

REQUEST FOR PROPOSALS (RFP)

Project-Based Voucher (PBV) Program for
Veterans Administration Supportive Housing (VASH)
and
Mainstream Vouchers



Yolo County Housing

147 West Main Street, Woodland, CA 95695

RFP Release Date: Monday, March 1, 2021

RFP Due Date: Monday, March 29, 2021 by 5:00pm

Request for Proposals

A. Introduction

Yolo County Housing (YCH) requests proposals from property owners and developers for the Project-Based Voucher (PBV) Program. Project based applications are being accepted for existing housing; and rehabilitation or new construction projects with planned completion by December 31, 2021. Proposals are due to YCH no later than 5:00 p.m on Monday, March 29, 2021. Late applications submitted electronically or with late postmarks will not be accepted.

An existing unit will be considered if at the time of notice of selection the units substantially comply with HQS.

A housing unit will be considered a *rehabilitation unit* if it requires a minimum of expenditure of \$10,000, including the unit's prorated share of work to be accomplished on common areas or systems. There is no upper limit on expenditures. All financing of project costs and operating expenses will be the responsibility of the owner.

A housing unit will be considered a new construction unit if construction has not started at the time of selection and/or prior to entering into the Agreement for Housing Assistance Payment (AHAP) contract. All financing and operating expenses will be the responsibility of the owner. *(YCH is awaiting a HUD decision regarding whether current affordable housing development projects with an AHAP can add PBV units to their existing contract through this RFP).*

YCH estimates that up to **50 project based vouchers** may be available under this RFP for the purpose of creating and/or expanding permanent, affordable housing to very low and extremely low income families that meet one or more of the following definitions:

VASH Project Based Vouchers (up to 15 awarded) serving:

- Veterans: Individuals or families must be Veterans Administration healthcare eligible. Veterans who are appropriate candidates for this program demonstrate the most need or vulnerability and must need case management services in order to obtain and sustain independent community housing. All referrals for VASH Vouchers come through the local Veterans Administration
- Homeless: Veterans must meet the definition defined in the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302).

Mainstream Project Based Vouchers (up to 40 awarded) serving:

- Non-Elderly Persons with Disabilities: Affordable housing to very low and extremely low income individuals and families who have a disabled family member age 18-61 years of age at the time they are pulled from the housing wait list. **AND,**
- Homeless or At Risk of Homelessness: Individual or family who lacks a fixed, regular, and adequate nighttime residence or who will imminently lose their primary nighttime residence. **OR,**
- Exiting Institutionalization or At Risk of Institutionalization: Such as congregate settings populated with individuals with disabilities, or characterized by regimentation

in daily activities, or settings that provide for daytime activities for individuals with disabilities.

For the purposes of this RFP, YCH is seeking applications for **zero, one, or two bedroom units only**. YCH is also looking for proposals that include on-site services or access to nearby services available to those utilizing these vouchers to assist with achieving housing stability and self-sufficiency.

B. Description of PBV Program

Through the PBV program, YCH will enter into housing assistance payment contracts with selected property owners for designated rental units for a term of up to fifteen (15) 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. YCH will refer applicants from its site-based Project Based Voucher program waiting list to the project owner in order to select families to fill vacant units. YCH's published subsidy standards will determine the appropriate unit size for the family size and composition. YCH does not provide *vacancy loss payments* in their Housing Assistance Payment contracts.

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. However, YCH may approve assistance 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 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;

Subsidized housing unit types 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 YCH.

The number of PBV assisted units in the building cannot generally exceed the greater of a total of 25 units or 25 percent (25%) of the total number of dwelling units in the building, except as provided by regulation. Exceptions to the project cap include:

- Units exclusively serving elderly families
- Units housing households eligible for one or more supportive services available to all families receiving PBV assistance in the project.

Sites selected for PBV assistance must be:

- Consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities, consistent with YCH 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 Housing Quality Standards (HQS) site standards; and
- Must meet HUD regulations for site and neighborhood standards. For rehabilitated housing, 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.

For new construction the site; a) must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site. b) must not be located in an area of minority concentration, except as permitted under paragraph (e)(3) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area. c) must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons. d) neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions. e) housing must 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, and e) except for new construction, housing designed for elderly persons, 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, must not be excessive.

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.

YCH will enter into a Housing Assistance Payments (HAP) contract with the owner for all sites selected and approved for PBV assistance. YCH 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 and selection of the family referred by YCH from YCH’s waiting list to occupy the owner’s unit.. 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 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 including utility allowances must not exceed the lowest of:

- An amount determined by YCH, 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.

Effective November 1, 2020, Yolo County 2021 Fair Market Rents and YCH Payment Standards for determining rents are:

Unit Size (# of Bedrooms)	HUD’s FY ‘21 Fair Market Rent for Yolo County	YCH’s Payment Standard Effective 11/01/2020 (all areas except the City of Davis)	YCH Payment Standard Effective 11/01/2020 City of Davis
0	1085	977	977
1	1147	1033	1116
2	1511	1360	1476

YCH’s utility allowance schedule is available upon request and can also be found at our website: www.ych.ca.gov, under either the “Landlord” or “Resident” tab.

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 YCH in accordance

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

APPLICATION REVIEW PANEL

YCH's Chief Executive Officer 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 Housing Supervisor for the Housing Assistance Division and one specialist or inspector from within the division.

In the event YCH-owned 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

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

- Evidence of site control.
- Existing housing units must, at the time of YCH's selection, substantially comply with Housing Quality Standards.
- 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 not exceed 110% of the applicable Fair Market Rent including any applicable allowance for tenant-paid utilities for the size of the unit.
- Property must meet eligibility requirements under §983.7 (Eligible and ineligible Properties and YCH- 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 YCH inspection.
- Project Cap: The limitation on the number of units that may be project-based in an individual project is the greater of 25 units or 25 percent of the units. Exceptions to the project cap as of April 18, 2017 are units exclusively serving elderly families and/or units housing households eligible for one or more supportive services available to all families receiving PBV assistance in the project. (Project Cap is defined in PIH Notice 2017-21, Attachment E)

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

YCH 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 YCH to be in its best interests. YCH 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. YCH reserves the right to award fewer than the number of units requested, if the requester agrees to accept a lower number of PBV units. YCH shall have no obligation to compensate an applicant for costs incurred in responding to this RFP.

OTHER REQUIREMENTS

Before executing an Agreement with any selected owner, YCH will:

- Establish rents in accordance with §983.12. For any YCH-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.
- Obtain subsidy-layering contract rent reviews from HUD or designee, if applicable.
- Submit a certification to the HUD field office stating that the unit or units were selected in accordance with the YCH's approved unit selection policy.

SELECTION PROCESS AND SCORING CRITERIA

YCH will use the following to rank and select applications for the PBV Program.

Scoring Criteria:

Units must be inspected by YCH (or an outside party if the unit is owned by YCH or an instrumentality) before scoring can occur. If the application is for more than 20 units, a representative sample of each unit size will be inspected before selection. If an existing HQS or equal inspection has been done within the last 12 months that inspection report can be used to satisfy this requirement.

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

Scoring Criteria for Rehabilitated and New Construction Units

CRITERIA	MAX POINTS AVAILABLE
1. Term of Contract Requested	10
2. Site Location	10
3. Design	20
4. Owner Experience	15
5. Management Experience	15
6. Project Feasibility to Meet December 31, 2021 deadline for lease up.	20
7. Project Type and Supportive Services Provided	10
8. Public Purpose	20
TOTAL POINTS AVAILABLE	120

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 YCH in accepting and screening owner applications submitted for the PBV Program.

APPLICATION SUBMISSION DEADLINE

Owner applications will be accepted electronically and by US Mail at:

Electronic submission: jholt@ych.ca.gov

US Mail:

**Janis Holt, General Director
Yolo County Housing
147 W. Main Street
Woodland, CA 95695**

Applications and supporting documentation for existing housing units, rehabilitated or new construction units will be accepted until **5:00 PM on Monday, March 29, 2021.**

APPLICATION FORMAT

YCH will accept electronic applications submitted to Janis Holt, jholt@ych.ca.gov. YCH requests that one hard copy be mailed to:

**Attention: Janis Holt, General Director
Yolo County Housing
147 W. Main Street
Woodland, CA 95695**

NON-RESPONSIVE OR NON-COMPLIANT APPLICATIONS

If YCH 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. YCH 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.

YCH 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:

1) 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 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
- Number of years of ownership of the development (existing or rehabilitation housing)

3) Copies of most recent single audit, audited 990's or financial statements of the organization

4) Project application. Applications for PBV assistance must provide information on the following topics:

- Owner name
- Number of buildings
- Number and size of units
- Quality and location of units
- Other forms of financial or supportive service assistance received
- Requested contract term
- Handicapped accessibility features
- Owner experience with rental housing including the housing choice voucher program
- Unit and neighborhood amenities
- Intended resident population
- Tenant selection criteria and plan (required for existing or rehabilitation units)
- Rent and occupancy status
- Affordability restrictions
- Need for PBV assistance
- Management and maintenance information
- Description of supportive services, including but not limited to:
 - Outreach;
 - Case management, counseling;
 - Health care, psychiatric and mental health care, substance abuse treatment
 - Life skills, parenting skills;
 - Child care, transportation, housing search assistance, budgeting;
 - Employment assistance, job training/placement;
 - Education, vocational opportunities.

Attachments Available For Review at the HUD Website, www.hud.gov:

- PIH Notice 2017-21
- PIH Notice 2017-20