# City of Ann Arbor Ann Arbor Housing Commission

# Request for Proposal to Project-Based Vouchers

# RFP 250401

# **SUBMISSION DEADLINE**

Tuesday, June 10, 2025 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 (Applicants) 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, or projects that will be rehabilitated or newly constructed housing.

#### B. Overview of Services

The AAHC is making available PBVs to support the preservation or creation of affordable housing opportunities in the City of Ann Arbor. PBVs 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. The 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 PBVs, as detailed more fully within **Section II** of this RFP. The AAHC intends to enter into one or more Agreements with the selected Applicants to provide the housing for the PBVs. 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 April 27, 2025 (the "Release Date").
  - a. AAHC additionally recommends that prospective Applicants submit, via e-mail, written questions to Weneshia Brand, Deputy Director at <a href="wrbrand@a2gov.org">wrbrand@a2gov.org</a> by no later than **12:00 p.m. on June 4, 2025**.
- ii. Proposals must be received by AAHC no later than **2:00 p.m. on Tuesday, June 10, 2025** (the **"Proposal Submission Deadline"**). Applicants should refer to **Section V-I** of this RFP for details on submission requirements.
- iii. The anticipated award date of the Agreement(s) to the selected Applicant(s) is on or about July 1, 2025.
- iv. The earliest Contract start date is estimated to be September 1, 2025. The start date is dependent on completion of the subsidy layering review, environmental review and other HUD regulatory requirements. The AAHC will reserve the awarded PBVs through September 1, 2029. If the project is not reasonably progressing so that a HAP agreement can be executed by September 2029, the AAHC reserves the right to allocate the PBVs to another project.

# 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.

The AAHC's Administrative Plan is available for review on the AAHC's website.

# B. Purpose

The purpose of the PBV Program is to encourage property owners to attach Project-Based Voucher assistance to a rental property 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 as defined by the McKinney-Vento Act Homeless Assistance Act; and/or veterans; and/or if the 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 or a zip code where the rental vacancy rate is less than 4% or a zip code area where 90% of the SAFMR is more than 110% of Washtenaw County's FMR and/or the units are exclusively made available to eligible youth as defined by HUD in Section 8(x)(2)(B) of the U.S. Housing Act and the units use Family Unification Program (FUP) assistance or Foster Youth Initiative (FYI) assistance. In addition, units are exclude from the program cap and project cap if they meet the definition of 24 CFR Section 983.59.

# 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 Housing Quality Standard (HQS) specifications are described in <u>24 CFR</u> <u>983.208</u>. 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) Contract 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, the Continuum of Care (CoC) Homeless by-name list or if applicable, by a HUD-required agency such as the Dept. of Veterans Affairs or the Dept. of Housing and Human Services for special purpose vouchers for a specific eligible population. 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

PBVs 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 percent (40%) of the units. Units that are excluded from the project cap in the following cases: units exclusively serve elderly families as defined in 24 CFR 5.403; units are exclusively made available to eligible youth as defined in Section 8(x)(2)(B) of the U.S. Housing Act if FUP assistance are used and meet HUD's other requirements; units are exclusively made available to households eligible for supportive services made available to the residents at the project assisted with PBV assistance and meet HUD's other requirements; and units that are excluded under 24 CFR 983.59.

# F. Occupancy and Vacancy of PBV Units

<u>24 CFR 983.251</u> describes how participants are selected for PBV assistance. Following is a summary, not a comprehensive description of the selection process. 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 Continuum of Care (CoC) Homeless byname list or if applicable, by a HUD-required agency such as the Dept. of Veterans Affairs or the Dept. of Housing and Human Services for special purpose vouchers for a specific eligible population. The Owner and tenant of a Project-Based unit must notify AAHC immediately if a tenant will be moving from a PBV unit. 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 the Owner to conduct their own tenant screening. The AAHC will make every reasonable effort to promptly refer a sufficient number of families for the Owner to fill such vacancies within 30 calendar days. 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 an HQS Inspection 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 program restricts all households to an income of 50% of the Area Median Income (AMI) or less, as <u>published annually by HUD for the Ann Arbor Metropolitan Statistical Area</u>. The AAHC must also meet HUD's income target of providing 75% of its vouchers to households at 30% AMI 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 <u>24 CFR 983.52</u> for a complete list of ineligible units.

#### H. Rent Limits

24 CFR 983.301 describes how to determine rent to the Owner. Following is a summary, not a comprehensive description of the rent determination process. The amount of the initial rent to Owner is established at the beginning of the HAP Contract term. For rehabilitated or newly constructed housing, the Agreement to enter into a HAP Contract (AHAP) states the estimated amount of the initial rent to owner, but the actual amount of the initial rent to owner is established at the beginning of the HAP Contract term. 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.

The gross contract rent (including utility allowance) may not exceed the maximum set by HUD, which is the lowest of (1) an amount determined by the AAHC not to exceed 110% of Fair Market Rent (FMR) for both initial rent and annual adjustments or any exception payment standard approved by HUD; (2) the reasonable rent; or (3) the rent requested by the Owner. 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. The preceding formula applies to tax credit units that are in a qualified census tract. For tax credit units that are not in a qualified census tract [as provided in 24 CFR 983.301(c)(1)] the rent to owner must not exceed the lower of: (1) an amount determined by the PHA not to exceed the tax credit rent minus any utility allowance; (2) the reasonable rent; or (3) the rent requested by the Owner. The tax credit rent is the rent charged for comparable units of the same bedroom size in the building that also receive the low-income housing tax credit but do not have any additional rental assistance (e.g., additional assistance such as tenant-based voucher assistance).

	Fair Market Rent (FMR) Including Utilities Effective 10/2024				
	Studio	1 BR	2 BR	3 BR	4 BR
2025 FMR	\$1,327	\$1,346	\$1,607	\$1,936	\$2,131
110% of FMR	\$1,460	\$1,481	\$1,768	\$2,130	\$2,344

HUD APROVED EXCEPTION PAYMENT STANDARD					
Ann Arbor, MI MSA Advisory - Based on 2025 Small Area FMRs By Unit Bedrooms					
ZIP Code	Efficiency	1 BR	2 BR	3 BR	4 BR
48103/48104/48105	\$1,679	\$1,700	\$2,046	\$2,464	\$2,742

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:

- Fair Housing. Non-discrimination and equal opportunity. See 24 CFR Section 5.105(a) and Section 504 of the Rehabilitation Act. Selected projects are subject to Fair Housing reviews which may include review of marking and outreach plans and reasonable accommodation policies.
- ii. Environmental Review. See 24 CFR parts 50 and 58, and 24 CFR Section 983.56.
- iii. **Eligibility Restrictions.** Prohibition on use of debarred, suspended, or ineligible contractors. See 24 CFR Section 5.105(c) and 24 CFR, part 24.

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

- i. Subsidy Layering Review. If the project has other government assistance in addition to PBVs, the project will be subject to a HUD subsidy layering review (SLR), in accordance with HUD regulations (24 CFR Section 4.13) to prevent excess subsidy. The SLR is not required for existing housing projects or new construction and rehabilitation projects for which PBV is the only form of federal government assistance.
- ii. **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 <u>nine</u> or more assisted units.
- iii. **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** very low-income households (50% AMI or less) through this RFP process, depending on available funding.

# B. Project Eligibility (Threshold Requirements)

1) The goal of project-based assistance for housing is to deconcentrate poverty and expand housing and economic opportunities.

- 2) In order to be considered under this RFP, all projects submitted must meet the HUD Site Selection Standards in <u>24 CFR 983.55</u> as described in **Section VI-A(2)** (Submittal Sections) of this RFP.
- 3) Proposed projects must be located within the City of Ann Arbor.

# C. Limit on Number of Proposals

The Owner/Developer can submit up to 2 Proposals for consideration under this RFP for all of their 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 Award

Proposals that meet the program requirements outlined in **Section III-B** (Threshold Requirements) of this RFP will be evaluated and ranked according to the rating and selection factors described below in **Section VI** (Submittal Sections) of this RFP. A ranking list will be prepared according to points awarded to each Proposal.

Proposals that have previously been awarded funding under a competitive RFP/process, that did not contemplate Project-Based Vouchers provided under this RFP, may be awarded Project-Based Vouchers under this award without completing a full application (see **Section V-J** of this RFP).

For projects that must provide a complete application, the Proposals scoring the highest points will be **conditionally** awarded PBVs up to the amount requested on the Proposal. After awarding the highest scoring Proposal(s), the AAHC may conditionally award the next highest-ranking Proposals with PBVs up to the amount requested and so on. If the AAHC 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 awards for fewer vouchers than requested.

Before selecting projects, the AAHC will determine that each application is responsive to and in compliance with the AAHC's written selection criteria as stated in this RFP, and in conformity with HUD program regulation and requirements at 24 CFR 983. The AAHC may request additional documentation as needed to determine an applicant or project's eligibility or qualifications. The 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-Selection Conditions

Prior to Proposal selection, the AAHC must evaluate:

**Site Selection Standards under** 24 CFR Section 983.55. 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 the AAHC's Administrative Plan. Applicants may be asked to submit additional information to help facilitate this site review. See **Section VI-A(2)** of this RFP for PHA site selection standards.

**Housing Quality Standards (HQS) Inspection under** 24 CFR Section 983.103. For existing units, the AAHC must inspect all units before the proposal selection date to determine whether the units substantially comply with HQS. PBV program-specific inspection requirements, which supplement the HCV inspection requirements that apply to the PBV program, are found at 24 CFR Section 983, Subpart C.

#### F. Post-Selection Conditions

After Proposals are reviewed and scored, the AAHC will provide conditional letters of award and then the following items must be completed before the AAHC and the Owner can execute an Agreement to enter into a Housing Assistance Payment (AHAP) contract or a Housing Assistance Payments (HAP) contract:

- 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 24 CFR 983.56).
  - a. For proposals selected in accordance with the site selection standards at <u>24 CFR 983.55</u>, no environmental review is required to be undertaken before entering into a HAP contract for existing housing, except to the extent a Federal environmental review is required by law or regulation relating to funding other than PBV housing assistance payments.
- ii. **Determination of initial contract rent.** The AAHC will determine the amount of initial rent to owner according to <u>24 CFR 983.301</u>. If the project is an AAHC-affiliated property, the rent will be determined by an independent agency.
- iii. **Subsidy layering review.** 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) for all new construction or rehabilitation projects that will utilize tax credits or other governmental housing assistance from federal, state, or local agencies (see 24 CFR Section 983.11).

# G. Equal Opportunity

The 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 Small, Minority-, Women- or Disabled- owned Business Enterprises to respond to this RFP.

#### SECTION IV. CONTRACT FOR SERVICES

# A. Housing Assistance Payment (HAP) Contract

Under the contract resulting from this RFP, the Owner must commit new construction units, 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 15- or 20-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 <u>HUD's Sample AHAP and HAP Contracts</u>.

# B. Payment for Services

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

#### C. Commitment Letter

After the Applicant'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 the AAHC awards the Agreement, the only contact the Applicant may have with the AAHC regarding this RFP is with the AAHC's **Deputy Director, Weneshia Brand** (wrbrand@a2gov.org). The Applicant should rely only on representations, statements or explanations contained in this RFP, in documents that the AAHC provides to the Applicant, and in such formal written addenda as may be issued by the AAHC prior to the Proposal Submission Deadline. The Applicant must not rely on any material, whether written or oral, that the Applicant receives from any other source.
- II. It is the Applicant's responsibility to ensure that they have a complete and thorough understanding of all requirements, expressed or implied, regarding what AAHC expects from the Applicant, as set forth in this RFP, prior to submitting their Proposal. By submitting a Proposal, the Applicant covenants that they 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 and Negotiations

- I. On or before the Proposal Submission Deadline, an Applicant 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 Applicant's Proposal. The Applicant has the full responsibility for ensuring that their final Proposal has been submitted in desired form by the Proposal Submission Deadline. The cover page of a modified Proposal must identify it as a modified Proposal and must include the date on which it is submitted.
- II. The 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. The AAHC will advise such parties regarding any clarifications or revisions it makes to this RFP. If, in the AAHC's sole judgment, additional time is required for Applicants to respond, the AAHC may grant an extension of time to all Applicants.
- III. The AAHC reserves the right to communicate with any of the Applicants, but it is not obligated to do so. The AAHC may discuss the Proposals of any Applicants concurrently or sequentially, as AAHC may determine to be in its best interest. No Applicant 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. An Applicant must comply with all requests for information and, if requested by the AAHC, appear for discussions. If an Applicant fails to do so within the time period given (or within any time extension that the AAHC may grant), the AAHC may deem the failure to be an act of non-conformance with the RFP requirements, which will permit the AAHC to award the Agreement to another Applicant or to solicit new Proposals. In furtherance and not in limitation of the foregoing, before a final award is made, the AAHC may require an Applicant to produce more detailed information concerning the professional background of those persons who own and manage such Applicant, a report on the financial background of such Applicant, 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 Applicant 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:** An Applicant may withdraw their Proposal from consideration at any time prior to the Proposal Submission Deadline by notifying the AAHC in writing of their desire to withdraw the Proposal.
- II. **After Proposal Submission Deadline:** Applicants may withdraw their Proposals with written notice to the AAHC.

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

The 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 the AAHC deems it in its best interest to do so.

# E. Costs Incurred by Applicants

The AAHC is not liable for any costs that an Applicant incurs in preparing their Proposal, for any work performed in connection therewith, or for travel expenses related thereto. The AAHC's receipt of a Proposal from an Applicant in no way obligates the AAHC to that party.

#### F. Freedom of Information Act

This RFP and responses to this RFP 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 the AAHC.

# H. AAHC Discretion

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

# I. Proposal Packaging and Submission Requirements

- I. Each Applicant is required to submit one (1) **electronic version** by email or flash drive to Deputy Director, Weneshia Brand **(WRBand@A2gov.org).**
- II. Each original Proposal must be signed by a principal or officer of the Applicant, who is duly authorized to commit the Applicant 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. All Proposals and accompanying materials (i.e., flash drives) shall become the property of the AAHC and will not be returned to the Applicants.

i. Proposals must be **RECEIVED** by the AAHC no later than 2:00 p.m. on the Proposal Submission Deadline.

# J. Selection Based on Previous Competition

The 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 April 2022 and April 2025), and the earlier competitively selected housing assistance proposal did not involve any consideration that the project would receive PBV assistance. **Projects that meet this 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 Applicant must demonstrate, to the satisfaction of the AAHC, that they have 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 the Applicant's Proposal, in the order shown below:

- 1. Table of Contents
- 2. Completed Cover Sheet
- 3. Narrative Summary of the Project Proposal. No more than 1 page. Please include a description of how PBVs will enable your organization to meet the AAHC goals of decreasing the concentration of poverty in Washtenaw County 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 Washtenaw County.
- **4.** Complete the Submittal Sections in **Section VI-A(2) through A(7)** of this RFP (including completion of **Attachment A, HUD form 52517**).
- 5. Proof of the Applicant's legal existence as a business entity. If the Applicant was not organized under the laws of the State of Michigan, proof that the Applicant is qualified to do business in Michigan. (NOT required of the Applicant if they currently have an executed HAP contract with the AAHC for Project-Based Vouchers.)
- 6. Copies of the Applicant's audited financial statements for its most recent two (2) fiscal years. If the Applicant is a joint venture, provide this information with respect to each member of the joint venture. (NOT required of the Applicant if it currently has an executed HAP contract with the AAHC for Project-Based Vouchers.)

# 1. COVER SHEET

	Applica	nt Information	
Legal Entity Name:	<del></del>	·	<del></del>
Primary Contact Name and	d Title:		
Address:			
Phone Number:		E-Mail:	
Tax ID:		_ SAM.GOV Unique E	ntity ID:
Non-Profit/Governmental	Organization (Y/N	N)?	
		t Information	
Property Address: Census Tract:			
Census Tract:		PHA-owned project (\	//N)?
Total # of Units in Project:	To	otal # of Units Requesti	ng PBV:
Indicate whether PBV uni	ts (meet the 10%	exception rule):	
☐ Homeless ☐ Veterans	☐ Support Service	for Seniors (62 or older)	☐ Youth ages 18-23
☐ Support Service for disable	•	•	•
If requesting PBV for more	e than 25% of the	project units, indicate	the exception category
below that qualifies the p	_		
☐ Seniors (62 or older) ☐			.0% poverty
Indicate the category for t			
☐ Existing Project ☐ Re			
Target date to project-bas	e the vouchers (re	eady for occupancy):	(MM/YY)
Was this project previously (Y/N)?		·	unding application
If so, please submit evider	ice of award with	this cover page.	
By signing below the representat	ive of the business h	ereby certifies that:	
I have examined the Request for that this submission is good for 1			lated and set forth herein. I agree deadline.
The submission is genuine and is corporation, and is not submitted corporation. I have not solicited corganization will not discriminate or national origin in connection v	d in conformity with a or induced any perso e against any employ	any agreement or rules of ar n, firm or corporation to ref ee or applicant for employm	ny group, association or
I certify that the units we are app operating subsidy from any sourd including other project-based ass	ce (local, state, or fed	leral sources as well as othe	r public or private sources
I have carefully prepared this sub does not contain falsified records	-	uired information is accurat	e. The information submitted
Respectfully submitted by:			
	Print Name	Signature	Date

# 2. THRESHOLD REQUIREMENT – Site Selection Standards

In order to be considered under this RFP, all projects submitted must demonstrate that they meet the Site Selection Standards in 24 CFR 983.55 as stated below:

- i. Applicability. The site selection requirements in paragraph (iii) of this section apply only to site selection for existing housing and rehabilitated PBV housing. The site selection requirements in paragraph (iv) of this section apply only to site selection for newly constructed PBV housing. Other provisions of this section apply to selection of a site for any form of PBV housing, including existing housing, newly constructed housing, and rehabilitated housing.
- **ii.** Compliance with PBV goals, civil rights requirements, and HQS. The PHA may not select a proposal for existing, newly constructed, or rehabilitated PBV housing on a site or enter into an Agreement or HAP contract for units on the site, unless the PHA has determined that:
  - (1) Project-based assistance for housing at the selected site is consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities. The standard for deconcentrating poverty and expanding housing and economic opportunities must be consistent with the PHA Plan under 24 CFR part 903 and the PHA Administrative Plan.
  - (2) The project meets the PHA Site Selection policy:
    - a. Priority will be given to projects located in a census tract with a poverty rate of 20% 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 <u>poverty rate for the census tract in</u> which the project is located.
    - b. 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 where the project will be located:
      - The project is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
      - The concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
      - There is significant revitalization as a result of state, local, or federal dollars invested in the area:
      - New market rate units are being developed and such market rate units will positively impact the poverty rate in the area;

- There has been an overall decline in the poverty rate over the past 5 years;
- More than 50% of residents are post-secondary (college) students.
- c. The project is providing permanent supportive housing which provides a wide spectrum of supportive services, including at least 5 of the services listed below.
  - O It is not necessary that the services be provided on-site or by the Owner, if they are approved services and the Applicant can demonstrate that the services will be provided off-site in the community. To qualify, all households with a PBV must be offered the services, but they are not required to utilize the services in order to live in the PBV-assisted unit.
  - 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
    - 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
- (3) The site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d(4)) and HUD's implementing regulations at 24 CFR part 1; Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601-3629); and HUD's implementing regulations at 24 CFR parts 100 through 199; Executive Order 11063 (27 FR 11527; 3 CFR, 1959-1963 Comp., p. 652) and HUD's implementing regulations at 24 CFR part 107. The site must meet the section 504 site selection requirements described in 24 CFR 8.4(b)(5).
- (4) The site meets the HQS site standards at 24 CFR 982.401(I).

#### iii. Existing and rehabilitated housing site and neighborhood standards. The site must:

- (1) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site. (The existence of a private disposal system and private sanitary water supply for the site, approved in accordance with law, may be considered adequate utilities.)
- (2) Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (3) Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- (4) Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. While it is important that housing for the elderly not be totally isolated from employment opportunities, this requirement need not be adhered to rigidly for such projects.

#### iv. **New construction site and neighborhood standards.** The site must:

- (1) Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
- (2) Not be located in an area of minority concentration, except as permitted under <u>paragraph (e)(3)</u> of 24 CFR 983.55, and 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.
- (3) A project may be located in an area of minority concentration only if:
  - a. 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 (see <a href="mailto:paragraph(e)(3)(iii)">paragraph(e)(3)(iii)</a> through <a href="mailto:(v)">(v)</a> of 24 CFR 983.55 for further guidance on this criterion); or
  - b. The project is necessary to meet overriding housing needs that cannot be met in that housing market area (see <u>paragraph (e)(3)(vi)</u> of 24 CFR 983.55 for further guidance on this criterion). An "overriding housing need," however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability

- renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.
- c. As used in paragraph (e)(3)(i) of 24 CFR 983.55, "sufficient" does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year, that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.
- d. Units may be considered "comparable opportunities," as used in <u>paragraph</u> (e)(3)(i) of 24 CFR 983.55, if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.
- e. Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:
  - A significant number of assisted housing units are available outside areas of minority concentration.
  - There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
  - There are racially integrated neighborhoods in the locality.
  - Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
  - Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
  - A significant proportion of minority households has been successful in finding units in non-minority areas under the tenant-based assistance programs.
  - Comparable housing opportunities have been made available outside areas of minority concentration through other programs.

- (4) The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- (5) The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.
- (6) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- (7) Except for housing designed for elderly persons, travel time, and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers, must not be excessive.

# 3. PROJECT DETAILS

#### **HUD form 52517 (Attachment A)**

The Owner must complete Page 1 of the **HUD form 52517** to provide the PHA with information about the units for each project with different housing types. The information is used to determine if the unit is eligible for PBV rental assistance as well as the reasonable rent to Owner.

In addition, provide the following as a narrative, chart, and/or attachments:

#### **Project description**

- i. Number of buildings and housing type (townhomes, mid-rise etc.)
- ii. Number of units by bedroom size, number of bathrooms, and square footage per unit
  - a. Indicate if the unit will provide a refrigerator and/or range(stove)
  - b. Indicate which project units will be PBV
  - c. Indicate which units will be accessible and/or visitable
  - d. Indicate income restrictions for each unit (as applicable)

#### List of on-site amenities such as:

- a. Laundry, playground, community center, etc.
- b. Include any green or energy efficiency improvements

#### **Visuals**

Photos, renderings, and/or site plan for the project.

#### Access to public transit

Include location of nearest bus stop and bus route number.

#### If the project is not in the prioritized census tract in Section III-B of this RFP:

Please describe and/or provide supporting documentation for how the project meets the AAHC's goal to decrease the concentration of poverty in Washtenaw County 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 Washtenaw County. [opportunity to expand on narrative summary if needed]

#### 4. APPLICANT EXPERIENCE

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

#### **Applicant Role**

Indicate role of the Applicant: Owner, Developer, Consultant, General Partner, Other (please specify). If the Applicant will not be the Owner of the property, please include information about the Owner/s for this section as well.

#### Applicant/Owner(s) Projects

Provide descriptions of 2 projects that exhibit the Applicant/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 (mid-rise, townhomes etc.)

#### Applicant/Owner(s) Background

Provide the following:

- i. A complete disclosure of all entities and individuals comprising the Applicant/Founding Legal Entity and any subsidiaries of the Applicant/Founding Legal Entity.
- ii. UCC and Litigation search for the founding legal entity that is sponsoring this Proposal.

#### 5. PROPERTY MANAGEMENT EXPERIENCE

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

#### **Property Manager Projects**

Provide descriptions of 2 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
- iii. Indicate whether units received rental assistance and the type of assistance
- iv. Describe any services provided to residents and who performed the services
- v. Tenant target population such as income restrictions and any special needs housing
- vi. Indicate whether the property management company has previous experience with LIHTC, HUD or other federal or state programs

#### 6. TARGET POPULATION & SUPPORTIVE SERVICES PLAN

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

#### **Target population**

Please describe the target population for the project and why project-based vouchers will enable the applicant to provide housing for this 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. Programs and Activities
- ii. Service provider
- iii. Include a contracts or Memorandums of Understanding with the service provider for this project or an example from a previous project

The supportive services listed in Section VI-A(2) of this RFP are acceptable, but not exclusive.

#### 7. READINESS TO PROCEED

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

#### **Site Requirements**

All Proposals must provide:

- i. Evidence of site control
  - a. Proof of ownership (deed) or
  - b. Option agreements or sales contracts
- ii. New construction and rehabilitation projects must also provide documentation of zoning status
  - a. Evidence that site has appropriate zoning or
  - b. Timeline for rezoning proposal

#### **Financial Feasibility**

All Proposals must provide:

- 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:

- i. A development pro forma including sources and uses
  - a. Indicated whether committed or uncommitted
  - b. Timeline for securing uncommitted funding sources
- ii. Construction timeline
  - a. Reasonable expectation that project will be ready for occupancy by September 2029

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

HUD will also conduct a subsidy layering review for new construction and rehabilitation projects with more than one form of government assistance to ensure that there is not excessive subsidy.

# B. Scoring Criteria

Proposals will be evaluated by an Evaluation Committee.

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 Applicant submits:

SCORING CRITERIA:				
CRITERIA	MAXIMUM POINTS			
1. Project meets site selection standards as a threshold requirement	Yes or No			
2. Project Details	20			
3. Applicant/Owner(s) Experience	20			
4. Property Management Experience	20			
5. Target Population and Supportive Services	20			
6. Readiness to Proceed	20			
TOTAL MAXIMUM POINTS:	100 points			

# C. Award of Agreements

- I. Upon completion of the evaluation of Proposals, the AAHC will notify the Applicant 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, the AAHC will advise the selected Applicants that they have been selected. The 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 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 Applicants' Proposals and all subsequent modifications thereto.
- III. Within 10 calendar days after the prospective Owner receives notification of their selection, the prospective Owner must provide proof of property and general liability insurance, if necessary, upon request from the AAHC.
- IV. The prospective Owner must execute its AHAP or HAP contract with AAHC within a reasonable time period, not to exceed 120 calendar days, following the AAHC's notification to the prospective Owner that they have been selected. If the prospective Owner/Developer does not enter into the AHAP or HAP within such time period, the AAHC may disqualify such prospective Owner and select another 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**