or wrapper should be sealed and addressed as follows:

FROM: Proposer's Name  
Proposer's Address

TO: Ann Arbor Housing Commission  
727 Miller Avenue  
Ann Arbor, MI 48103  
Attn: Weneschia Brand  
Director of Operations

**Electronic copy may be submitted to [WRBrand@a2gov.org](mailto:WRBrand@a2gov.org) or provided on a storage device with the paper copy**

Proposal Submission Deadline: 2:00 pm, October 23, 2020

- v. Proposals may be mailed or hand delivered to AAHC at the above address and must be **RECEIVED** by AAHC no later than 2:00 p.m. on the Proposal Submission Deadline date. Please contact Weneschia Brand if you will be delivering a hand delivered proposal so that she can arrange to meet you at the office, which is closed due to COVID-19. Hand delivered proposals will be accepted **ONLY** between the hours of 9:00 a.m. and 5:00 p.m., Mondays through Fridays, excluding the holidays observed by AAHC, as listed below, or 9:00 a.m. and 2:00 p.m. on the Proposal Submission Deadline date. AAHC will not accept Proposals transmitted via facsimile. AAHC observes the following holidays:  
none during this timeframe

## J. Selection Based on Previous Competition

AAHC may select, without competition through this RFP, a proposal for housing assisted under a federal, State, or local government housing assistance, community development, or supportive services program that required competitive selection of proposals (e.g., HOME, CDBG, LIHTC etc), where the proposal has been selected in accordance with such program's competitive selection requirements within 3 years of the PBV proposal selection date (between November 2017 and October 2020), and the earlier competitively selected housing assistance proposal did not involve any consideration that the project would receive PBV assistance. Projects that meet that criteria only need to complete the project Cover Sheet and evidence of the award under a previous competition.

## SECTION VI. SUBMITTAL SECTIONS

### A. REQUIRED DOCUMENTS

The Proposer must demonstrate, to the satisfaction of AAHC, that it has the skill and experience, as well as the necessary personnel and financial resources, to provide the required Services in a satisfactory and timely manner. The following documents must be included in this section of the Proposer's Proposal, in the order shown below:

1. A table of contents
2. Complete the Cover Sheet
3. Narrative Summary of the Project Proposal. No more than 1 page. Please include a description of how project-based vouchers will enable your organization to meet the AAHC goals of decreasing the concentration of poverty in City of Ann Arbor by providing opportunities for very low-income households to live in communities with greater economic opportunities, public transportation, access to services, and educational opportunities. In addition, the AAHC's goal is to increase opportunities for extremely low-income, homeless, disabled, and other special needs households to live in permanent supportive housing in City of Ann Arbor.
4. Complete the Submittal Sections in Section VI of this RFP
5. Proof of the Proposer's legal existence as a business entity; if the Proposer was not organized under the laws of the State of Michigan, proof that the Proposer is qualified to do business in Michigan.
6. Proposers who currently do not have a business relationship with the AAHC (existing contract or MOU), must provide two business references pertinent to the Scope of Services with contact information (company name, address, short description of the nature of reference, contact name and contact's telephone number)

7. Copies of the Proposer's audited financial statements for its most recent two (2) fiscal years. If the Proposer is a joint venture, provide this information with respect to each member of the joint venture.

# 1. Cover Sheet

<b>Applicant Information</b>	
Organization Name: _____	
Primary Contact Name and Title: _____	
Address: _____	
Phone Number: _____	E-Mail: _____
Tax ID: _____	DUNS Number: _____
Non-Profit/Governmental Organization (Y/N)? _____	
<b>Project Information</b>	
Property Address: _____	
Census Tract: _____	
Total # of Units in Project: ____ Total # of Units Requesting PBV: ____	
Indicate whether PBV units (meet the 10% exception rule): Homeless ____ Veterans ____	
Services to seniors or persons with disabilities ____ Census tract with < 20% poverty ____	
If requesting PBV for more than 25% of the project units, indicate the exception category below that qualifies the project:	
Seniors (62 or older) ____ Qualified Services ____ Census tract with < 20% poverty ____	
Indicate the category for the application below:	
Existing Project: _____ Rehabilitation: _____ New Construction: _____	
Target date to project-base the vouchers (ready for occupancy) (MM/YY)? _____	
Was this project previously approved under another competitive funding application (Y/N)? ____	
If so, please submit evidence of award with this cover page	

By signing below the representative of the business hereby certifies that:

I have examined the Request for Proposal and hereby agree to the terms as stipulated and set forth herein. I agree that this submission is good for 120 calendar days after the scheduled submission deadline.

The submission is genuine and is not made in the interest of or on behalf of any undisclosed person, firm or corporation, and is not submitted in conformity with any agreement or rules of any group, association or corporation. I have not solicited or induced any person, firm or corporation to refrain from submitting. Our organization will not discriminate against any employee or applicant for employment because of race, creed, color or national origin in connection with the performance of work.

I certify that the units we are applying for rental assistance for do not currently receive rental assistance or operating subsidy from any source (local, state, or federal sources as well as other public or private sources including other project-based assistance, rent supplement and/or tenant-based voucher programs).

I have carefully prepared this submission, and the required information is accurate. The information submitted does not contain falsified records.

Respectfully submitted by: \_\_\_\_\_

Print Name	Signature	Date
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## 2. Project Details

Provide the following as a narrative, chart, and/or attachments:

- i. **Project description:**
  - a. Number of buildings, year built, and housing type (townhomes, mid-rise etc.)
  - b. Number of units by bedroom size and number of bathrooms,
    - i. indicate proposed rent
    - ii. indicate what utilities are included in the rent
    - iii. indicate what utilities are not included in the rent
      1. indicate the utility type for the following appliances
        - a. Furnace Heating
        - b. Water Heating
        - c. Cooking Range
      2. Indicate if the unit will provide
        - a. Air Conditioning Unit
        - b. Refrigerator
        - c. Range (Stove)
    - iv. indicate which units will be PBV
    - v. indicate which units will be accessible and/or visitable
    - vi. indicate income restrictions for each unit (as applicable)
  - ii. **List of on-site amenities:** laundry, playground, community center etc.
    - a. Include any green or energy efficiency improvements
  - iii. **Visuals:** Photos, artistic rendering, and/or site plan for project.
  - iv. **Description of Surrounding Neighborhood:**
    - a. Include location of nearest bus stop
    - b. Neighborhood features such as parks, grocery stores, services
  - v. **Rent comparability:**
    - a. 3 market-rate units for each bedroom size
    - b. Within .5 miles of property location
    - c. Should be comparable building age and apartment square footage
  - vi. **If project is not in the prioritized census tract in Section III.B, provide supporting documentation for how the project meets the requirements of Section III.B for deconcentrating poverty and providing economic opportunities.**

Please describe how the project meets the AAHC's goal to decrease the concentration of poverty in City of Ann Arbor by providing opportunities for very low-income households to live in communities with greater economic opportunities, public transportation, access to services, and educational opportunities. In addition, the AAHC's goal is to increase opportunities for extremely low-income, homeless, disabled, and other special needs households to live in permanent supportive housing in Ann Arbor. [opportunity to expand on narrative summary if needed]

### 3. Owner & Development Team Experience

Provide the following as a brief narrative, chart, and/or attachments:

#### **Owner Projects:**

Provide descriptions of 3 projects that exhibit the Owner's experience in affordable multi-family real estate, focusing on the experience most relevant to this RFP. For each project, provide the following minimum information:

- i. Project Name and location.
- ii. Brief description of the project (indicate if new construction or existing housing and indicate development financing sources and amounts).
- iii. Indicate whether units received rental assistance and the type of assistance
- iv. Tenant target population such as income restrictions and any special needs housing
- v. Number of units and housing type

#### **Owner and Developer Background**

Provide the following:

- i. Provide a complete disclosure of all entities and individuals comprising the Owner and any subsidiaries of the owner.
- ii. If the Owner and Developer are different legal entities, for new construction projects provide the legal name of the developer and any subsidiary entities of the developer.
- iii. An organization outline or chart identifying the names, titles and reporting relationships of key personnel who will be involved in the project. Include a resume for each key person or a summary of qualifications.
  - a. Indicate key financial and administrative staff responsible for administering the project-based vouchers.
  - b. If a subcontractor is utilized for any of these key positions, a contract or memorandum of understanding must be included.
- iv. Indicate whether the Owner or Developer has ever experienced a foreclosure or bankruptcy.
- v. If the Owner or Developer has previous experience with the LIHTC, HUD or other federal or state programs, describe any unresolved audit findings.
- vi. Indicate whether the Owner, Developer or related entity has been debarred from receiving federal funding.

## 4. Property Management Experience

Provide the following as a brief narrative, chart, and/or attachments:

### **Property Manager Projects:**

Provide descriptions of 3 projects that exhibit the property manager's experience in affordable multi-family real estate, focusing on the experience most relevant to this RFP. For each project, provide the following minimum information:

- i. Project name and location.
- ii. Brief description of the project such as number of units and housing type
- iii. Indicate whether units received rental assistance and the type of assistance
- iv. Indicate the types of federal funding or LIHTC compliance required
- v. Describe any services provided to residents and who performed the services
- vi. Tenant target population such as income restrictions and any special needs housing
- vii. An organization outline or chart identifying the names, titles and reporting relationships of key personnel who will be involved in the project. Include a resume for each key person or a summary of their qualifications.
- viii. If the Property Management Company has previous experience with the LIHTC, HUD or other federal or state programs, describe any unresolved audit findings.

## 5. Target Population and Supportive Services Plan

Provide the following as a brief narrative, chart, and/or attachments:

### **Target Population:**

- i. Please describe the target population for the project and why project-based vouchers will enable the applicant to provide housing for this target population
- ii. Identify community statistics or provide a link to community plans that support the need to provide housing for the target population

### **Tenant selection criteria and plan**

Provide a copy of or description of tenant screening requirements including what factors would screen out a tenant such as a credit check, history of eviction, or criminal background.

### **Supportive Services (if applicable):**

- i. Anticipated Resident Needs
- ii. Programs and Activities
- iii. Staffing and Experience of the service provider
- iv. Service Budget and Source of Funds
- v. Include any Coordination with and Commitment of Community Resources
- vi. Include any contracts or Memorandums of Understanding with the service provider

This list is provided as guidance and is not considered to be exhaustive.



## 6. Readiness to Proceed

Provide the following as a brief narrative, chart, and/or attachments:

### Site Requirements

All proposals must provide the following:

- i. Evidence of site control
  - a. Proof of ownership or
  - b. Option agreements or sales contracts

New Construction and Rehabilitation Projects must also provide

- ii. Documentation of zoning status.
  - a. Evidence that site has appropriate zoning or
  - b. Timeline and rezoning proposal

### Financial Feasibility

All proposals must provide the following:

- i. A 10-year operating budget for entire project
  - a. With project-based vouchers
  - b. If different, without project-based vouchers

New Construction and Rehabilitation projects must also provide

- ii. A development pro forma listing sources and uses
  - a. letters of commitments
  - b. letters of interest
  - c. timeline for securing uncommitted funding sources
- iii. Construction timeline
  - a. Reasonable expectation that project will be ready for occupancy by December 2024

**Note:** If sources and uses change prior to closing, AAHC shall perform a final review. In the event financial feasibility analysis changes throughout the commitment and is not deemed satisfactory to AAHC's underwriting requirements, AAHC may cancel the commitment.

HUD will also conduct a subsidy layering review for new construction and rehabilitation projects to ensure that there is not excessive subsidy.

## 7. Additional Brochures and Attachments (Optional)

This section of the Proposal may include articles, pre-printed brochures, and other material not specifically prepared for the Proposer's Proposal in response to this RFP, but that the Proposer believes will help AAHC to evaluate the Proposer's qualifications and Proposal. This section of the Proposal must be bound separately from the other materials prepared for the Proposal.

## B. SCORING CRITERIA

Proposals will be evaluated by an RFP Evaluation Committee consisting of both AAHC staff and community members.

The following criteria will be utilized to evaluate each proposal submitted; award of points for each criteria will be based upon the documentation that the proposer submits:

<b>SCORING CRITERIA:</b>	
<b>CRITERIA</b>	<b>MAXIMUM POINTS</b>
1. Property is in area with less than 20% poverty	10
2. Project Details	20
3. Owner and Development Team Experience	15
4. Property Management Experience	15
5. Target Population and Supportive Services	20
6. Readiness to Proceed/Project Feasibility	20
<b>TOTAL MAXIMUM POINTS:</b>	<b>100 points</b>

## C. Award of Agreements

- i. Upon completion of the evaluation of Proposals, AAHC will notify developer/Owner(s) of the approval of their proposal via a conditional commitment letter.
- ii. Before expiration of a 120-calendar day period after the submission of a Proposal, AAHC will advise the selected proposers that they have been selected. AAHC expects to enter into a 15 or 20--year Agreement to Enter Housing Assistance Payment (AHAP) or Housing Assistance Payment (HAP) contract with the Selected Developer/Owner, subject to renewal for up to 20 additional years at both parties discretion; which will be in the general format of the sample agreement and will encompass (1) this RFP and the exhibits hereto and (2) the Selected Proposers' Proposals and all subsequent modifications thereto.
- iii. Within 10 calendar days after the prospective Developer/Owner receive notification of its selection, the prospective Developer/Owner must provide proof of property and general liability insurance, if necessary, upon request from AAHC.
- iv. The prospective Developer/Owner must execute its AHAP or HAP contract with AAHC within a reasonable time period, not to exceed 120 calendar days, following AAHC's notification to the prospective Developer/Owner that it has been selected. If the prospective Developer/Owner does not enter into the AHAP or HAP within such time period, AAHC may disqualify such prospective Developer/Owner and select another Developer/Owner.

- v. The Owner/Developer must at all times have in effect any required licenses and permits necessary to perform the Services required under the Agreement, if applicable.

**END OF DOCUMENT**