REQUEST FOR PROPOSALS FOR

Rental Assistance Demonstration (RAD) and PROJECT-BASED VOUCHER PROGRAM



Issued By:

The Enterprise Housing Authority 300 Mildred Street Enterprise, Alabama 36330

Authority Contact:

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RFP Issue Date:

December 2, 2024

Due Date:

December 16, 2024

REQUEST FOR PROPOSALS (RFP)

The Enterprise Housing Authority Project-Based Voucher (PBV) Program encourages property owners to make rental housing available to low-income families at rents within Section 8 Fair Market Rents. Project-Based Vouchers (PBVs) are vouchers from the regular tenant-based Section 8 Housing Choice Voucher (HCV) Program, which the EHA dedicates to specific units in development. The EHA is particularly interested in using the PBV Program to provide incentives, with up to seventy-five (75) vouchers, for the new construction of rental housing to serve low-income families. As such, EHA will accept applications for the Section 8 PBV Program from property owners and developers constructing new housing. The EHA is particularly interested in developers with previous Public Housing Disposition, Low Income Housing Tax Credit, Mixed Financing, and Alabama Housing Finance Agency Programs. Other possible projects could include the preservation of expiring use projects, or acquisition/renovation of existing properties.

A. RESPONSE DUE DATE

- Responses must be submitted by 2:00 p.m. CST on December 16, 2024, to be eligible for consideration.
- Facsimile responses will not be accepted.
- Responses received after the deadline for receipt will be deemed unresponsive and returned.

B. RECEIPT OF RESPONSES

- One original response to the Request for Proposals shall be submitted in sealed envelopes and marked "Proposal for PBV Program" or via email.
- All material must be submitted in an 8 ½ x· 11 format.
- · All submissions must be received at the following address or email:

Enterprise Housing Authority
300 Mildred Street
Enterprise, Alabama 36330
Attention: Shana B. Demby, Executive Director sdemby@enterprisehousing.org

• The EHA reserves the right to reject any or all responses.

C. PROGRAM INFORMATION

Contract Term

Upon award of PBVs, EHA will enter into an Agreement or Commitment to Enter into Housing Assistance Payments, referred collectively herein as ("AHAP") contract for HCV/PBV or CHAP contract for RAD Transfer of Assistance with the owner for a specified number of rental units within the site or sites selected and approved for PBV or RAD assistance, subject to voucher and funding availability. Upon completion of construction the EHA will enter into a Housing Assistance Payments (HAP) contract with the owner for the specified number of rental units within the housing development(s), for a specified term (up to twenty years) subject to funding availability. Pursuant to the HAP contract, EHA will make housing assistance payments to the owner only for those contract units leased and occupied by eligible families and meet all other PBV program requirements during the HAP contract term.

EHA's PBV Program is described in EHA's Administrative Plan, which is available for public review at www.enterprisehousing.org. This RFP incorporates the Administrative Plan by reference, and EHA will follow its Administrative Plan in proceeding under this RFP whether or not specific mention is made of any particular provision of the Administrative Plan.

Occupancy

After initial occupancy and lease-up, all vacant PBV units must be rented to families referred to the project owner by EHA from its Section 8 waiting list. EHA subsidy standards determine the appropriate family size and composition unit size.

EHA has no responsibility or liability to the owner or any other person for the behavior or suitability for tenancy of a family referred by EHA. The owner is responsible for screening and selecting each family referred by EHA to determine whether the family is eligible to occupy the owner's unit, subject to the requirements of the PBV Program as well as any other funding requirements, such as the Low-Income Housing Tax Credit Program.

Eligible Units

In this RFP, EHA seeks to provide PBV assistance for newly constructed housing units developed pursuant to an AHAP for occupancy in accordance with the requirements of the PBV program, although the Authority reserves the right to consider other possible housing options.

Generally, the number of PBV assisted units in the project cannot exceed 25 percent (25%) of the total dwelling units, except as provided by regulation. Exceptions include PBV units specifically made available for qualifying families that are elderly or disabled, those that are receiving specific supportive services, or those that are in housing structures with no more than four units.

EHA-Owned Units

Project-Based Vouchers (PBVs) can be attached to EHA-owned units (as defined by HUD, "EHA- owned unit" which includes any units in which the EHA has a direct or indirect ownership interest). All proposals submitted for EHA-owned units must be approved by HUD, or an independent entity approved by HUD.

Ineligible Units

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

- Efficiency;
- 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 services
 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;
- Student housing;
- · Transitional housing;
- High-rise elevator projects for families with children;
- Owner-occupied housing;

- · Units occupied by an ineligible family; and
- Subsidized housing types determined ineligible in accordance with HUD regulations.

Other Requirements, including Housing Quality Standards (HQS)

Sites selected for PBV assistance must:

- · Be consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities.
- · Be in full compliance with the applicable laws regarding non-discrimination and accessibility requirements.
- · Meet Housing Quality Standards (HQS) site standards; and
- Meet HUD regulations for site and neighborhood standards. NOTE: Specially, HUD does not usually approve of using PBVs to support
 new construction development in census tracts that are minority-concentrated.

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

When newly constructed housing sites are selected for PBV assistance, the owner must agree to develop the contract units to comply with HQS. EHA may elect to establish additional requirements for the 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 (including, without limitation, Davis-Bacon and Section 3), federal equal employment opportunity requirements, and HUD's implementing regulations.

Lease

During the tenant's lease, the owner may not terminate the lease without good cause. "Good cause" does not include a business or economic reason. Upon expiration of the lease, may renew the lease; or refuse to renew the lease for good cause, HCV/PBV in which case the PHA would provide the family with a tenant-based voucher and the unit would be removed from the PBV HAP.

Rent

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

- An amount determined by EHA that is not exceed 110 percent of the applicable fair market rent (FMR) for the unit's bedroom size minus any utility allowance.
- · The reasonable rent or
- The rent requested by the owner.

| Current local Fair Market Rents | HUD's 2025 Fair Market | EHA's Payment Standard |
|---------------------------------|------------------------|------------------------|
| for determining rents are: | Rents for Enterprise, | Effective 10/1/2024 |
| Unit Size (Number of Bedrooms) | AL (Coffee County) | |
| 1 | \$653 | \$798 |
| 2 | \$857 | \$1047 |
| 3 | \$1,208 | \$1,342 |
| 4 | \$1,325 | \$1,472 |
| 5 - | \$1,489 | \$1,582 |

An independent rent reasonableness study will be prepared to determine the rent. The rental

assistance to be paid by EHA in accordance with the HAP contract will equal the total permitted rent to the owner, determined in accordance with the formula described above, tenant rent (the portion of the rent to the owner paid by the family based on household income). EHA will determine the tenant paid rent in accordance with HUD requirements.

NOTE: If PVBs are provided through RAD those rents are somewhat lower than FMRs.

D. PROPOSAL REQUIREMENTS

Proposals will be reviewed and ranked, subject to the selection criteria described below. The EHA will follow the following procedures accepting and screening owner proposals submitted for the PBV Program.

Proposal Content

The Proposal will ask for information on the following topics:

- Owner Name
- · Number of proposed Buildings
- · Number and size of units
- · Location of units (projected site)
- · Other forms of assistance planned to be received
- Requested Contract term
- · Handicapped accessibility features
- · Owner experience with rental housing
- · Unit and neighborhood amenities
- Intended resident population
- · Tenant selection criteria and plan
- Proposed Rents
- Affordability restrictions
- Need for PBV assistance
- · Management and Maintenance plans

PBV Selection Panel

Proposals shall be reviewed by a PBV Selection Panel consisting of the EHA's Executive Director and staff member appointed by the Executive Director. This PBV Selection Panel will review, evaluate, rank, and recommend to the Executive Director and the Board of Commissioners the best qualified and best value to provide the required services. The panel's recommendation will be forwarded to the HUD Field Office for review. Contingent upon formal EHA Board and HUD approval, and compliance with all project-based regulations, the EHA will offer the developer the opportunity for an Agreement to enter into a Housing Assistance Payment Contract (or Housing Assistance Payments Contract) and subsequently issue authorization to proceed with construction, with up to a specific number of Project-Based Vouchers (PBVs) dedicated to the development. All potential developers must formally respond to this RFP.

Proposal Review

Before selecting units, the PBV Selection Panel will determine that each selected Proposal is responsive to and in compliance with EHA's written selection criteria and procedures and the

Administrative Plan, and in conformity with HUD program regulations and requirements, including the following items:

- Evidence of site control or potential site control.
- Certification that the owner and other project principals are not on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs.
- · Proposed initial gross rents must be within EHA's Payment Standard unit size.
- Property meets eligibility requirements under §983.7 (Eligible and Ineligible Properties and EHA- owned units), §983.11 (Other Federal requirements), and §983.6 (Site and Neighborhood Standards).
- No construction has begun, as evidenced by EHA's inspection.
- For new construction projects of four or more units, EHA 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.
- The application requests PBV assistance for not more than 25 percent of units per project, not counting PBV units to be
 leased to elderly persons, or persons with disabilities meeting any applicable Alabama and federal standards pursuant to
 the Civil Rights Act and the Federal Fair Housing Amendments Act, or PBV units restricted to households receiving supportive
 services in compliance with the Administrative Plan and applicable HUD rules.
- Certification that the project will comply with all applicable State and federal labor relations laws and regulations (including without limitation Davis-Bacon and Section 3), federal equal employment opportunity requirements and HUD's implementing regulations.

The proposal will be designated non-responsive if it does not meet the above requirements. A notice mailed to the applicant will identify the disqualifying factor(s).

The EHA-PBV Selection Panel will evaluate and rank proposals that meet the requirements. A ranking list will be prepared according to the points awarded to each Proposal. EHA may, at its discretion, select one or more of the proposals submitted, or none of the proposals submitted.

EHA reserves the right to reject any or all proposals, waive any informality in the RFP process, or terminate the RFP process at any time if EHA deems it is in its best interest. EHA 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 proposals offering alternate or non-requested services. EHA shall have no obligation to compensate any applicant for any costs incurred in responding to this RFP.

Other Requirements

- 1. Before executing an AHAP with any selected owners, EHA must:
 - a. Establish rents in accordance with §983.12. For any EHA-owned unit, an independent entity will determine a recommendation for initial rents which will then be submitted to the HUD field office for final approval.
 - b. Obtain environmental clearance in accordance with §983.58.
- 2. If applicable, the HUD field office will conduct subsidy layering contact rent reviews.
- Before an AHAP 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 HQS, local codes and ordinances, and zoning requirements and applicable HUD accessibility requirements.

Ranking and Selection Criteria:

EHA 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.

| SCORING CRITERIA FOR NEW CONSTRUCTION UNITS: | MAXIMUM POINTS AVAILABLE: |
|--|---------------------------|
| 1. Term of Contract Requested | 20 |
| 2. Site Location | 20 |
| 3. Design | 20 |
| 4. Development Experience | 10 |
| 5. Owner Experience | 10 |
| 6. Management Experience | 10 |
| 7. Project Feasibility/Readiness to begin Construction | 10 |
| TOTAL | 100 |

| 1. TERM OF CONTRACT REQUESTED | I |
|---|------|
| If the applicant is requesting a fifteen-year contract. | 20 |
| If the applicant is requesting a ten-to-fourteen-year contract. | 10 |
| If the applicant is requesting a five-to-nine-year contract. | 5 |
| If the applicant is requesting a contract of less than five years. | 0 |
| 2. SITE LOCATION | |
| Upon completion, the project is within three miles of places of significant employment, offering a range of jobs for lower-income workers, and a significant health facility. | 20 |
| 3. DESIGN | • |
| If architectural elevations, setbacks, and massing are considered acceptable for the proposed use and in relation to adjacent land, project amenities are appropriate for the planned use*: | 20 |
| If the proposed project meets most of the above criteria, only slight modifications will be necessary to meet City Planning approval: | 10 |
| *Project Amenities: If a family housing development, the site plan provides for laundry facilities hook-ups, recreational facilities on site or such facilities exist within¼ mile of the project site. If a se housing development, in addition to the above, units should have access to the exterior in the form of balconies or first-floor patios and interior common areas. | nior |
| 4. DEVELOPMENT EXPERIENCE | |
| If the applicant has developed 100 or more low-income housing units in the past ten years. | 10 |
| If the applicant has developed 50- 99 low-income housing units in the past ten years. | 5 |
| 5. OWNER EXPERIENCE | |
| If the applicant has 20 or more years of experience in owning affordable rental housing: | 10 |
| If the applicant has 10 to 19 years of experience owning affordable rental housing. | 7 |
| If the applicant has 20 or more years of experience in owning other types of rental housing. | 5 |
| If the applicant has 10 to 19 years of experience in owning other types of rental housing. | 2 |
| | |
| 6. MANAGEMENT EXPERIENCE | |
| If the applicant has 20 or more years of experience in managing and maintaining affordable rental housing. | 10 |
| If the applicant has 10 to 19 years of experience in managing and maintaining affordable rental housing. | 7 |
| If the applicant has 20 or more years of experience in managing and maintaining other rental housing. | 5 |
| If the applicant has 10 to 19 years of experience in managing and maintaining other rental housing. | 2 |
| 7. PROJECT FEASIBILITY/READINESS TO COMMENCE CONSTRUCTION | |
| If zoning is approved, and at least 30% of projected debt financing is conditionally committed, and reserved, and the development schedule proposes closing within 6 months from the date of proposal submission. | 10 |
| If zoning is likely to be approved and if less than 30% of projected debt financing is conditionally | 5 |
| committed and reserved, and the development schedule proposes closing in 7 to 12 months from the date of proposal submission. | |
| and date of proposal additionalist | |

E. ADDENDA

The EHA will endeavor to provide copies of any addenda to all potential respondents to whom this RFP has been sent. Still, it will be the responsibility of each respondent to make an inquiry as to the existence and content of addenda, as the same shall become part of this RFP. All respondents will be bound thereby, whether the respondent receives the addenda. It is recommended that respondents regularly contact the EHA, from the date of issue to the date of closure, to verify any changes or additions to this RFP that have been included, posted and circulated.

F. <u>AUTHORITY OPTIONS</u>

The Enterprise Housing Authority (EHA) reserves the right to cancel this Request for Proposals (RFP), or to reject, in whole or in part, any submissions received in response to this RFP upon its determination that such cancellation or rejection is in the best interest of the EHA. The EHA further reserves the right to waive any minor informality, or the failure of any respondent to comply in addition to that, if it is in the public interest to do so. The EHA will not compensate any respondent for any costs related to the preparation or submittal of the proposals.

The EHA will reject the proposals of any respondent suspended and debarred by HUD from providing services to public housing authorities and reserves the right to reject the Proposal of any respondent who has previously failed to perform any contract properly for the EHA.

Determining the criteria and process whereby proposals are evaluated and deciding who shall receive a contract award shall be at the sole and absolute discretion of the Enterprise Housing Authority.

Enterprise Housing Authority (EHA) 300 Mildred Street Enterprise, Alabama 36330