

HOUSING AUTHORITY OF THE CITY OF SALEM

Request for Proposals

for

Project Based Vouchers (PBVs)

(RFP No. 2021-01-02)

RFP Issue Date: 04/24/2021

Closing Date: Monday, 05/17/2021

Closing Time: 11:59 PM (local time)



Salem
Housing
Authority



I. General Information

The purpose of the Project-Based Voucher program (PBV) is to provide PHAs with a flexible tool to increase opportunities for low-income families outside of areas with concentrated poverty. It is an optional program that PHAs may implement to meet the affordable housing needs of the local housing community. It is also a component of the PHA's Housing Choice Voucher (HCV) program. The PBV program attaches rental assistance to specific housing units in properties determined to be decent, safe and sanitary through the Housing Quality Standard (HQS) inspection process. The PBV subsidy can be used for newly constructed or rehabilitated units, for existing properties. These long-term PBV contracts help ensure that affordable housing is available to voucher-eligible households in tight housing markets.

A. Overview

The Housing Authority of the City of Salem (Salem Housing Authority or SHA) requests proposals from owners, developers, or other qualified parties for the Project Based Voucher (PBV) program. The PBV program is designed to conform to the following regulations, guidance and policies:

- [24 CFR 982](#), Where applicable
- [24 CFR 983](#)
- [Notice PIH 2012-32. Rev-3](#)
- [Notice PIH 2013-08](#)
- [Notice PIH 2014-04](#)
- [HUD Final Rule, Published June 24, 2014](#)
- [Notice PIH 2016-05](#)
- [Federal Register Notice, published January 12, 2017](#)
- [Federal Register Notice, published January 18, 2017](#)
- [Federal Register Notice, published July 14, 2017](#)
- [Notice PIH 2017-21 \(HA\)](#)
- [SHA Section 8 Voucher Administrative Plan, particularly Chapter 17](#)
- [Section 504, Rehabilitation Act of 1973](#)
- [24 CFR 135](#)
- [40 U.S.C 3701-3708](#)

Proposals are requested for new construction and existing projects within the urban growth boundary of Salem, Oregon for SRO, Studio, 1, 2, and 3 Bedroom units at multifamily sites offering supportive service plans for residents. Proposal requirements and selection criteria are detailed below.

SHA intends to enter into a Housing Assistance Payments (HAP) contract by December 31, 2023 (Owner may request an extension if necessary to coincide with a financing timeline), with the owner selected and approved for PBV assistance. SHA will make housing assistance payments to the owner in accordance with the HAP contract for those units leased and occupied by eligible families during the HAP contract term subject to funding ability.

The owner is responsible for screening the applicants to occupy the owner's unit based on their tenancy histories. Families approved for tenancy shall be families whose annual income does not exceed fifty percent (50%) of the median income for this area as determined by HUD and as adjusted by family size. For all new admissions in the HCV program, seventy five percent (75%) must have incomes that fall under thirty percent (30%) of the area median income.

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 or refuse to renew the lease for good cause.

Up to 116 PBVs are available under this RFP. NO PBV assistance will be available to selected units until January 1, 2022, at the earliest.

SHA intends to enter into a housing assistance payment (HAP) contract with the selected property owner(s) for designated rentals units 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 other program standards. Until HUD guidance permits otherwise, SHA must maintain the waiting list and refer program participants to the project owner in order to fill vacant units.

B. Proposal Submission

Proposals must be received by SHA no later than **11:59 p.m. on Monday, May, 17, 2021**. Proposals may be submitted by one of the following methods:

- 1) Email the proposal package in PDF format to mletcher@salemhousingor.com. Please limit email attachments to 25 MB or less.
- 2) For proposals exceeding 25 MB, a link to the proposal package, stored electronically in a dropbox or Google drive may be emailed to mletcher@salemhousingor.com.
 - a. Compliance with the submission deadline will be verified by the date and time an emailed proposal was sent.
- 3) Provide one paper copy of the proposal, without binding or staples (binder clips are acceptable) by mail or dropped in the secure drop box located at the Salem Housing Authority main office, 360 Church Street SE, Salem OR 97301.
 - a. Paper copies will be date stamped to verify receipt by the submission deadline.

If SHA determines that proposal is non-responsive or non-compliant with this RFP, written selection criteria and procedures, or HUD program regulations, the proposal will be returned to the applicant with its deficiencies described. SHA will give the applicant five (5) calendar days to correct all deficiencies. The proposal will be considered for the program if the missing information is submitted within this time period.

Submit proposals to: Housing Authority of the City of Salem
360 Church St SE
Salem, OR 97301

RFP Contact: Melanie Fletcher, Compliance Manager
Housing Authority of the City of Salem
360 Church Street SE
Salem, OR 97301
Phone: 503.373.3808
Email: Mfletcher@salemhousingor.com

Document Availability: Hard copies of the RFP may be obtained beginning on April 26, 2021, from 7:30 AM – 4:30 PM by appointment only at the Housing Authority of the City of Salem’s office located at 360 Church Street SE, Salem, Oregon, 97301. Applicants may call (503) 588-6368 to schedule an appointment.

Electronic copies of the RFP may be obtained on the SHA website at www.salemhousing.OR.com/RFP.

C. Right to cancel RFP or reject proposals

SHA reserves the right to cancel this RFP for any reason or to reject proposals at any time for misinformation, errors or omissions of any kind, regardless of the stage in the process that has been achieved.

D. SHA Non-Discrimination Notice

SHA does not discriminate against any person due to disability; race; color; religion; sex; source of income; familial status; national origin; or actual or perceived sexual orientation, gender identity, marital status and/or domestic partnership in accessing, applying for or receiving assistance, or in treatment or employment in any of its programs and activities.

Complaints regarding accessibility of SHA’s programs to individuals with disabilities should be submitted in writing to Melanie Fletcher, Salem Housing Authority, 360 Church street SE, Salem, Oregon 97301-3707, Mfletcher@salemhousingor.com. Questions or comments may be made by phone at 503.588.6368 or TDD Users dial 711. Requests for aid may also be directed to an SHA representative or other appropriate employees.

Selected proposal sites and their owners or agents must comply with SHA’s non-discrimination statement, all applicable fair housing laws, and SHA policies regarding accessibility and reasonable accommodations.

II. Site Requirements

A. Site Location

Proposed projects must be located within SHA's jurisdiction, the Urban Growth Boundary of Salem, Oregon.

B. Project Cap

Generally, PBV assistance may not be attached to the lesser of 25% or 25 total units per project. Units that are not subject to the project cap include:

- Units that are exclusively for elderly families (head of household, spouse, or co-head must be age 62+).
- Units occupied by households who are eligible for supportive services available to all families receiving PBV assistance in the project, although the family is not required to accept or receive such services.
 - These services do not need to be provided at the project but must be reasonably available to families receiving PBV assistance at the project. They are designed to help families in the project achieve self-sufficiency or live in a community as independent as possible.
 - SHA may not rely solely on a supportive service program that would require the family to engage in the services once enrolled, such as FSS, for the unit to qualify for the supportive services exception.
 - To meet this exception, supportive services must be written into the housing assistance payment contract (HAP) and subject to annual monitoring.
- Units where the project is located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey Five-Year estimates. The cap is the greater of 25 units or 40 percent of the units in the project.

C. Ineligible Housing Types

The following housing types are ineligible for the PBV program:

- A public housing or Indian housing unit.
- A unit receiving project-based assistance under section 8 of the 1937 Act (42 U.S.C 1437f)
- Nursing homes, board and care homes, or facilities providing continual psychiatric, medical or nursing service.
- College or other school dormitories.
- Units on the grounds of penal, reformatory, medical, mental, and similar public or private institutions.
- A unit occupied by its owner or by a person with any interest in the unit.
- Shared housing (does not include Single Room Occupancy (SRO) units).
- Manufactured housing.
- Transitional housing.
- For existing housing, a unit that is occupied by a person ineligible to participate in the PBV program.

- Any units which constructions or rehabilitation has commenced as defined in 24 CFR 983.152 after proposal submission and prior to the execution of AHAP.
- Subsidized housing types as defined in 24 CFR 982.352(c) and 24 CFR 983.54.

D. Subsidy-Layering Review

HUD requires new construction and rehabilitation housing to undergo a Subsidy-Layering Review (SLR) prior to entering into an Agreement to Enter a Housing Assistance Payments contract (AHAP). It should be noted that the SLR process takes 60-90 days to complete and no construction or other choice-limiting activities may occur prior to HUD approval of the SLR.

No subsidy layering review is required for existing housing.

E. Environmental Review

All PBV properties must have an environmental review or clearance. For rehabilitated or new construction units, SHA may not enter an AHAP until an environmental review is complete. Likewise, for existing housing, SHA may not execute a housing assistance payment contract (HAP), until all of the environmental review is complete, or the housing determined to be exempt.

F. Fair Housing and Equal Opportunity

SHA must comply with all equal opportunity and non-discrimination requirements under federal law and regulations in its implementation of the PBV program. In addition, SHA must comply with its PHA plan certification on civil rights and affirmatively furthering fair housing.

SHA must not establish selection preferences for a specific type of disability. On the other hand, SHA may adopt preferences on project-specific waiting lists for families who need services to be offered in conjunction with a property, building, or set of units. The owner must permit occupancy by any qualified person with disability who could benefit from the housing or services provided, regardless of a person's disability.

G. Accessibility for Persons with Disabilities

Existing housing, as well as new construction and rehabilitation projects, must meet program accessibility standards of both Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR Part 8 and the Fair Housing Amendments Act of 1988. SHA must ensure that an owner does not engage in discriminatory practices, the percentages of accessible dwelling units that comply with HUD rules, and design and construction is completed with all requirements.

H. Section 3 Equal Employment & Training Opportunities

The owner must comply with federal equal opportunity requirements, including Section 3 of the Housing and Urban Development Act of 1968 per 24 CFR Part 135. Section 3 requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide job training, employment, and contract

opportunities for low-income or very low-income residents in connection with projects and activities in their neighborhoods.

Low income is defined as a single person or family whose income does not exceed 80% of the median income for the area. A very low-income person is defined as a family or single person whose income does not exceed 50% of the median income for the area.

Section 3 is applicable when funds from HUD are used on a project and when additional persons (new hires) are employed. A new hire is any person hired after signing the contract or who is not a current employee.

Consistent with Presidential Executive Orders 11625, 12138 and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority owned businesses, women's business enterprises and other individuals or firms located in or owned in substantial part by persons residing in the area of the SHA project are used when possible.

I. Relocation Assistance

Owners of new construction and rehabilitation projects must comply with the regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and state relocation laws. The owner must assist those person(s) who are displaced. The execution of the AHAP is the date that is used for the calculation of PBV relocation assistance.

J. Labor Standards

If a new construction or rehabilitation project has nine or more units (whether or not completed in stages), the owner and the owner's contractors and subcontractors must pay Davis-Bacon wages to laborers and mechanics. The owner, contractors and subcontractors must also comply with the Contract Work Hours and Safety Standards Act, Department of Labor regulations at 29 CFR Part 5, and other applicable federal labor relations laws and regulations.

Davis-Bacon wage requirements may apply to existing housing when the nature of the work, including rehabilitation work, planned to be performed prior or after HAP execution, within such post-execution period as specified by HUD, is constituted as development activity.

K. Broadband Access

Effective 1/19/2017, HUD requires the installation of broadband infrastructure at the time of new construction or substantial rehabilitation of multifamily rental housing is funded or supported by HUD. This rule applies to the PBV program.

L. Rent Setting

Generally, the initial rent may not exceed the lowest of:

- The Voucher Payment Standard for the zip code in which the unit is located, less the utility allowance for the bedroom size of the unit; or
- The reasonable rent; or
- The rent requested by the owner.

Current Voucher Payment standards are as follows:

PAYMENT STANDARDS EFF 1/2/2021
Implemented based on SAFMRs

ZIP Code	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom	Five-Bedroom	Six-Bedroom
97301							
<i>Payment Standard</i>	<i>\$737</i>	<i>\$850</i>	<i>\$1,113</i>	<i>\$1,596</i>	<i>\$1,932</i>	<i>\$2,221</i>	<i>\$2,511</i>
97302							
<i>Payment Standard</i>	<i>\$737</i>	<i>\$850</i>	<i>\$1,113</i>	<i>\$1,596</i>	<i>\$1,932</i>	<i>\$2,221</i>	<i>\$2,511</i>
97303							
<i>Payment Standard</i>	<i>\$770</i>	<i>\$850</i>	<i>\$1,113</i>	<i>\$1,596</i>	<i>\$1,932</i>	<i>\$2,221</i>	<i>\$2,511</i>
97304							
<i>Payment Standard</i>	<i>\$983</i>	<i>\$1,065</i>	<i>\$1,229</i>	<i>\$1,775</i>	<i>\$2,157</i>	<i>\$2,481</i>	<i>\$2,804</i>
97305							
<i>Payment Standard</i>	<i>\$737</i>	<i>\$850</i>	<i>\$1,113</i>	<i>\$1,596</i>	<i>\$1,932</i>	<i>\$2,221</i>	<i>\$2,511</i>
97306							
<i>Payment Standard</i>	<i>\$803</i>	<i>\$902</i>	<i>\$1,150</i>	<i>\$1,650</i>	<i>\$1,990</i>	<i>\$2,381</i>	<i>\$2,691</i>
97317							
<i>New payment standard</i>	<i>\$865</i>	<i>\$902</i>	<i>\$1,188</i>	<i>\$1,700</i>	<i>\$2,052</i>	<i>\$2,381</i>	<i>\$2,691</i>

Updated 11/20/2020

*SRO's (Single Room Occupancy units) are calculated at 75% of the efficiency rate.

Rents may be re-determined at the annual anniversary of the HAP contract. SHA must re-determine rents upon the owner's request. If there is a ten percent or greater decrease in the published FMR, SHA must conduct a rent reasonable determination and may require adjusting the rent. The owner's request for a rent adjustment must be in writing. SHA may not approve the rent increase if the owner is in violation of the HAP, including units not in compliance with the housing quality standards (HQS).

M. Other Requirements

- Evidence of site control. Evidence that property or properties meet the site selection criteria.
- Certification that the owner and other project principles are not in the US 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 SHA-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.
- No construction has begun, as evidenced by SHA inspection.

- Consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities, consistent with SHA's PHA Plan and Administrative Plan. Specific factors are discussed at 24 CFR 983.57.
- 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 place of employment.

III. Proposal Contents

To be considered complete, proposals must contain the following:

1. Proposal Summary (limit to 100 words)

- a. Project name and address
- b. Contact information
- c. Supportive services statement

2. Project Description (no page limit)

- a. Identify whether the project is existing, new or rehab.
 - i. If new or rehab, submit certification of site control, compliance with local permits, zoning requirements, and commitment to comply with labor standards and Section 3.
 - ii. Lead based paint certification, if property was built before 1978
 - iii. If existing, certification of compliance with HQS
 - iv. Certification of accessibility
- b. Identify which of the criteria set forth in 24 CFR 983.57 applies to the proposed project.
- c. Proposed contract term.
- d. Description of building(s), including year of construction.
- e. Total unit count and number of units proposed for PBV.
- f. Chart of proposed PBV unit characteristics.
 - i. Bedroom sizes
 - ii. Bathrooms
 - iii. Square footage
 - iv. Living and dining area included?
 - v. Storage?
 - vi. Washer/Dryer in unit?
- g. For rehabilitation, scope of work and scheduled construction date.
- h. Provide an estimated completion date if the project will be undergoing construction or rehabilitation. Provide an estimated date of occupancy.
- i. Proposed contract rents for each unit type.
- j. Utility responsibilities of owner and tenants.
- k. Evidence of rent comparability
 - i. Market study for new/rehab or provide rents of three unassisted units with the same lower rents than the proposed rent.
- l. Relocation Plan
 - i. For currently occupied units, provide an estimated number of persons and households temporarily and permanently displaced. Provide an overview of a relocation plan in accordance with the Uniform Relocation Act.
- m. Current tenant information
 - i. If available, provide annual income information of current households, including annual income earned and number of household members.
- n. Current operating budget or pro forma.
- o. Most recent financial audit, if available.
- p. Proof of insurance

- q. Proof of payment of property taxes.
- r. Disclosure of other governmental assistance for the proposed project (for subsidy layering review)
- s. Owner Interests
 - i. Identify the owner, developer, architect, management agent, officers, principal members, shareholders, investors and other parties with interest in the project.
 - ii. Provide certification that owner and other principals are not on the GSA list of excluded parties.
 - iii. Provide certification that there are no possible conflicts of interest in violation of the HAP.
- t. Tenant screening criteria and tenant selection plan.
- u. Describe previous experience developing or managing affordable housing. If available, propose ideas for collaboration between the owner/manager and the Housing Authority for tenant success in the PBV program; aspects could include inspections, certification and recertification appointments, and complying with the Statement of Family Responsibilities.
- v. Photos should be provided for each proposed building. Including those that contain: a) Exterior – Showing front and back of the building; b) Common Area – Entrance to amenities (laundry room, office, etc.); c) Unit – Typical unit for each bedroom size.

3. Project Narrative (Limit to 5 pages)

- a. Describe the target population and how units proposed meet the needs of the population.
- b. Describe the supportive services planned to be provided to the proposed project, including target population, staffing, and approach. Identify the service provider, any cost of the service to residents, whether services will be provided on-site, and location of services provided off site. Identify all uses of supportive services programming funding and how programming is consistent with operating pro forma submitted.
- c. Describe the need for PBV's in the proposed units and how they are consistent with local priorities including, at minimum, the Consolidated Plan. If applicable, describe consistency with the Ten-Year Plan to End Homelessness, and the Mid-Willamette Homeless Initiative.
- d. Describe the surrounding neighborhood and community, including proximity to public transport, employment opportunities, educational and childcare facilities, medical services and health facilities and social service providers.
 - i. Optional: provide a map identifying the location of services (does not count against page limit)

IV. Proposal Review

SHA’s Housing Administrator will appoint a PBV Selection Panel to review, evaluate, rank and select the applications according to the criteria described herein. This panel will, at minimum, consist of the Housing Administrator, Section 8 Manager and Compliance Manager.

In the event that units owned by SHA* are recommended for the project basing, applications and the recommendations of the panel will be forwarded to the HUD field office for review. (*includes tax credit units with ownership interest by SHA, as well as the units owned by SHA Instrumentalities)

Condition of Units 5% of Units ADA Compliant Unit Amenities Unit Sizes	10
Supportive Services Plan Appropriate for target population, no cost to residents, good probability of long-term funding – 30 Points Appropriate for target population, but residents charged a reasonable fee, long-term funding indeterminable. – 10 points Inappropriate or costly to residents – 0 points	30
Resident Opportunity Units are in a low poverty census tract OR Units in proximity to educational or employment opportunities.	5
Financial Stability No audit findings DCR 1.1	10
Owner/Manager Experience and Capacity Experience of owner and management agent in the development and management of affordable housing. (Acceptance of the Housing Choice Vouchers do not count) Proposal sets forth good ideas for tenant success.	20
Tenant Selection Appropriate for low-income residents	10
Readiness to Proceed No permanent displacement of tenants AHAP signed by 7/1/2022 HAP signed by 12/31/2023	5
Site Visit Substantial compliance with HQS in 25% of proposed units (existing housing) Construction has not begun (new or rehab)	10