Request for Proposals
RAD Transfer of Assistance

Rental Assistance Demonstration Program Transfer of Assistance from existing Scattered Site Public Housing Units

Spokane Housing Authority
55 W. Mission Avenue, Spokane, 99201
6/3/2016
Request for Proposals for Rental Assistance Demonstration Transfer of Assistance in Spokane County

Introduction
The Spokane Housing Authority (SHA) is publishing this Request for Proposals (RFP) to identify and select eligible existing multifamily properties for its U.S. Department of Housing and Urban Development (HUD) Rental Assistance Demonstration (RAD) Program within the boundaries of Spokane County. A housing unit is considered an “existing unit” for the purposes of the RAD program, if at the time of the notice of SHA selection the units substantially comply with Housing Quality Standards (HQS). Units to be newly constructed or units needing substantial rehabilitation do not qualify as existing housing and will not be considered under this RFP.

A maximum of 74 units of assistance will be available during calendar year 2017. To qualify, the properties will need to:

- Be owned by a non-profit entity;
- Preferably not involve a tax-credit investor;
- Be two, three or four bedrooms (preferably three or four bedrooms);
- Have low-income units set aside serving 30% and 40% AMI populations; and
- Be capable of receiving as many RAD unit subsidies as possible.

All selection(s) will be based solely on proposal responses in accordance with the scoring criteria outlined in this RFP.

How the Transfer of Assistance Works
The Rental Assistance Demonstration program is a program established by the Department of Housing and Urban Development (HUD), which provides Public Housing Agencies a tool to convert aging public housing into affordable housing. This can be done by converting the existing public housing into affordable housing while simultaneously transferring the original assistance to a new ‘project’. The selected ‘project(s)’ will receive the 74 units of RAD subsidy and SHA will enter into a Housing Assistance Payments (HAP) contract with the successful non-profit entity. Rental assistance will remain with the unit for the term of the contract. The term of the contract shall be for a period of up to 15 years, with an exclusive right by the SHA to extend for additional periods.

Rental Assistance Program subsidy rents, as provided by SHA, will be established in accordance with program guidelines and based on rates established by HUD.

Deadline
The deadline for receipt of proposals is 4:00 PM June 17, 2016. Proposals received after the established deadline will be considered non-responsive and rejected. Any questions regarding this RFP should be sent via email to: bjennings@spokanehousing.org

Submission Address
Proposals may be hand or express delivered to:

    Brian Jennings, Housing Development Director
    Spokane Housing Authority
    55 W. Mission Avenue
    Spokane, WA 99201.

Mailed proposals are not recommended.
Proposal Content / Threshold Criteria

Proposals submitted by owners/applicants will be required to contain, but not be limited to the following information:

1. The property owner must provide evidence of ownership and the right to lease the units.

2. Identity and address of the individual, corporation or agency which will own the project, as well as the managing agent and other parties which have a substantial interest in the project. List of previous participation of the parties in HUD programs, along with disclosure of any potential conflict of interest by same. Information concerning any principal not known at the time the application is submitted must be reported to the SHA as soon as such information is known by existing owner(s).

3. A statement of the property owner’s intent to enter the HAP contract in good faith and to commit to work with the SHA to house the intended population.

4. A description of the experience of the owner in the management of affordable and/or supportive housing.

5. The property owner must provide a description of the property in narrative or tabular format, including:
   a. Development’s name, location, census tract, and unit type;
   b. Total number of units at the site and bedroom distribution;
   c. Total number of buildings;
   d. A description of the unit condition and age, property topography, and a general description of the site and neighborhood; including distance to services, shopping, transportation, medical facilities, etc.
   e. Amenities in the units;
   f. Accessibility features for handicapped individuals;
   g. A statement identifying the number of persons (families, individuals, businesses and non-profit organizations) occupying the property on the date of the submission of the application.
   h. Management and maintenance services;

6. Description of population targeted for this housing, including income levels and any disabilities/special needs.

7. Description of any associated services to be provided or coordinated for special needs populations and the length of time these services will be available.

8. Project management plan, including any additional proposed tenant selection criteria.

9. Total number of units requested to receive the RAD subsidy.
10. The proposed length of the Housing Assistance Payments Contract (15 year min.).

11. Proposed contract rents for each unit, as well as which utility services and equipment that will be included in the rent and which will not. Please include bedroom size for each unit.

12. Project operating budget.

13. If constructed or substantially rehabilitated in the last three years – project development budget, including sources and uses.

14. Disclosure of other government assistance, including but not limited to other rental assistance, HOME, CDBG, and tax credits.

15. Required Forms/Certification
   a. Noncollusion Affidavit of Prime Offeror
   b. Certification Regarding Department and Suspension
   c. Corporate Certification and/or Partnership Certificate, as applicable
   d. HUD Form 5369-C – Certifications and Representations of Offers Non-Construction Contract

Any proposal not containing these required elements will be disqualified as having not met the threshold criteria.

**Program Requirements**
1. All units must currently exist (no current construction).

2. All units must meet Housing Quality Standards (HQS) as established by HUD in 24 CFR 982.401 (see Appendix “A”).

3. Project owners must commit to compliance with all federal rules and regulations as published 24 CFR Part 983, and incorporated by reference into this policy and which are attached as Appendix “B”.

4. Tenants cannot be permanently displaced for assisted units following the owner’s submittal of the application to the SHA and must meet income eligibility requirements.

5. Respondents may propose all or a portion of units in a project/development to receive the RAD transfer of assistance. No more than 50% of the units may receive PBV assistance unless the PBV units proposed are specifically made available for:

   1. Elderly (62 or older) or disabled families; or

   2. Families receiving supportive services, as defined in the SHA HCV Administrative Plan and tailored to each individuals identified needs:

      - Transportation for activities such as grocery shopping, attending medical and dental appointments;
• Supervised taking of medications;
• Treatment for drug rehabilitation in the case of current abusers;
• Treatment for alcohol addiction in the case of current abusers;
• Training in housekeeping and homemaking activities;
• Family budgeting;
• Child care;
• Parenting skills;
• Computer labs; and/or
• Work skills development and job training.

It is not necessary that the services be provided at or by the project. To qualify, a family must have at least one member receiving at least one qualifying supportive service. You 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 an excepted unit, although such services may be offered.

The selection process generally favors projects targeting households with the lowest incomes and which provide services appropriate to the needs of the individual or family as a part of the design.

6. Minimum project size in any one ‘project’ is 12 units. The RFP favors ‘projects’ that can deliver more and larger unit compositions such as 3 and 4 bedrooms. The Housing Authority reserves the right to reduce the total number of units requested to be assisted in any or all applications submitted.

**Site and Neighborhood Standards**
The SHA will not select a proposal, unless the SHA has determined that:

1. 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 SHA Annual Plan, 24 CFR Part 903 and the SHA Administrative Plan. In developing the standards to apply in determining whether a proposed development will be selected, SHA must consider the following:

   a. Whether the census tract in which the proposed development is located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;

   b. Whether a development is located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
c. Whether the census tract in which the proposed development is located is undergoing significant revitalization;

d. Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;

e. Whether new market rate units are being developed in the same census tract where the proposed development is located and the likelihood that such market rate units will positively impact the poverty rate in the area;

f. If the poverty rate in the area where the proposed development is located is greater than 20 percent, the PHA must consider whether in the past five years there has been an overall decline in the poverty rate;

g. Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed development is located.


i. The site meets the HQS site standards at 24 CFR 982.401(l).

2. The proposed site must meet the following additional standards to qualify:

a. 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.

b. Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

c. 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.

d. 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.
Subsidy Layering Review
A subsidy layering review may be required by the HUD prior to award of any HAP contract. The subsidy layering review is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

Environmental Review
Before a property can be awarded PBV the SHA is required to ensure the completion of an environmental review in accordance with 24 CFR 983.58. Generally, this review is coordinated by the SHA but is completed by the city or county. SHA cannot award vouchers to your property unless this review is completed, signed, reviewed and approved by HUD and SHA has received a copy of such.

Rental Assistance Demonstration: Physical Condition Assessment
Each property selected to receive a RAD transfer of assistance, will require a complete RAD Physical Condition Assessment (RPCA) performed on their property in accordance with the RAD Program requirements, HUD Multifamily Accelerated Processing and the ASHRAE Procedures for Commercial Building Energy Audits, Second Edition 2011, Level II guidelines. This is a HUD requirement and needs to be provided by a third-party reviewer.

Housing Assistance Payments Contract
The SHA will enter into a HAP contract with the owner for the site(s) selected and approved for RAD transfer of assistance. SHA will make housing assistance payments to the property owner in accordance with the HAP contract for those contract units leased and occupied by eligible families during the HAP contract term. It is anticipated that the successful applicant will enter into a HAP contract with SHA in good faith and work to house the intended population.

RAD tenants may migrate from the existing scattered site units to available units in the ‘project’ properties. Other individuals will be referred by the housing provider and verified eligibility screened by the SHA based on SHA’s program guidelines. Tenant screening and qualification would be with the management company. These guidelines can be found in the Housing Choice Voucher Administrative Plan at www.spokanehousing.org. The SHA affirmatively furthers fair housing in its programs and activities; any additional proposed tenant selection criteria must be disclosed in the attached proposal and negotiated at time of entering the HAP contract.

During first year of the tenant’s lease, the owner may not terminate the lease without good cause. “Good cause” does not include a business or economic reason or desire to use the unit for an individual, family, or non-residential rental purpose. Upon expiration of the lease the owner may renew the lease or refuse to renew the lease.
The Contract Rents for the RAD transfer of assistance are based on Fiscal Year 2014 Federal Appropriations and assumptions regarding applicable rent caps. The final RAD contract rents, which will be reflected in the RAD HAP contract, will be based on Fiscal Year 2014 Federal Appropriations, as well as applicable program rent caps and Operating Cost Adjustment Factors (OCAFs), and, as such, may change. In addition, prior to conversion, the PHA must provide HUD updated utility allowance to be included in the HAP contract.

<table>
<thead>
<tr>
<th>Number of Bedrooms</th>
<th>Contract Rent</th>
<th>Utility Allowance</th>
<th>Gross Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>$431</td>
<td>$100</td>
<td>$531</td>
</tr>
<tr>
<td>3</td>
<td>$615</td>
<td>$106</td>
<td>$721</td>
</tr>
<tr>
<td>4</td>
<td>$698</td>
<td>$128</td>
<td>$826</td>
</tr>
</tbody>
</table>

The SHA occupancy standards determine the appropriate unit size for the family size and composition. The total rent payable to the owner for the RAD transfer unit consists of the tenant rent (the portion of the rent to owner paid by household) and the rental assistance paid by the SHA in accordance with the contract with the owner. The SHA determines the tenant rent in accordance with HUD requirements.

**Incomplete Proposals**
Incomplete proposals will be rejected.

**General Conditions**
Sites selected for RAD transfer of assistance must be located in Spokane County and meet local building codes and the Housing Quality Standards (HQS) as established by HUD. Additionally, the units must be in compliance with Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR Part 8.

The ideal site will be located in a low-poverty census tract based upon 2010 Census information.

The property must be in full compliance with the applicable laws regarding nondiscrimination, fair housing, equal employment opportunity, accessibility requirements, and all applicable state and federal relations laws and regulations. The successful applicant must demonstrate general financial feasibility.

Proposals will be reviewed and ranked subject to the selection criteria below. If there is a tie score, the SHA will conduct interviews with the parties to further determine suitability and readiness for the RAD Assistance.

The SHA reserves the right to reject proposals at any time for misinformation, errors or omissions of any kind, regardless of the stage in the process that has been achieved.

**Appendices**
A. 24 CRF 982.401 – Housing Quality Standards (HQS)
B. CFR-2011 Title 24 Vol 4 Part 983
Proposal Scoring

Scoring Ratings of proposals will be based on the following:

**Poverty Rate** (20 points possible)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
<th>Points</th>
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</thead>
<tbody>
<tr>
<td>20</td>
<td>If the property is located in a census tract with a poverty rate of 20 percent or less as of the 2010 Census</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Or, if the property is not located in a census tract with a poverty rate of 20 percent or less as of the 2010 Census, the RAD assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:</td>
<td></td>
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<tr>
<td></td>
<td>- A census tract in which the proposed development will be located in a HUD-designated Enterprise Zone, Promise Zone, Economic Community or Renewal Community;</td>
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<td></td>
<td>- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;</td>
<td></td>
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<tr>
<td></td>
<td>- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local or federal dollars invested in the area;</td>
<td></td>
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<td></td>
<td>- 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;</td>
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<td></td>
<td>- A census tract where there has been an overall decline in the poverty rate within the past five years; or</td>
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<tr>
<td></td>
<td>- A census tract where there are meaningful opportunities for educational and economic advancement.</td>
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**Total Units Available** (20 points possible)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>The proposed properties make available a minimum of ten (10) units that meet income targets.</td>
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<tr>
<td>0</td>
<td>Or, the proposed project has less than the ten (10) units available.</td>
<td></td>
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</tbody>
</table>

**Unit Configuration** (20 points possible)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>The proposed properties make available multiple four-bedroom units</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>The proposed properties make available multiple three-bedroom units</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>The proposed properties make available multiple two-bedroom units</td>
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</table>

**Income Target** (20 points possible)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>The proposed properties target households at or below 30% of the area median income.</td>
<td></td>
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<tr>
<td>5</td>
<td>Or, the proposed properties target households at or below 40% of the area median income.</td>
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</table>

**Experience of the Owner** (10 points possible)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
<th>Points</th>
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</thead>
<tbody>
<tr>
<td>10</td>
<td>If the owner has experience in the management/development of affordable housing.</td>
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<tr>
<td>0</td>
<td>Or, the owner has no experience in the management/development of affordable housing.</td>
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**Supportive Services** (5 points possible)

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<tr>
<th>Rating</th>
<th>Description</th>
<th>Points</th>
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<tbody>
<tr>
<td>5</td>
<td>The proposed project plan includes supportive services for participants, as defined in the SHA HCV Administrative Plan and tailored to each individual’s identified needs.</td>
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<tr>
<td>0</td>
<td>Or, the proposed project plan does not include supportive services for participants, as defined in the SHA HCV Administrative Plan and tailored to each individual’s identified needs.</td>
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**Community Amenities** (5 points possible)

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<tr>
<th>Rating</th>
<th>Description</th>
<th>Points</th>
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<tbody>
<tr>
<td>2</td>
<td>If the property is located within two miles of places of significant employment, offering a range of jobs for lower income workers</td>
<td></td>
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<tr>
<td>3</td>
<td>and/or, if the property is located within one mile of shopping, neighborhood services, and transit.</td>
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<tr>
<td>0</td>
<td>Or, the property is located outside the above ranges of amenities</td>
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**TOTAL POINTS POSSIBLE = 100**
A. General

Property Name: ____________________________________________________

Property Address:___________________________________________________

Owner Name:______________________________________________________

Owner Address:_________________________    Owner Phone #:____________

Contact Name:__________________________     Owner Email:_____________

Contact Address:________________________     Contact Email:_____________

B. Unit Information

Unit Type:_____________________________     Total # Units on Property:____

Total # Units Requested for RAD Transfer of Assistance:_______________________

Minimum # of Units Owner will accept for HAP contract: ___________________

Bedroom Distribution

<table>
<thead>
<tr>
<th>Bedroom Count</th>
<th># Units Proposed</th>
</tr>
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<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
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</tbody>
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C. Attach Narrative in tabular or paragraph format

D. Attach required forms/certifications