

**REQUEST FOR PROPOSALS
FOR
New Construction Project-Based Voucher Units**

ISSUED BY:

The Fairfax County Redevelopment and Housing Authority (FCRHA)

CONTACT FOR THIS REQUEST FOR PROPOSALS

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**PROPOSALS ARE DUE TO:
Fairfax County Department of Housing and Community Development (HCD)**

Monday, December 16, 2019 at 2:00 PM (local time)
At
3700 Pender Drive, Front Desk
Fairfax, VA 22030

The Fairfax Department of Housing and Community Development (HCD) business hours are 8:00 am to 4:30 pm Monday through Friday. Additionally, HCD is closed on holidays observed by Fairfax County, and may be closed due to inclement weather. If HCD is closed due to inclement weather on the due date, proposals will be accepted until 2:00 PM the next day that the HCD offices are open.

All proposals received and time stamped by HCD prior to the proposal deadline shall be accepted as timely submitted. The responsibility for submitting a proposal on or before the stated time and date is solely and strictly the responsibility of the Applicant. HCD will in no way be responsible for delay caused by mail delivery or caused by any other occurrence. All expenses involved with the preparation and submission of a proposal to HCD, or any work performed in connection therewith, shall be borne by the Applicant.

The submittal of a proposal by an Applicant will be considered by HCD as constituting an offer by the Applicant to provide housing and perform the services as outlined in the proposal. An Applicant may submit a modified proposal to replace all or any portion of a previously submitted proposal up until the proposal due date and time. HCD will only consider the latest version of the proposal.

Requests for additional information or inquiries must be made in writing and received by HCD's contact person for this RFP. HCD will issue responses to inquiries and any changes to this RFP it deems necessary in writing.

TABLE OF CONTENTS

1. Introduction	3
1.1 Introduction	3
1.2 Request for Proposal Schedule	3
2 Project Requirements	3
2.1 Program Information	3
2.2 Ineligible Units and Prohibition on Assistance.....	3
2.3 Income-Mixing Requirement (Project Cap)	4
2.4 Site Selection Standards	4
2.5 Requirements for Newly Constructed Sites AFTER Award	5
2.6 Additional Requirements	5
3 RFP Submission Format	6
4.0 Application Evaluation	7
4.1 Review of Application for Responsiveness	7
4.2 Evaluation Criteria	8
5.0 Notice of Award	9
6.0 Attachments	9

1. INTRODUCTION

1.1 INTRODUCTION

The Fairfax County Redevelopment and Housing Authority (“the FCRHA”), as represented by the Fairfax County Department of Housing and Community Development (“HCD”), is soliciting proposals from developers or owners of rental housing units under its Project Based Voucher (PBV) Program. HCD is only considering New Construction units under this RFP. HCD anticipates awarding PBVs to one or more projects that will not exceed 150 PBV units, and that meet the requirements of this RFP.

1.2 REQUEST FOR PROPOSAL SCHEDULE

In accordance with the policies outlined in the FCRHA’s Housing Choice Voucher Administrative Plan, HCD anticipates the following schedule for this RFP:

First Notice Issued:	November 14, 2019
Second Notice Issued:	November 21, 2019
Third and Final Notice Issued:	November 28, 2019
Deadline for receipt of questions:	November 27, 2019
RFP Response Due Date:	December 16, 2019, 2:00 PM
Evaluation Period:	December 2019 and January 2020
Projected Award Date:	January 31, 2020

2 PROJECT REQUIREMENTS

2.1 PROGRAM INFORMATION

Project-based vouchers (PBVs) are a component of the FCRHA’s Housing Choice Voucher (HCV) program. HCD uses its tenant-based voucher funding to allocate project-based units to a project. HCD will award project-based units in a specific project if the owner agrees to construct the units.

The purpose of this RFP is to provide project-based voucher assistance to qualified property owners or developers via Housing Assistance Payments (HAP) contracts. The FCRHA will provide housing assistance subsidies for a term of up to twenty (20) years subject to funding availability. Housing assistance subsidies will be provided while eligible families occupy the rental housing units and the units meet program standards. HCD will refer families from its tenant-based Housing Choice Voucher program waiting list to the project owner in order to fill vacant units. HCD’s published subsidy standards will determinate the appropriate unit size for the family size and composition.

2.2 INELIGIBLE UNITS AND PROHIBITION ON ASSISTANCE

The regulations for the project-based voucher program identify certain types of housing units and developments that are not eligible for 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 services, board and care, or intermediate care. However, HCD may approve assistance 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 that are owned or controlled by an educational institution or its affiliate and designed for occupancy by the students of the institution;
- Manufactured homes;
- Transitional housing;
- Owner-occupied housing units;
- Units occupied by an ineligible family at the time of application submission or prior to execution of the Housing Assistance Payments (HAP) contract;
- Units for which construction or rehabilitation has commenced prior to the execution of an Agreement to Enter into a Housing Assistance Payments Contract as prescribed in 24 CFR Part 983.152; and
- Units in subsidized housing (see 24 CFR Part 983.54)

2.3 INCOME-MIXING REQUIREMENT (PROJECT CAP)

The number of PBV assisted units in the project generally cannot exceed the greater of twenty-five percent (25%) of the total number of dwelling units in the project or 25 units. The following units are excepted from the 25 percent or 25-unit project cap (“excepted units”):

- Units in a single-family building,
- Units exclusively serving elderly families, and
- Units housing households eligible for supportive services available to all families receiving PBV assistance in the project.

Also, units in projects that are in a census tract with a poverty rate of 20 percent or less are subject to a higher (40%) project cap.

2.4 SITE SELECTION STANDARDS

Sites selected for PBV assistance under this RFP must:

- Be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities, as described in the FCRHA’s MTW Plan and its HCV Administrative Plan (specific factors are outlined at 24 CFR 983.57);
- Be in full compliance with applicable laws regarding nondiscrimination and accessibility requirements;
- Meet Housing Quality Standards (HQS) site standards at 24 CFR 982.401(l); and
- Meet the new construction site and neighborhood standards at 24 CFR 983.57(e).

2.5 REQUIREMENTS FOR NEWLY CONSTRUCTED SITES AFTER AWARD

When new construction housing sites are selected for PBV assistance, the owner and the FCRHA enter into an Agreement to Enter into a Housing Assistance Payments Contract (AHAP), the HUD 52531-A and 52531-B, under which the owner agrees to complete the project as proposed in the RFP and to develop the contract units to comply with HQS. The owner, and owner’s contractors and subcontractors must comply with all applicable State and Federal labor relations laws and regulations, federal equal employment opportunity requirements and the US Department of Housing and Urban Development’s (HUD) implementing regulations found at 24 CFR 983.

Owners and developers must comply with HUD’s subsidy layering review and environmental review requirements prior to entering into an AHAP. The owner must not begin any construction after the submission of the Application and until the AHAP is executed. Construction begins when excavation or site preparation (including clearing of the land) begins for the project (see 24 CFR 983.152).

New construction projects should break ground within six (6) months of the AHAP, and should be completed within 24 months from the start of construction. HCD will consider projects that require longer construction times but priority will be given to those that can be completed within 24 months.

2.6 ADDITIONAL REQUIREMENTS

After construction has been completed under an AHAP, HCD will enter into a Housing Assistance Payments (HAP) Contract with the owner or developer for all sites selected and approved for PBV assistance. HCD will inspect the units prior to HAP Contract execution, and determine the final rents for the units. HCD 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 or developer is responsible to screen and select the family referred by HCD from HCD’s waiting list to occupy the unit based on the family’s tenant history. At least seventy-five percent (75%) of the families approved for tenancy shall have an annual income that does not

exceed thirty percent (30%) of the area median income for Fairfax County as determined by HUD and adjusted by family size.

During the term of the tenant 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 in the PBV program.

The unit rent amount ("rent to owner") is determined in accordance with the HUD regulations at 24 CFR 983 Subpart G. The FCRHA has not adopted the use of Small Area Fair Market Rents (FMRs) for its PBV program. All PBVs will have rent determined based on the metropolitan FMRs for the Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area. Except for certain tax credit units, the rent to owner must not exceed the lowest of:

1. An amount determined by the PHA, not to exceed 110 percent of the applicable fair market rent for the unit bedroom size minus any utility allowance;
2. The reasonable rent (as determined by HCD in accordance with 24 CFR 982.507); or
3. The rent requested by the owner.

The total of the rent paid to the owner or developer 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 HCD in accordance with the HAP Contract. HCD determines the tenant rent in accordance with HUD requirements and the FCRHA's approved MTW Plan.

Under its Moving to Work (MTW) Authority, the FCRHA had adopted an alternative tenant rent calculation methodology whereby participants pay either 32% or 35% of adjusted income toward rent, or \$50 or \$220 for minimum rent. Applicants to and participants of the PBV program are determined to be either "work able" or "non-work able"; "work able" families are those where there is at least one adult member who is able to work. "Work able" families pay the greater of \$220 monthly in minimum rent, or 35% of adjusted income toward rent. "Non work able" families pay the greater of \$50 in minimum rent, or 32% of adjusted income toward rent.

3 RFP SUBMISSION FORMAT

In response to this RFP, the Applicant should prepare three (3) copies of the Application that carefully follow the format and instructions outlined herein and consistent with the evaluation criteria. Any necessary documents and information must be fully completed and signed as required.

The RFP Submission shall be written in sufficient detail to permit HCD to conduct a meaningful evaluation of the RFP Submission. However, overly elaborate responses are not requested or desired. Any Applicant submitting application(s) for multiple properties must provide a separate and complete application for each property.

Each Application should contain:

1. A completed Owner/Developer Application (Attachment A of this RFP) with attachments and supporting documentation,
2. Information to support any preference points claimed, and
3. Required certification statement.

4.0 APPLICATION EVALUATION

4.1 REVIEW OF APPLICATION FOR RESPONSIVENESS

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

1. 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,
2. Certification that the owner or developer and other project principles are not barred from participation in HUD Programs,
3. Proposed initial gross rents must not exceed 110% of the HUD Metropolitan Fair Market Rents (FMRs) (not the Small Area FMRs) including any applicable allowance for tenant-paid utilities for the size of the unit,
4. Units are eligible for PBV assistance as outlined in 24 CFR 983, and *Section 2: Project Requirements* of this RFP.

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

Applications that meet the requirement will be evaluated and ranked by an HCD panel. An HCD ranking list will be prepared according to the points awarded to each application. The HCD may, at its discretion, select one or more applications submitted, or none of the applications submitted.

HCD reserves the right to reject any or all applications, to waive any informalities in the Application process, or to terminate the Application process at any time, if determined by the HCD to be in the best interest of the FCRHA. HCD reserves the right to reject or not consider any application that does not meet the requirements of this RFP, including, but not limited to, incomplete proposals or proposals offering alternate or non-requested services.

HCD reserves the right to award fewer than the number of units requested, if the Applicant agrees to accept a lower number of PBVs. HCD shall have no obligation to compensate any Applicant for costs incurred in responding to this RFP.

4.2 EVALUATION CRITERIA

Applications will be evaluated by the HCD panel on the criteria listed below. The evaluation criteria and preference points for this RFP are consistent with the goals of the FCRHA’s Strategic Plan and the Housing Blueprint, and in compliance with the FCRHA’s HCV Administrative and Moving to Work (MTW) Plans.

Description of Base Criteria	Possible Points
1. Project Summary <ul style="list-style-type: none"> a. Project name and address b. Total units proposed for PBV assistance c. Number of buildings in the project d. Building Description (multifamily apartments, low rise, townhomes, etc) e. Name of proposed developer f. Management company or agent for the project g. Proposed term of the HAP Contract h. Proposed In-Service Date 	5 Points
2. Project and Property Description <ul style="list-style-type: none"> a. Scope, purpose and need for the project b. Need for Project Based Vouchers c. General population the project will assist including income level, household composition and any special needs, d. Unit rents, comparable unit market rents, and tenant income range, e. Utility and appliance responsibilities, f. Unit size mix and the amenities provided within each unit and those amenities provided to all residents on site, g. Non-residential uses planned at the property, h. Neighborhood amenities including accessibility to social, recreational, educational, commercial and health facilities and services 	35 Points
3. Applicant Qualifications and Experience	30 Points
4. Project Feasibility	20 Points
5. Supportive Services (only for projects that require supportive services)	10 Points
Total Base Points Available	100 Total Base Points

Preference points are not required in order to receive an award under this solicitation. However, HCD will provide preference points to projects that can demonstrate the following:

1. Use of FCRHA Bond Financing	10 Points
2. Project has additional non-Fairfax County affordable housing funds	10 Points
3. All units are designated for elderly or disabled residents	10 Points
4. Overall project will provide more than 100 units of affordable housing	10 Points
5. Project and units are replacement housing for existing affordable housing	10 Points
6. Project provides more accessible units than required under Fairfax County building code	10 Points
Total Preference Points Available	60 Total Preference Points

5.0 NOTICE OF AWARD

An award, if any, shall be made to the Applicant whose proposal is deemed by HCD to be in the best interested of the FCRHA. HCD’s decision of whether and to whom an award is made shall be final. Selected Applicants will be notified of award by email and mail with a Notice of Intent. The Applicant must complete an Environmental Review and Subsidy Layering Review before execution of the AHAP.

6.0 ATTACHMENTS

- 6.1 Owner/Developer Application for Project Based Voucher
- 6.2 Form of Agreement (AHAP (HUD 52531A and B) and New Construction HAP Contract (HUD 52530A)
- 6.3 2019 Fairfax County Income Limits
- 6.4 2019 Utility Allowance Schedule
- 6.5 FY2020 HUD Metropolitan Fair Market Rents
- 6.6 FY2020 Housing Blueprint
- 6.7 FY2020 FCRHA Strategic Plan