

# Florence Housing Authority Project- Based Voucher Program Request for Proposals

Florence Housing Authority requests proposals from developers for the Project-Based Voucher (PBV) Program. The PBV program is designed to conform to the Project-Based Voucher Program Final Rule published on October 13, 2005 at 24 CFR Part 983.

PBV applications are being accepted to assist eligible families to receive rental assistance by executing a Section 8 rental agreement in an existing, newly constructed, or rehabilitated units, and they continue to receive assistance as long as they reside in the specific project-based dwelling unit and remain in compliance with the Section 8 regulations. The PBV remains with the original unit, and Florence Housing Authority administers these PBVs for any project that that contain the following:

- 1.) The PBV designated units must serve households at or below 50% of the area medium income:
- Must show evidence of site control;
- Developer must demonstrate that project construction will commence within fifteen (15) months and occupancy will commence within thirty (30) months from date of preliminary award of PBV's;
- 4.) Each proposal must include a request for at least five (5) vouchers:

Proposals must be received by Florence Housing Authority no later than 5:00 p.m., Friday, November 22, 2024. Late applications will not be accepted.

Florence Housing Authority seeks to meet the goal of de-concentrating poverty and expanding housing opportunities with the award of these Project- Based Vouchers.

#### **DESCRIPTION OF PBV PROGRAM**

Through the PBV program, Florence Housing Authority will enter a housing assistance payment (HAP) contract with the selected property owner for designated rental units for a term of up to fifteen years subject to funding availability. Housing assistance subsidies will be provided while eligible families occupy the rental housing units, and the units meet other program standards. Florence Housing Authority will maintain the waiting list and refer program participants to the project owner to fill vacant units. FHA's subsidy standards will determine the appropriate unit size for the family size and composition.

Under the PBV regulations, Project-Based Vouchers can be attached to FHA-owned units, including units owned by FHA subsidiaries; however, all proposals submitted for units where FHA has an "identity interest" must be approved by HUD, or an independent entity selected by HUD.

Certain types of housing units and/or developments are **not eligible** for PBV assistance including:

- 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.
- Units that are 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;
- Owner-occupied housing units;
- Units occupied by an ineligible family at the time of proposal submission or prior to execution of the Housing Assistance Payment (HAP) contract; and
- Subsidized housing unit types that are determined ineligible in accordance with HUD regulations. These include, but are not limited to: public housing units; units subsidized with any other form of Section 8 assistance; units subsidized with any governmental subsidy that covers all or part of the operating costs of the housing; units subsidized with rental assistance under Section 236, Section 521 or Section 101; units subsidized with Section 202 including supportive housing for the elderly; units subsidized under Section 811; units subsidized with any form of tenant-based rental assistance as defined at 24 CFR 982.1(b)(2) including units subsidized with such assistance under the HOME program; and, units with any other duplicative federal, state or local housing subsidy as determined by HUD or FHA.

The number of PBV assisted units in the project cannot generally exceed the greater of 25 units or 25 percent (25%) of the total number of dwelling units in the project, except as provided by regulation 24 CFR 983.56.

Sites selected for PBV assistance must be:

- Consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities, consistent with FHA's PHA Plan and Administrative Plan. Specific factors are discussed at 24 CFR 983.57;
- In full compliance with the applicable laws regarding nondiscrimination and accessibility requirements;
- Meet INSPIRE site standards; and
- Must meet HUD regulations for site and neighborhood standards. The site selected must: 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 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 that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents; and, d) be located within reasonable travel times and cost via public transportation or private auto to places of employment.

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.

FHA will enter a Housing Assistance Payments (HAP) contract with the owner selected and approved for PBV assistance. FHA will make housing assistance payments to the owner in accordance with the HAP contract for those contract units leased and occupied by eligible families during the HAP contract term subject to funding availability.

The owner is responsible for screening applicants to occupy the owner's unit based on their tenancy histories. At least seventy-five percent (75%) of the families approved for tenancy shall be families 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 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; or refuse to renew the lease without good cause.

The amount of the rent to the owner is determined in accordance with HUD regulations. The rent to owner including utility allowances must not exceed the lowest of:

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

Current Florence Housing Authority rents are currently set at with this Fair Market Rent:

Unit Size (Number of Bedrooms)	Proposed Fair Market Rents for Lauderdale County Effective Jan. 1, 2025
0	\$797
1	\$864
2	\$1,128
3	\$1,388
4	\$1,710

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 FHA in accordance with the contract with the owner. FHA determines the tenant rent in accordance with HUD requirements.

### <u>APPLICATION REVIEW PANEL</u>

FHA's Executive Director will appoint a PBV Selection Panel to review, evaluate, rank and select the applications according to the criteria described herein. This panel will, at a minimum, consist of the Executive Director, Senior Accountant and Housing Choice Voucher Director.

#### **APPLICATION REVIEW**

FHA will review all applications. Before selecting applications for scoring, FHA will determine that each application is responsive to and in compliance with FHA's written selection criteria and procedures, and in conformity with HUD program regulations and requirements, including the following items:

- Units designated for PBV must serve households at or below fifty (50%) of area medium income.
- Evidence of site control.
- New construction must demonstrate that project will commence within fifteen (15) months and occupancy will commence within thirty (30) months from date of preliminary award of PBV's.
- Each proposal must include a request for at least five (5) vouchers.
- 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 nonprocurement programs.
- Property must meet eligibility requirements under §983.7 (Eligible and ineligible Properties and FHA-owned units), §983.11 (Other Federal requirements), and §983.6 (Site and Neighborhood Standards).
- Property will be constructed with funding other than assistance under the U.S. Housing Act of 1937 in accordance with §983.9.
- Generally, not more than 25 units or 25 percent (25%) of the total number of dwelling units in the project are eligible for PBV assistance per 24 CFR 983.56.

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 FHA panel. A FHA ranking list will be prepared according to the points awarded to each proposal. FHA may, at its discretion, select none, one or more of the proposals submitted.

FHA reserves the right to reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by the FHA to be in its best interests. FHA 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. FHA reserves the right to award fewer than the number of units requested, if the requester agrees to accept a lower number of PBV units. FHA shall have no obligation to compensate an applicant for costs incurred in responding to this RFP.

### **OTHER REQUIREMENTS**

- 1. Before executing an Agreement with any selected owner, FHA will:
  - a. Establish rents in accordance with §983.12. For any FHA-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. Submit a certification to the HUD field office stating that the unit or units were selected in accordance with FHA's approved unit selection policy.

# **RANKING AND SELECTION CRITERIA**

# **Scoring Criteria:**

FHA's Evaluation Panel will review and score each proposal based on the following criteria:

CRITERIA	MAX POINTS AVAILABLE
Owner Experience and capability to build and operate affordable rental housing.	40
The extent to which developer fees are deferred.	20
3. The financial viability of the proposal – including a proforma demonstrating the status of realistic and available sources and explanations of how construction and operating expenses were determined.	20
4. Extent to which the project furthers FHA's goal of de-concentrating poverty and expanding housing and economic opportunities with 25% or less of units in each project designated for PBV.	10
5. Extent to which the project serves Extremely Low Income Households (30% AMI or lower).	10
TOTAL POINTS AVAILABLE	100

# **APPLICATION REQUIREMENTS**

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

### **APPLICATION SUBMISSION DEADLINE**

Owner applications will be accepted at the FHA office located at or by email:

**Attention:** 

Maggie Perez, Executive Director

Florence Housing Authority

110 Cypress St. Ste 1

Florence, AL 35633

Applications and supporting documentation will be accepted until 5:00 PM, on Friday, November 22, 2024.

# **APPLICATION FORMAT**

One original and one copy of owner applications must be submitted in the format designated by FHA. Where possible, copies should be submitted as two-sided copies to conserve paper.

# NON-RESPONSIVE OR NON-COMPLIANT APPLICATIONS

If FHA 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. FHA 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.

FHA reserves the right to cancel this RFP for any reason or 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

Applications submitted must have the following:

- Cover letter signed and submitted by the principal party authorized to contract on the organization's behalf. The cover letter should state the number of PBV units requested; the total number of units in the development along with number of buildings and the type of resident population.
- 2) A cover sheet that outlines the following:
  - Name of sponsor organization
  - Mailing address
  - Telephone numbers, fax numbers and e-mail addresses
  - Principal contact person
  - Executive Officer
  - DBE/MBE/WBE designation if applicable
  - Number of years in business
- 3) Copies of most recent single audit, audited 990's or financial statements of the sponsor organization.

- 4) Project application. Applications for PBV assistance must provide information on the following topics:
  - Owner name
  - Project name
  - Number of buildings
  - Number and size of units
  - Location of units
  - Other forms of assistance received
  - Requested contract term
  - Handicapped accessibility features
  - Owner experience with affordable rental housing
  - Unit and neighborhood amenities
  - Intended resident population
  - Tenant selection criteria and plan
  - Proposed Rents
  - Affordability restrictions
  - Need for PBV assistance
  - Management and operations plan
  - Service providers, if applicable
  - Evidence of site control
  - Financial Proforma
  - Development Schedule