

**REGIONAL HOUSING AUTHORITY
PROJECT-BASED VOUCHER PROGRAM
REQUEST FOR PROPOSALS**

INTRODUCTION

Regional Housing Authority's (RHA) Project-Based Voucher (PBV) Program encourages property owners to make rental housing available to lower income households at rents within Section 8 Fair Market Rents. As such, RHA will be accepting applications from property developers for the Section 8 PBV Program.

PROGRAM INFORMATION

Under the PBV program, RHA enters into an assistance contract with the owner or developer for specified rental units, for a specified term (up to twenty years) subject to funding availability. Assistance or subsidy is provided while eligible households occupy the rental housing units and the units meet other program standards. To fill vacant project-based units, RHA refers households from its waiting list to the project owner. RHA subsidy standards determine the appropriate unit size for the family size and composition.

PBV assistance may be authorized for newly constructed housing (units developed pursuant to an agreement for use in the PBV program).

Project-Based Vouchers can be attached to RHA-owned units. All proposals submitted for RHA units must be approved by HUD, or an independent entity selected by HUD.

Housing units and/or projects that are NOT eligible for PBV assistance include:

- Shared housing;
- Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
- Nursing homes or facilities providing continuous psychiatric, medical, nursing service, board and care, or intermediate care (assistance may be approved for a dwelling unit in an assisted living facility that provides home health care service such as nursing and therapy for residents of the housing);
- Units owned or controlled by an educational institution or its affiliate and designed for occupancy by the students of the institution;
- Manufactured homes;
- Cooperative housing;
- Transitional housing;
- High-rise elevator projects for households with children;
- Owner-occupied housing;
- Units occupied by an ineligible family;
- Subsidized housing types determined ineligible in accordance with HUD regulations.

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Generally, the number of PBV assisted units in the building cannot exceed 25 percent (25%) of the total number of dwelling units in the building, except as provided by regulation. Exceptions include units in a building that are specifically made available for qualifying households that are elderly or disabled, or that are receiving specific supportive services, or single family housing, defined as one to four units.

Sites selected for PBV assistance must be:

- Consistent with the goal of expanding housing and economic opportunities;
- In full compliance with the applicable laws regarding non-discrimination and accessibility requirements;
- Meet Housing Quality Standards (HQS) site standards; and
- Must meet HUD regulations for site and neighborhood standards.

Activities under the PBV program are subject to HUD environmental regulations and may be subject to review under the National Environmental Policy Act by local authorities.

When newly constructed housing sites are selected for PBV assistance, the owner must agree to develop the contract units to comply with HQS as well as compliance with HUD's broadband infrastructure requirement. RHA may elect to establish additional requirements for quality, architecture, or design of PBV housing, over and above the HQS. The owner and the owner's contractors and subcontractors must comply with all applicable State and federal labor relations laws and regulations, federal equal employment opportunity requirements and HUD's implementing regulations.

RHA will enter into a Housing Assistance Payments (HAP) contract with the owner for all sites selected and approved for PBV assistance. RHA will make housing assistance payments to the owner in accordance with the HAP contract for those contract units leased and occupied by eligible households during the HAP contract term.

RHA has no responsibility or liability to the owner or any other person for the family's behavior or suitability for tenancy. The owner is responsible for screening and selection of the family referred by RHA to occupy the owner's unit based on their tenancy histories. At least seventy-five percent (75%) of the households approved for tenancy shall be households whose annual income does not exceed thirty percent (30%) of the median income for this area as determined by HUD and as adjusted by family size.

During the course 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; refuse to renew the lease for good cause; refuse to renew the lease without good cause.

The amount of the rent to owner is determined in accordance with HUD regulations. Except for certain tax credit units, the rent to owner must not exceed the lowest of:

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- An amount determined by RHA, not to exceed 110 percent of the applicable fair market rent (FMR) for the unit bedroom size minus any utility allowance;
- The reasonable rent; or
- The rent requested by the owner.

Current local Fair Market Rents for determining rents are:

Unit Size (Number of Bedrooms)	HUD's FY 2017 Fair Market Rent for Nevada County, CA
0	\$830
1	\$985
2	\$1,309
3	\$1,906
4	\$2,306

In no event will the rent exceed 110 percent of HUD's published Fair Market Rent less utility allowances, which are currently:

	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heat Pump	6	7	8	10	12	14
Other: Mthly Elec Credit	-5	-5	-5	-5	-5	-5
Heating Natural Gas	9	10	12	15	16	18
Heating Oil Electric	14	16	21	25	30	34
Cooking Natural Gas	3	5	6	6	7	8
Cooking Oil Electric	8	10	12	14	17	19
Other Electric	28	33	43	53	64	75
Air Conditioning	8	10	16	21	27	33
Water Heating Natural Gas	9	10	15	18	20	23
Hot Water Oil Electric	17	20	29	36	42	46
Water	37	40	45	51	56	62
Sewer	55	55	55	55	55	55
Trash Collection	27	27	27	27	27	27
Range	27	27	27	27	27	27
Refrigerator	13	13	13	13	13	13

An independent reasonable rent study will be prepared to determine the rent. The total rent to the owner for PBV assisted units consists of the tenant rent (the portion of the rent to owner paid by the family) and the rental assistance paid by RHA in accordance with the contract with the owner. RHA determines the tenant rent in accordance with HUD requirements.

A one-time administrative fee of \$500 per contracted voucher will be payable to RHA at the closing of the development financing, assuming all AHAP and HAP documentation has been executed as well.

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The rules and requirements for the Project Based Voucher Program are included in RHA's "Administration Plan", Chapter 17 Project Based Vouchers, which can be found on our website at:

<http://www.rhasnc.org/docs/default-source/Pattra-/administrative-plan-june-2016.pdf?sfvrsn=0>

APPLICATION REQUIREMENTS

Applications will be reviewed and ranked and will be subject to the selection criteria described below. The following procedures will be followed by RHA in accepting and screening owner applications submitted for the PBV Program.

Application Submission Deadline

Owner applications will be accepted at RHA offices located at:

Regional Housing Authority
1455 Butte House Road
Yuba City, CA 95993

Electronic applications will also be accepted. Please send via email to b.flores@rhasnc.org.

Applications and supporting documentation for new construction or rehabilitated units will be accepted until 4:00 p.m., Friday, June 16, 2017.

Application Format

Owner applications must be submitted on the form or in the format provided by RHA.

Non-Responsive or Non-Compliant Applications

If RHA determines that an application is non-responsive or non-compliant with this RFP, written selection criteria and procedures, or HUD program regulations, the application will be returned to the applicant with its deficiencies described. RHA will give the applicant ten (10) calendar days to correct all deficiencies. The application will be considered for the program if the missing information is submitted within this time period.

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

Application Content

The application will ask for information on the following topics:

- Owner Name

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- Number of Buildings
- Number and size of units
- Quality and location of units
- Other forms of assistance received
- Requested Contract term
- Handicapped accessibility features
- Owner experience with rental housing
- Unit and neighborhood amenities
- Intended resident population
- Tenant selection criteria and plan
- Rent and Occupancy status
- Affordability restrictions
- Need for PBV assistance
- Management and Maintenance information
- Service providers, if applicable

Additional Documentation to Submit with Application

- A. Management Plan
- B. Application Form
- C. Identification and description of the proposed site, site plan and neighborhood, and evidence of site control
- D. Evidence of permissive zoning
- E. Certification of Fair Housing and Equal Opportunity
- F. Certification regarding compliance with the Uniform Relocation Act
- G. Certificate(s) of Previous Participation (HUD Form 2530)
- H. Financial statement (Income and Expense Statement) for property's most recent operating year and evidence of financing/lender interest and the proposed terms of financing
- I. The proposed term of the contract
- J. If applicable, copies of Code Enforcement Inspection Reports, and correspondence
- K. Disclosure of Lobbying activities (HUD Form - OMB 0348-0046)
- L. Certification of Participation in the Low Income Housing Tax Credit Program
- M. Letter of consistency of project with local government Consolidated Plan (HUD Form 2991)
- N. Design Architect's Certification (New Construction Only)
- O. Preliminary Construction Drawings/Construction Estimate
- P. Eligible Census Tract Certification
- Q. Certification of Payments to Influence Federal Transactions (HUD Form 50071)
- R. Certification regarding Debarment and Suspension (HUD Form 2992)
- S. Additional Government Funding (HUD Form 2880)
- T. Disclosure of Lead-Based Paint/Hazards

Application Review Panel

A PBV Selection Panel appointed by RHA will review, evaluate, rank and select the applications according to the approved Unit Selection Policy.

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If RHA units are recommended for project basing, applications and the recommendation of the panel will be forwarded to the HUD field office for review.

Application Review

RHA will review all applications. If there are RHA-owned or controlled units being considered, RHA will forward applications to HUD for review. Before selecting units, RHA will determine that each application is responsive to and in compliance with RHA's written selection criteria and procedures, and in conformity with HUD program regulations and requirements, including the following items:

- Evidence of site control.
- Certification that the owner and other project principles are not on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs.
- Proposed initial gross rents must be within 110% of the HUD published Fair Market Rent for Nevada County for the size of the unit.
- Property meets eligibility requirements under §983.7 (Eligible and ineligible Properties and RHA-owned units), §983.11 (Other Federal requirements), and §983.6 (Site and Neighborhood Standards).
- Property will be constructed with other than assistance under the U.S. Housing Act of 1937 in accordance with §983.9.
- No construction has begun, as evidenced by RHA inspection.
- For new construction projects of four or more units, RHA will determine whether any work items necessary to meet the accessibility requirements of Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Amendments Act of 1988 will be completed.
- Not more than 25 percent of units per building are eligible for PBV assistance, except to the extent such buildings are in a senior housing project or housing project for persons with disabilities meeting any applicable California and federal standards pursuant to the Civil Rights Act and the federal Fair Housing Amendments Act, in which case up to 100 percent of the units in such buildings are eligible for PBV assistance.

If a project does not meet the requirements indicated above, it will be designated non-responsive. A notice mailed to the applicant will identify the disqualifying factor.

Proposals that meet the requirements will be evaluated and ranked by the RHA panel. An RHA ranking list will be prepared according to the points awarded to each proposal. RHA may, at its discretion, select one or more of the proposals submitted, or none of the proposals submitted.

RHA reserves the right to reject any or all proposals, to waive any informalities in the RFP process, or to terminate the RFP process at any time, if deemed by RHA to be in its best

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interests. RHA reserves the right to reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services. RHA shall have no obligation to compensate any applicant for any costs incurred in responding to this RFP.

Additional Review for New Construction Projects

RHA will submit all new construction proposals determined by RHA to be eligible to the HUD field office for the site and neighborhood review component. The application(s) will be submitted to HUD with a certification stating that the unit(s) was (were) selected in accordance with RHA's approved unit selection policy.

Other Requirements

1. Before executing an Agreement with any selected owner, RHA must:
 - a. Establish rents in accordance with §983.12. For any RHA-owned unit, an independent entity will determine a recommendation for initial rents which then will be submitted to the HUD field office for final approval.
 - b. Obtain subsidy-layering contract rent reviews from HUD, if applicable.
 - c. Obtain environmental clearance in accordance with §983.58.
 - d. Submit a certification to the HUD field office stating that the unit or units were selected in accordance with RHA's approved unit selection policy.
2. The HUD field office will conduct subsidy layering contract rent reviews.
3. Before an Agreement is executed for new construction units, the owner must submit the design architect's certification that the proposed new construction reflected in the working drawings and specifications comply with housing quality standards, local codes and ordinances, and zoning requirements.

Ranking and Selection Criteria:

RHA will use the following to rank and select applications for the PBV Program. Each factor is comprised of several components with an associated point value. The total points awarded to an application will be an aggregate of the component subtotals.

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THRESHOLD REQUIREMENT

SCORED CRITERIA FOR NEW CONSTRUCTION AND REHABILITATION UNITS:

CRITERIA	MAX. POINTS AVAILABLE
1. Term of Contract Requested	25
2. Site Location	20
3. Bedroom Size Distribution	20
4. Design	20
5. Development Experience	10
6. Owner Experience	5
7. Management Experience	5
8. Amount of Rehabilitation Per Unit	15
9. Project Location	15
10. Project Feasibility/Readiness to begin Construction	20
11. Public Purpose	20
TOTAL	175

1. TERM OF CONTRACT REQUESTED (MIN. 5 PTS. REQUIRED)	MAX PTS.
Twenty years with commitment to an additional 20-year renewal term	25
Twelve to 20 years	20
Eight to 11 years	10
Five to 7 years	5
2. SITE LOCATION (MIN. 10 PTS. REQUIRED)	MAX PTS.
Site is within 1 mile of amenities including transit including a bus station, or public bus stop, public parks, public libraries, grocery store, public schools, places of significant employment offering a range of jobs for lower income workers, and a significant health facility	20
Same as above but distance is more than one mile but less than five miles	10
If project for the elderly or disabled, site is within ½ mile of shopping, significant health facility and neighborhood services, or is within ½ mile of bus to these services	20
Same as above but distance is more than ½ mile but less than two miles	10
3. BEDROOM SIZE DISTRIBUTION	MAX PTS.
Unit distribution includes 2 to 3 bedroom types	20
Unit distribution limited to one bedroom type	5
4. DESIGN (MIN. 10 PTS. REQUIRED)	MAX PTS.
If architectural elevations, setbacks, and massing considered acceptable for proposed use and in relation to adjacent land uses by City Planning Department staff; project amenities are appropriate for the planned use*	20
If the proposed project meets most of the above criteria and only slight modifications will be necessary to meet City Planning approval	10
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* Project Amenities: If a family housing development, the site plan provides for laundry facilities, recreational facilities on site or such facilities exist within ¼ mile of the project site. If a senior housing development, in addition to the above, units should have access to exterior in form of balconies or first floor patios and interior common areas with square footage not less than required under CA Tax Allocation Committee Regulations. All developments must incorporate HUD-required broadband infrastructure.

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5. DEVELOPMENT EXPERIENCE (MIN. 5 PTS. REQUIRED)		MAX PTS.
If applicant has developed 200 or more low-income housing units as primary or co-sponsor in the past five years		10
If applicant has developed less than 200 low-income housing units as primary or co-sponsor in the past five years		5
6. OWNER EXPERIENCE (MIN. 1 PT. REQUIRED)		MAX PTS.
If applicant has 20 or more years experience in owning affordable rental housing		5
If applicant has 5 to 19 years experience in owning affordable rental housing		2
If applicant has 15 or more years experience in owning other types of rental housing		2
If applicant has 10 to 14 years experience in owning other types of rental housing		1
7. MANAGEMENT EXPERIENCE (MIN. 1 PT. REQUIRED)		MAX PTS.
If applicant has 20 or more years experience in managing and maintaining affordable rental housing and providing social services		5
If applicant has 5 to 19 years experience in managing and maintaining affordable rental housing and providing social services		2
If applicant has 15 or more years experience in managing and maintaining other rental housing and providing social services		2
If applicant has 10 to 14 years experience in managing and maintaining other rental housing and providing social services		1
8. AMOUNT OF REHABILITATION PER UNIT		MAX PTS.
If the project is rehabilitation, a commitment of at least \$60,000 per unit in improvements		15
If the project is rehabilitation, a commitment of \$55,000 to \$59,999 per unit in improvements		10
If the project is rehabilitation, a commitment of \$50,000 to \$54,999 per unit in improvements		5
If the project is new construction		5
9. PROJECT LOCATION		MAX PTS.
If the project is located in the City of Grass Valley (city limits):		15
If the project is not located in the City of Grass Valley:		0
10. PROJECT FEASIBILITY/READINESS TO COMMENCE CONSTRUCTION (MIN. 10 PTS. REQUIRED)		MAX PTS.
If zoning and other required entitlements are approved (provide written proof documenting jurisdiction approvals):		20
If zoning and other required entitlements are likely to be approved:		10
11. PUBLIC PURPOSE (MIN. 5 PTS. REQUIRED)		MAX PTS.
If 100% or more of units will be restricted to low- or very-low income occupancy		20
If 50% to 75% of units will be restricted to low- or very-low income occupancy		10
If 25% to 49% of units will be restricted to low- or very-low income occupancy		5
If other City-identified priority needs* will be met		10
* Priority needs would be those indicated in the City of Grass Valley Housing Element or any other official document that indicates a community's needs as it relates to housing. Applicants will be asked for justification/documentation of how their projects meet priority needs.		
NOTE: No more than 20 points will be given in this category.		