Dane County HOME American Rescue Plan (HOME-ARP)

RFP Workshop

Friday, April 12th, 2024 at 1:30pm

Virtual, Zoom Meeting

Housing Access and Affordability (HAA) Division

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Agenda

- HOME-ARP Program Overview
- HOME-ARP Funds
- Qualifying Populations (QP)
- HOME-ARP Income Limits
- HOME-ARP Rent Limits
- HOME-ARP Production Housing Goals
- Geographic Requirements
- 2025 RFP Timeline
- 2025 Funding Cycle
- Scoring Evaluation Criteria
- Application Requirements
- Counting Beneficiaries
- Other Compliance Considerations
- Best Practices

HOME-ARP Program Overview:

HOME-ARP is a special allocation of the HOME Investment Partnerships Program (HOME) intended to develop new units of permanent supportive housing that will assist individuals or households who are homeless, at risk of homelessness and other vulnerable populations.

Amount available: $1,917,059.40

HOME-ARP Program Overview:

HUD anticipates that project developers will rely on Low-Income Housing Tax Credit (LIHTC) financing, HOME funds, Housing Trust Fund grants, project-based vouchers, project-based rental assistance, operating cost reserves, state or local sources, or a combination of these and other resources to create a feasible HOME-ARP project and maintain compliance with HOME-ARP requirements.

HOME-ARP units for qualifying households that do not receive a commitment of project-based vouchers or project-based rental assistance may require both deep capital subsidy and operating cost assistance to remain financially sustainable for the **minimum 15-year HOME-ARP compliance period.**

HOME-ARP Funds $1,917,059.40

Category	Amount
Supportive Services (Nonprofit)	$285,000.00
Development of Affordable Rental Housing	$1,617,059.40
Non-Profit Operating	$15,000.00
Total	**$1,917,059.40**

**One time source of funds
No plans for a second round**

IMPORTANT: Lead applicant will be Housing Developer with an identified nonprofit as the Supportive Services partner (referred to as the development and service team). Only 1 application per development project.

At the time of contract, two separate contracts per development project will be issued:
1) Developer; and 2) Supportive Services Partner.

Qualifying Populations (QP)

▶ Homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));

▶ At-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1));

▶ Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, as defined by the Secretary;

▶ In other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family's homelessness or would serve those with the greatest risk of housing instability;

▶ Veterans and families that include a veteran family member that meet one of the preceding criteria.

HOME-ARP Income Limits

▶ The HOME-American Rescue Plan Program (HOME-ARP) uses the HOME Income Limits. HUD updates income limits annually.

▶ HOME-ARP funds are intended to primarily benefit households based on their status as "qualifying populations," as defined in Section IV.A of the **HOME-ARP Notice**, without meeting additional criteria (such as additional income criteria). 100 percent of HOME-ARP funds for the provision of supportive services must benefit individuals and families in qualifying populations.

▶ Unlike the regular HOME Program, which targets HOME-assisted rental units based on tenant income, 70 percent of all HOME-ARP units will serve households based **only** upon their status as qualifying households.

▶ Up to 30 percent of HOME-ARP assisted units may be restricted to households that are low-income as defined in 24 CFR 92.2 ("low-income households").

HOME-ARP Rent Limits: Qualified Populations

The HOME American Rescue Plan Program (HOME-ARP) uses the same rent limits as the HOME Program.

- For any HOME-ARP household that meets criteria as a "qualified population" as defined in Section IV.A of the **HOME-ARP Notice**, the rent must meet the following requirements:

- The rent may not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD annually provides the HOME Rent Limits, that are also applicable to HOME-ARP, which include average occupancy per unit and adjusted income assumptions. This is also known as the low HOME rent limit.

- If the unit receives federal or state project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the federal or state project-based rental subsidy program.

- If a household receives Tenant-Based Rental Assistance (TBRA), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rental subsidy allowable under that rental assistance program).

- The rent limits for HOME-ARP units for qualifying households include the rent plus the utility allowance established pursuant to Section VI.B.13.d of the **HOME-ARP Notice**.

HOME-ARP Rent Limits: Low-Income Households

▶ For any HOME-ARP units occupied by "low-income households," the rent must comply with the rent limitations in **CFR Part 92.252(a)**. The maximum rents are the lesser of:

▶ The fair market rent (FMR) for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or

▶ A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME-ARP rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

▶ This is also known as the high HOME rent limit.

▶ Notwithstanding the foregoing, when a household receives a form of federal tenant-based rental assistance (e.g., housing choice vouchers), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rent subsidy allowable under the rental assistance program).

▶ The rent limits for low-income households apply to the rent plus the utility allowance established pursuant to Section VI.B.13.d of the **HOME-ARP Notice**.

HOME-ARP Production Housing Goals

The applicant must identify a minimum of 4 – 5 units of housing.

The HOME-ARP funds will fund the construction of units to be permanent supportive housing and have preference for households who are currently literally homeless. If there are no eligible households referred from the local Continuum of Care the units may move to a referral wait list of households at imminent risk of homelessness, those fleeing domestic violence, dating violence, stalking, sexual abuse, or human trafficking, or those whose homelessness could be prevented with service provision.

Dane County Urban County Consortium

There are 56 municipalities in the Dane County Urban County Consortium. These municipalities include:

Town of Albion	Town of Medina
Village of Belleville	City of Middleton
Town of Berry	Town of Middleton
Town of Black Earth	City of Monona
Village of Black Earth	Town of Montrose
Town of Blooming Grove	Village of Mount Horeb
Town of Blue Mounds	Town of Oregon
Village of Blue Mounds	Village of Oregon
Town of Bristol	Town of Perry
Village of Brooklyn	Town of Pleasant Springs
Town of Burke	Town of Primrose
Village of Cambridge	Village of Rockdale
Town of Christiana	Town of Roxbury
Town of Cottage Grove	Town of Rutland
Village of Cottage Grove	Village of Shorewood Hills
Town of Cross Plains	Town of Springdale
Village of Cross Plains	Town of Springfield
Village of Dane	City of Stoughton
Town of Deerfield	City of Sun Prairie
Village of Deerfield	Town of Sun Prairie
Village of DeForest	Town of Vermont
Town of Dunkirk	City of Verona
Town of Dunn	Town of Verona
City of Fitchburg	Town of Vienna
Village of Maple Bluff	Village of Waunakee
Village of Marshall	Town of Westport
Town of Mazomanie	Village of Windsor
Village of McFarland	Town of York

**HOME-ARP Only:
City of Madison
is allowed;
any municipality in
Dane County**

2025 RFP Timeline

CDBG & HOME	Date (Subject to Change)
RFP Issued	April 17, 2024
Vendor Conference	May 3, 2024
Addendums or supplements to the RFP posted on the Purchasing Division website	May 13, 2024
Last day to submit written inquiries (2pm CST)	May 17, 2024
Proposals Due (2pm CST)	May 31, 2024

2025 Funding Cycle

CDBG & HOME	Date (Subject to Change)
Proposals Due (2pm CST)	May 31, 2024
Presentations to Application Review Team	July 10 – 16, 2024
Preliminary funding recommendations to CDBG Commission	August 6, 2024
Public Hearing on Final funding recommendation to CDBG Commission	October 1, 2024
Approval of County Board	November/December 2024
Contract Drafting	January – March 2025
Disbursement of Funds	April 2025 (tentative)

Scoring Evaluation Criteria

Application Review Criteria	
Item	Maximum Points
1. Need and Justification	30
2. Project Approach	80
3. Experience and Qualifications	20
4. Financial Information	40
5. Partnerships	15
6. Shovel-Ready	5
7. Energy Efficiency / Sustainability	5
8. Past Performance	5
TOTAL POINTS	200

Scoring Evaluation Criteria: Shovel-Ready 5 PTS

Five points will be awarded to projects that are shovel-ready by Q2 of 2025. Public Services will automatically receive 5 points.

Project is shovel-ready	5 points
Project is not shovel-ready	0 points

Dane County reserves the right at any time post-award notification to rescind applications that are not shovel ready. If project scope changes, post-award notification, the funds may be rescinded.
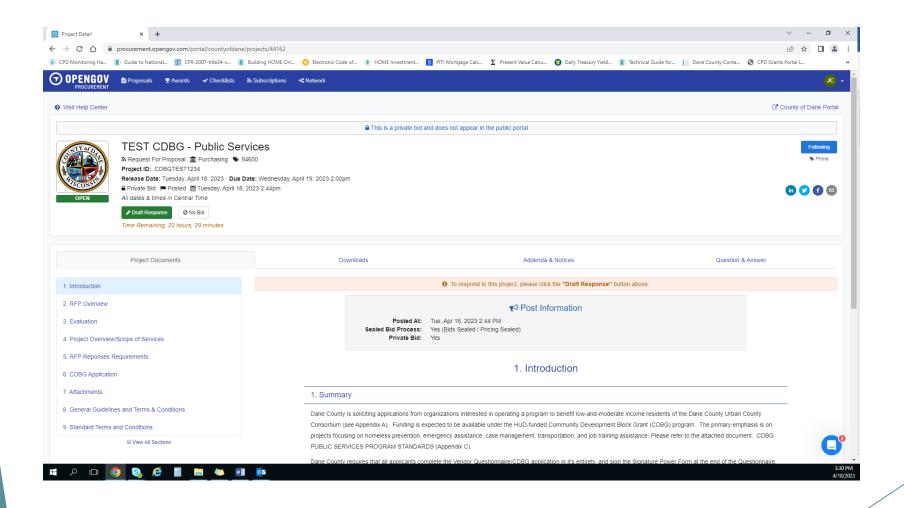
Application Requirements

▶ Free application – create an account with OpenGov.

▶ Make sure applicant name matches WI Department of Financial Institutions

▶ https://procurement.opengov.com/signup

▶ All RFPs will be listed at www.danepurchasing.com

▶ Submit all required documents.

▶ Unique Entity Identification (UEI) number replaced DUNS number

  ▶ To register your entity for a UEI, visit https://sam.gov/content/entity-registration.
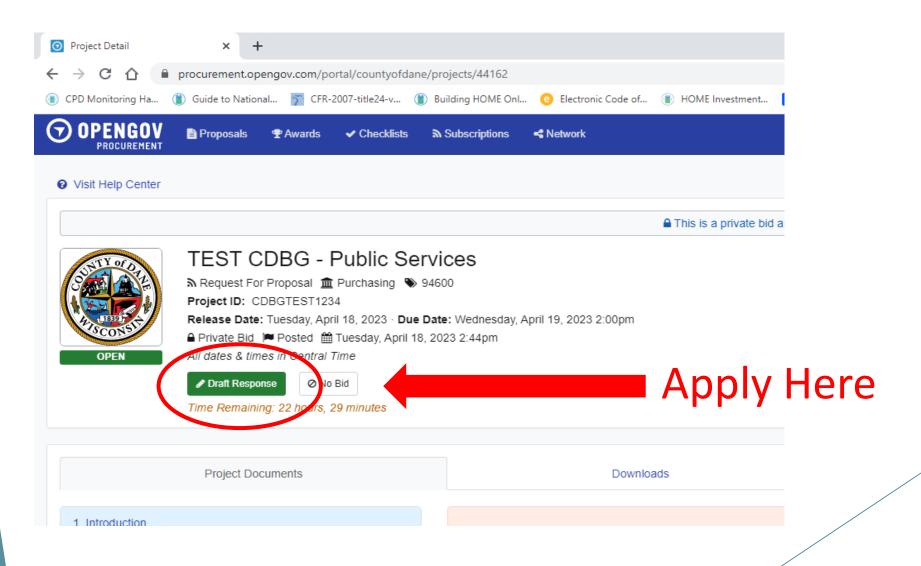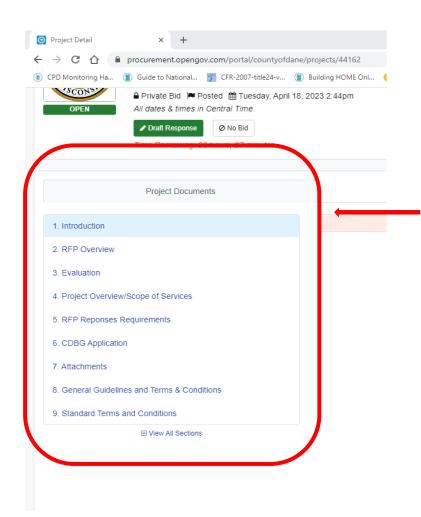
OpenGov Portal

OpenGov Portal

OpenGov Portal

Review all the items in this column prior to submitting application through the online portal.

Counting Beneficiaries

▶ **<u>IMPORTANT:</u>** Do not overestimate the total number of set-aside units served by the development project.

▶ The total number of beneficiaries = the total number of rental units you MUST submit in order to get reimbursed for services.

    ▶ No duplicative addresses.

▶ Look specifically at how the question is worded. Does it ask for individuals or households?

    ▶ Do not overestimate. Answer the question reasonably.

Other Compliance Considerations

▶ Environmental Reviews on all projects

   ▶ Radon testing will apply to all HOME-ARP projects

▶ Section 3 requirements on construction projects funded at or above $200,001

▶ Davis – Bacon Requirements

   ▶ Similar to New Rental Construction: HOME requirement applies when 12+ units are funded with HOME dollars.

▶ Relocation Assistance when Displacement Occurs

Best Practices

▶ <u>Write the application in 3rd person.</u>

▶ Read all of the instructions before completing.

▶ Submit early to ensure no technical issues!!!

▶ Do your math correctly in the budget.

▶ Make sure all the appropriate documents are attached.

▶ Make sure all the questions are answered fully.

▶ Ask questions if there's anything unclear.

▶ Check your grammar and spelling.

Questions?

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Caleb Odorfer, CDBG/HOME Program Specialist
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Resources:
https://www.hud.gov/sites/dfiles/OCHCO/documents/2021-10cpdn.pdf
https://www.hudexchange.info/programs/home-arp/