Request for Proposals (RFP) #2013-DS – Project-Based Vouchers for Homeless Families/Individuals

Responses to Requests for Information

Q1. Are there updated links for page 4?

A1. The following links have been updated in the RFP on page 4.

- Section 8(o)(13) of the US Housing Act of 1937;
- Title 24 of the Code of Federal Regulations, Part 983; [https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=78516c360261e2c8b10e92be05e2a93f&mc=true&n=pt24.4.983&r=PART&ty=HTML](https://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=78516c360261e2c8b10e92be05e2a93f&mc=true&n=pt24.4.983&r=PART&ty=HTML)
- SHRA’s Multi Family Lending and Mortgage Revenue Bond Policies [https://www.shra.org/multi-family-housing-financing-lending-resources/](https://www.shra.org/multi-family-housing-financing-lending-resources/)

Q2. How long and what is the review process for the RFP?

A2. The selection process is described on page 12 of the RFP. The selection letters are usually sent within 4-6 weeks after the project submittal deadline.

Q3. Page 6 states that Attachments A-C “must be signed by an authorized signatory of your firm, with the authority to officially submit the proposal and respond to questions concerning the proposal.” Are wet signatures required?

A3. Wet signatures are not required on the proposals.
Q4. Page 7 states that Minimum Threshold Requirement #4 is that “the site must be inspected before the proposal is due to determine [24 CFR 983.103 a 1]:

A. Pre-selection inspection –
   1. Inspection of site. The PHA must examine the proposed site before the proposal selection date.

   The PHA may not execute the HAP contract until the units fully comply with the HQS.”

Is this site inspection required before the May 5, 2020 application submittal date? If so, how do we coordinate site inspection?

A4. The site will be visually inspected prior to selection date after the proposal is submitted.

Q5. Page 10 states that applicants must provide a “detailed project timeline that indicates all necessary actions for the project to meet the readiness date…” What is the readiness date?

A5. The readiness date is when the project timeline will fulfill the requirement to have the Agreement to Enter into a Housing Assistance Payment (AHAP) executed within 2 years of the award notice of project based vouchers and the Housing Assistance Payment(HAP) contract completed within 2 years of signing the AHAP unless SHRA approves an extension.

Q6. Page 11 under Rating Factor 8 (Location) states that “Points are awarded if: A. Property is located in a low poverty census tract (poverty rate is below 20% or is undergoing transformation.)” Can you provide a definition of “undergoing transformation”?

A6. A census tract undergoing transformation is economically expanding with growth in income and a decrease of low income households.

Q7. Is there a maximum percentage of the project that can be funding with PBS8 Vouchers?

A7. The entire project can request project-based vouchers for all units because supportive services are required for the project. There may be a maximum percentage based on other funding sources not related to the project-based vouchers.
Q8. Is a WET - Original signature required on the forms or will electronic signatures suffice?

A8. Wet signatures are not required on the proposals and electronic signatures will suffice.

Q9. Page 6 of the RFP solicitation states in the first paragraph that 6 items must be submitted under Minimum Threshold Requirements. Only 5 are enumerated. Additionally, the same paragraph states 7 items are Ratings Factors are required to be submitted; however, 8 items are listed. Please clarify.

A9. There are 5 items under the minimum threshold requirements. There are 8 Rating Factors. The language in the RFP has been changed to:

Proposals are to be bound, single-sided standard sized (8.5” X 11”) pages. Number each page. To facilitate review by the Selection Committee, please submit information / answers to each of the 5 items listed below (Minimum Threshold Requirements) and the 8 items listed under Rating Factors; identify each item, in order by the appropriate number. Brevity is encouraged; however, be sure to fully address each item listed below as part of your RFP submittal.

Q10. How much does the voucher/tax credit contribute to the total project?

A10. The project-based voucher does not give tax credit. The amount allocated for the voucher is determined by payment standard amounts. The payment standards adopted for project-based units are the lower of:

- 110% of the Fair Market Rent (FMR) or a HUD approved exception rent;
- The rent requested by the owner; or
- Reasonable rent as determined by evaluating comparable units for rent, amenities, size and location conducted by qualified staff.

The current Fair Market Rent amounts published by HUD for 2020:

<table>
<thead>
<tr>
<th></th>
<th>Efficiency</th>
<th>One Bedroom</th>
<th>Two Bedroom</th>
<th>Three Bedroom</th>
<th>Four Bedroom</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 FMR</td>
<td>$952</td>
<td>$1072</td>
<td>$1,349</td>
<td>$1,946</td>
<td>$2,368</td>
</tr>
</tbody>
</table>
Q11. What services and design requirements must be in place to obtain approval?

A11. In regards to Rating Factor 1, services to the residents can include, but limited to a variety of services e.g. counseling, budget management, employment services, life-skills training, classes, access to healthcare, childcare, computer lab, legal assistance, etc. Developers can offer the services on-site or partner with various agencies to provide assistance to the residents. The hope is offer services to help move residents to living independently and/or becoming self-sufficient.

To fulfill the service provider requirement, this is covered in Rating Factor 3. The proposal must contain a signed contract or a letter of commitment, showing a relationship between the housing owner and the service provider(s). The contract or commitment letter must list:
   A. The services that are to be provided.
   B. The duration of the services.
   C. Location of the supportive services provided.
   D. Who is eligible to participate in the services.

To fulfill the design requirements, this is covered in Rating Factor 5. The proposal must have evidence showing entitlements are in process with Planning Department and plans have been submitted to the appropriate Building Department.

Q12. In light of the COVID-19 pandemic, and with many offices and printing locations closed based on the guidance of Sacramento County’s Health Officer, will SHRA consider temporarily waiving its requirement of four bound copies, and instead accept electronic submittals or flash drives?

A12. SHRA will change the requirement to one (1) bound copy and a flash drive.
Q13. I have a question regarding the Income and Rent Limit Table. Is the maximum rent allowed for a 2-bedroom unit is $941.25? The reason for my confusion is in the Multifamily Lending and Mortgage Revenue Bond Policies (Section 7.2, page 25) it states that the max rent is not to exceed 30% of income. For a family that is at 50% AMI (from the RFP), the annual income for a 4-person family (2-bedroom) is $41,800 and 30% of that is $1,045 per month. Is the $941.25 or $1,045 the correct rent to charge for a 2-bedroom?

A13. When the initial rent is determined for the project-based units, the regulation requires that SHRA shall use the most recently published Fair Market Rent (FMR) in effect and the utility allowance schedule in effect at execution of the HAP contract. The payment standards adopted for project-based units are the lower of:

- 110% of the FMR or a HUD approved exception rent;
- The rent requested by the owner; or
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Q14. In the Code of Federal Regulations, Part 983.53 Section (5), Manufactured Homes are listed as being an ineligible unit. Our project consists of Modular Construction of apartment units. Will our product fall under the category of "Manufactured Homes?"

A14. If the project has a permanent foundation and is considered a permanent structure by the city planning department, then it would qualify and not fall in the category of “Manufactured Homes”.

Q15. Is there a certain number of vouchers (per project) that would trigger additional monitoring fees or requirements?

A15. There are no additional monitoring fees or requirements for project-based vouchers.
Q16. The RFP (pg. 6) indicates “Minimum Threshold Requirements”. Requirement #2 is requesting a lot of information about the project but what are the threshold requirements for #2?

A16. Include in the proposal all of the information in requirement #2 to answer these questions: the location by census tract; total number of units by bedroom size; total number of buildings; number and bedroom sizes of units; number of units per building; and target population of any non-PBV units. If the proposal is for existing units, the property must have rent restrictions of 50% Area Median Income (AMI) or below, and provide proof of covenants and regulatory agreements will meet the minimum threshold requirement of the AMI.

The minimum number of vouchers that can be requested is 15.

Q17. If the contract is for a certain portion of units (i.e. 20% or 25% of total units) are there any special requirements if the applicant requests more vouchers above that threshold (i.e. For more than 25% of the total units)?

A17. The Housing Opportunity Through Modernization Act of 2016 (HOTMA) makes changes to the exceptions to the project cap. Units are excluded from the 25 percent or 25-unit project cap if supportive services available to all families receiving PBV assistance in the project.

Q18. After searching throughout the HUD website it appears that question 3 is no longer pertinent as these programs no longer exist: "Is this census tract in a HUD-designated Enterprise Zone, Economic Community or Renewal Community?" The links to these resources are either inactive or state that the program no longer has active grants. Please advise if there is contradictory information to what I have found and/or if the question should be rephrased to include Opportunity Zones.

A18. If the project is located in an opportunity zone or any type of revitalization zone in Sacramento County, SHRA will consider this information during selection.
Q19. How is a developer to obtain site control interest as well as the large financial commitments with Davis-Bacon costs in 32 days?

A19. Proposals submitted for project-based vouchers have already begun the development process and have an identified site. Project readiness must be submitted (Rating Factor 5). We anticipate that another Request for Proposal for Project-Based Vouchers will be issued in 2021 and any projects not ready this year can submit next year.

Q20. What is the minimum amount of vouchers per project available to be issued?

A20. A minimum of 15 vouchers per project are available to be issued through this RFP. A request to reduce the amount of PBVs to a number less than 15 post award will not be considered.