



Affordable Rental Housing Development: Non-Tax Credit

RFP Draft


CDBG Committee

Rental Housing RFP Goal

This RFP exists to:

- Increase the quantity of safe, quality, affordable rental housing throughout the City
- Particularly in locations that are:
 - well-connected to transit
- And have:
 - easy access to employment, schools, parks, healthcare, & other daily need amenities

City of Madison
Community Development Division
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Madison, WI 53703-3348



REQUEST FOR PROPOSALS
RFP #2024-XXXXX

Affordable Rental Housing Development:
Non-Tax Credit
CDBG Committee DRAFT

Release Date: March __, 2024

Due Date: 12:00 p.m., NOON
May __, 2024

Rental Housing RFP Goal

- Increase the overall supply of affordable rental housing

New Construction

- Preserve existing income- & rent-restricted housing

Preservation

- Improve existing rental stock that isn't income- & rent-restricted

Rehab

Rental Housing RFP Goal

- Increase the overall supply of affordable rental housing
- Preserve existing income- & rent-restricted housing
- Improve existing rental stock that isn't income- & rent-restricted

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graph TD; A[Increase the overall supply of affordable rental housing] --> D[Ensure long-term affordability & sustainability]; B[Preserve existing income- & rent-restricted housing] --> D; C[Improve existing rental stock that isn't income- & rent-restricted] --> D;
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Ensure long-term affordability & sustainability

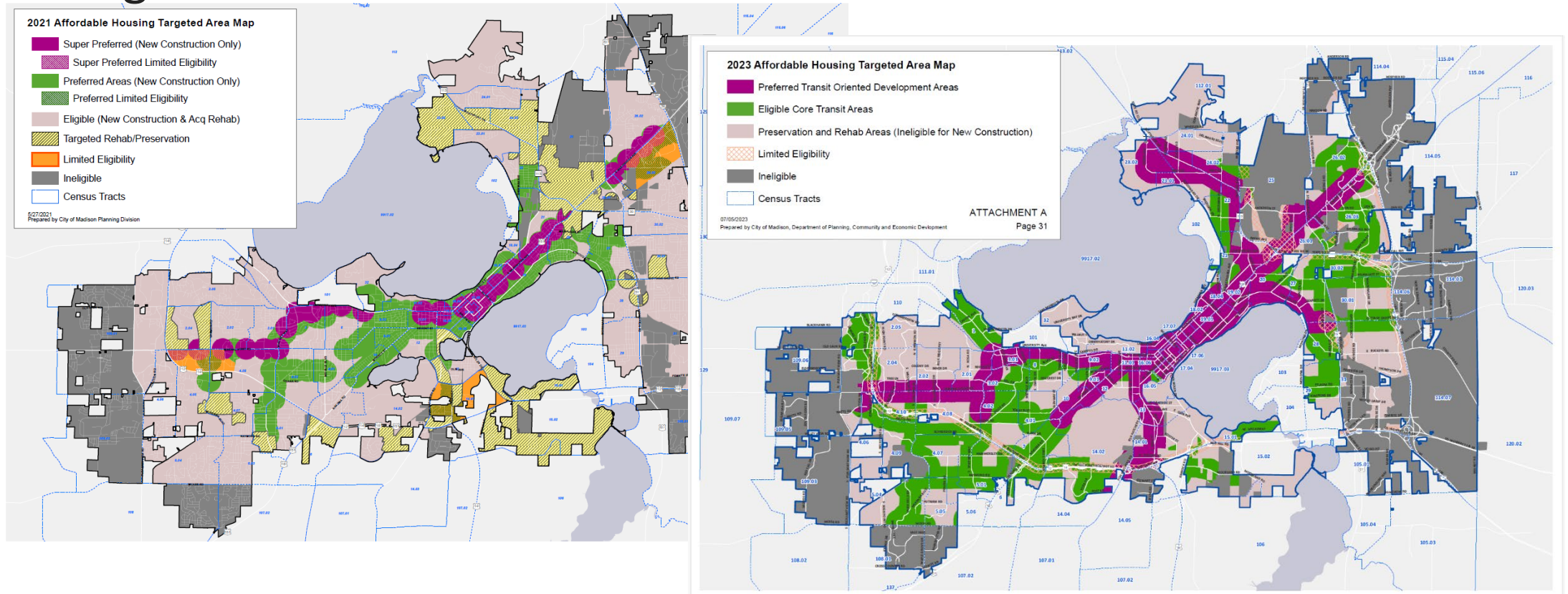
Rental Housing RFP Changes

Changes for 2024:

- Alignment with “new” AHF map criteria
- Include Tenant Selection Plan Standards + Affirmative Marketing Plan Standards
- Limit of 2% rent increase for lease renewals
- Security Deposit requirements
- Non-renewals only for good cause
- Option for permanent affordability
- Per-unit subsidy gap clarification

AHF Target Area Map

Changes since last RFP:



AHF Target Area Map

2024 Updates in Progress.

New Construction Criteria:

- Must be located in Eligible or Preferred TOD Areas
- Exceptions may be made for:
 - increased unit production in Preservation & Rehab areas if a need is *clearly* articulated through Neighborhood/Area Plans, City initiatives, or large-scale City investments

Acquisition & Rehabilitation:

- Okay Citywide

Evaluating Requirements & Preferences

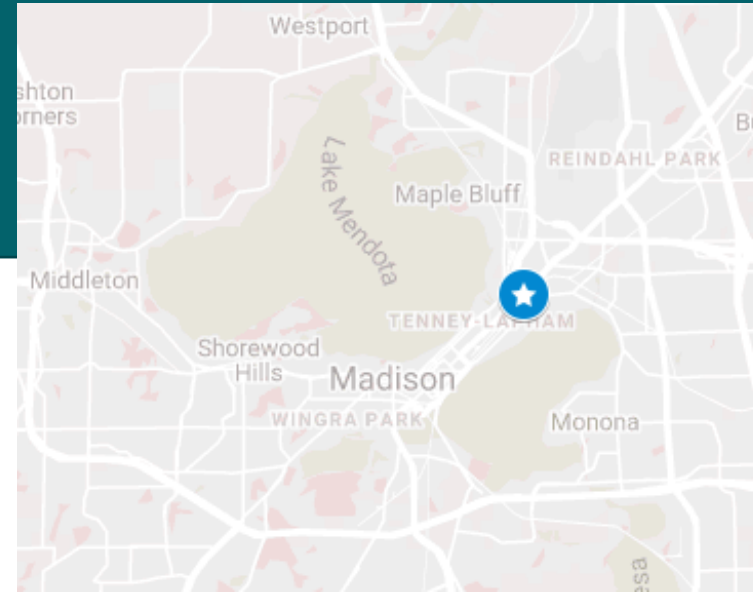
- Requirements:

- Applications must meet baseline eligibility criteria
- Applicants accepting federal funds must meet all federal requirements before commitment of funds
- Proposals that do not meet threshold criteria are not eligible for funding

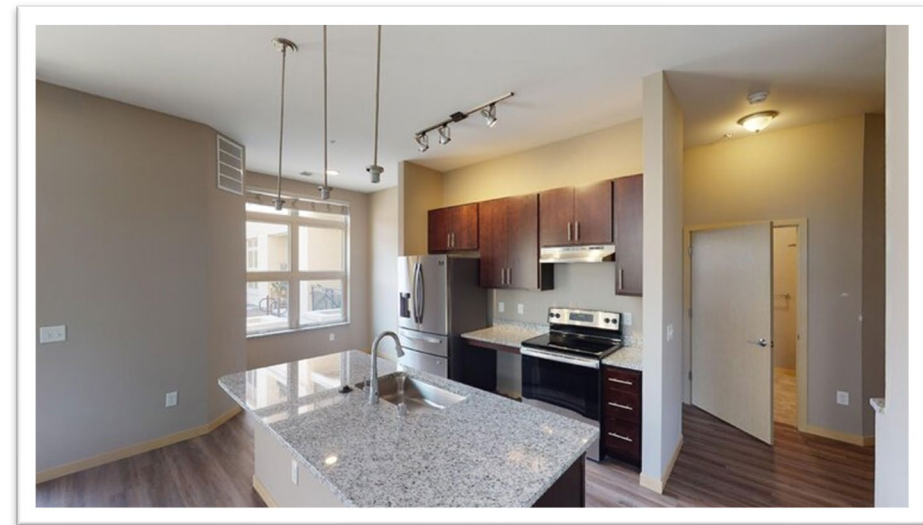
- Preferences:

- Applicants may choose one or more preferences to increase competitiveness
- Align with Citywide priorities:
 - permanent affordability, marketing to folks with higher barriers, energy efficiency, etc.
- Proposals that commit to more preferences typically score better, but staff analyze to ensure not just “checking the box”

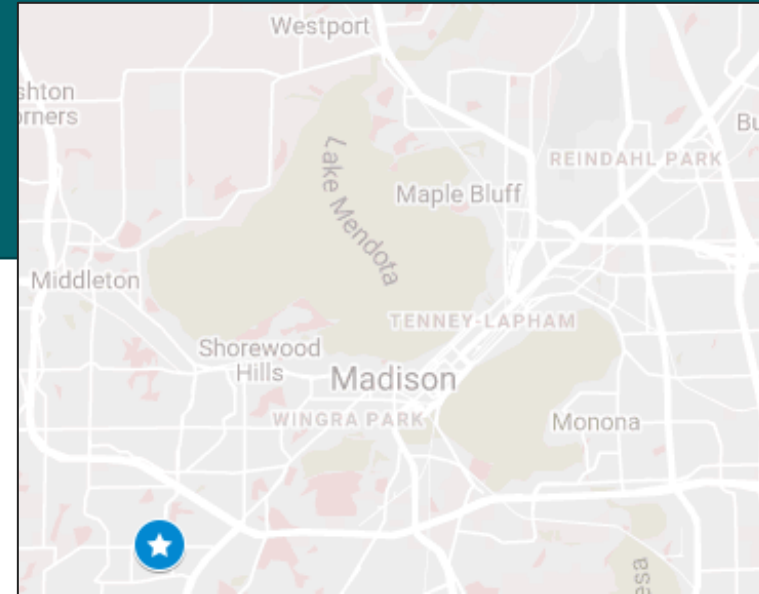
Example Projects



- 44 units with 33 affordable units
- HOME Funds \$990,000
- 100% Universal Design



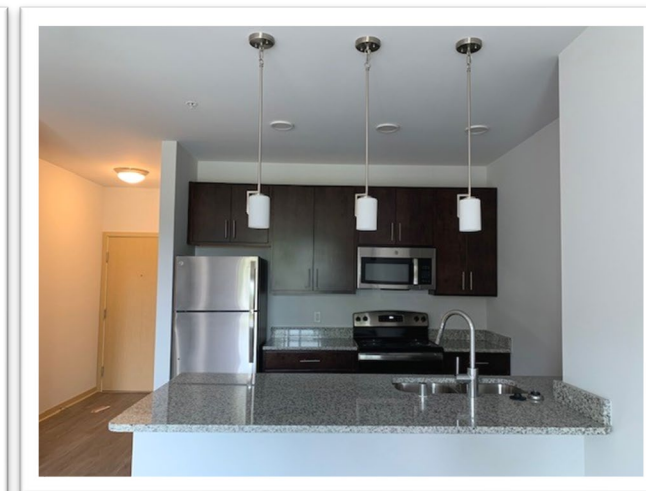
Example Projects



11 income/rent restricted HOME units

HOME Funds \$1,045,000

On-Site Space for Social Services



Example Projects



11 SRO units + 1 family suite

AHF Funds \$551,000

Latine/Spanish-Speaking Cooperative



HOME-ARP

Special allocation of HOME Investment Partnership Program funds through the American Rescue Plan Act (HOME-ARP)

Funds must be used to serve a Qualifying Population:

- Households who are homeless or at imminent risk of homelessness
- Households fleeing/attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking
- Other households where assistance would prevent a family's homelessness or those with the greatest risk of housing instability.

2023 AHF-TC RFP set aside HOME-ARP funds for commercial (hotel/motel) conversion

- No applications received

HOME-ARP Set-Aside in 2024 Rental RFP

Seeking proposals to create new units of permanent supportive housing to serve the Qualifying Population.

- Can be new construction or acquisition & rehabilitation
- Must create 11 HOME-ARP units

Development also eligible for supportive services funding

- Funds to be administered through annual service contract

	Total Funding Available
Supportive Services	\$2,020,000
Rental Housing Development	\$3,056,197

Process & Timeline

Applications Due Late March

Staff Team Reviews Proposals and Develops Supplemental Questions

Applicants Present to CDBG Committee Fall 2024

Staff Make Recommendations for Funding

Funding Recommendation Resolutions at CDBG Once Confident in Proceeding