

RFP #####

2018- 2019 Request for Proposals Development Projects (Federal Funds)

City of Madison
Community Development Division

Suite 800, 30 W. Mifflin St.,
Madison, WI 53703-2579



REQUEST FOR PROPOSALS

RFP #####

**Federal Funds (HOME, CDBG, EECBG) for
2018-2019 Housing Development & Capital Improvement Projects**

Release Date: August 8, 2018

**Due Date: 12:00 p.m., NOON
Wednesday, September 19th**

Table of Contents

SECTION	PAGE
RFP SUMMARY.....	1
RFP CALENDAR.....	2
SECTION 1. Scope of Work.....	3
SECTION 2. General Criteria And Requirements.....	14
SECTION 3. Proposal Submission Requirements.....	15
SECTION 4. General RFP Administrative Information	16
 ATTACHMENTS:	
Attachment A: Targeted Area Map	21
Attachment B: Tenant Selection Plan Best Practices	22
Attachment C: RFP Resources	24
Attachment D: Designation of Confidential and Proprietary Information	25

RFP SUMMARY

RFP NUMBER	RFP # #####
RFP TITLE	Federal Funds (HOME, CDBG, EECBG) for 2018-2019 Housing Development & Capital Improvement Projects
DEADLINE FOR SUBMISSIONS	12:00 P.M. (NOON) CDT, Wednesday, September 19th Proposals <u>received</u> after this deadline will not be considered.
FUNDS AVAILABLE:	The Community Development Division (CDD) anticipates making approximately \$6 million available from a combination of the HOME Investment Partnerships (HOME) Program, Community Development Block Grant (CDBG) Program and Energy Efficiency & Conservation Block Grant (EECBG) Program funds. Total amount of funds available is contingent upon the City receiving sufficient federal funding allocations from the U.S. Department of Housing and Urban Development (HUD).
APPLICATION FORM AND GUIDELINES	Available at: Community Development Division Funding Opportunities Website
E-MAIL PROPOSAL TO:	CDDapplications@cityofmadison.com All proposals must be submitted electronically via email in the Word and Excel Workbook documents provided. Please put Development Funds in email subject line.
DIRECT ALL INQUIRES TO:	Linette Rhodes , Community Development Supervisor (Interim) lrhodes@cityofmadison.com 608-261-9240

RFP CALENDAR

These dates represent the City's desired timeline for providing a commitment of funds to selected projects. Any revision to the due date for submission of proposals will be made by addendum. All other dates are for planning purposes and may be adjusted without notice, as needs and circumstances dictate.

Date	RFP Activity
August 8, 2018	Release of RFP
12:00 p.m. NOON (CST) September 19, 2018	DEADLINE FOR SUBMISSION OF PROPOSALS
October 4, 2018	Applicant Presentations to CDBG Committee
Week of October 8th	CDD requests additional/clarifying information from applicants, if necessary.
November 1, 2018	CDBG Committee Funding Recommendation Approval
November 26, 2018	Finance Committee Approval
December 4, 2018	Common Council Approval
December 2018	Commitment Letter (Notification of Award)
2019- Project Specific	Anticipated contract effective date(s)

SECTION 1: SCOPE OF WORK

1.1 Purpose

The purpose of the Community Development Program (“Program”) is to help make Madison “**a more viable urban community by providing decent housing, a supportive living environment and enhanced economic opportunities for low- and moderate-income persons (defined as individuals/households whose incomes do not exceed 80% of the area median income).**” The Program aims to aid and support the efforts of non-profit organizations, businesses, neighborhood groups, labor unions, funding partners, volunteers, other governmental entities and the general community to plan for, develop and invest in projects which contribute to the goals and objectives set forth in the City’s Consolidated Plan. The Consolidated Plan is a longer-term (5-year) planning document formulated by the City’s CDBG Committee, the Mayor, and Common Council in consultation with Madison residents. Its content also reflects and reinforces the City’s broader goals and objectives articulated within its Comprehensive Plan and related neighborhood plans.

1.2 Goals and Objectives

The City of Madison’s approved 2015-2019 Consolidated Plan articulates the community development goals on which the City intends to focus its federal entitlement funds (CDBG/HOME/ESG), and serves as the foundation for this funding process. The City of Madison Community Development Division (CDD) Goals and Objectives, as adopted by the Common Council on April 29, 2014, outlines specific goals and objectives intended to guide the use of financial resources administered by CDD. The three primary goal areas for federal funds are (1) Affordable Housing, (2) Economic Development and Employment Opportunities, and (3) Strong and Healthy Neighborhoods. This RFP focuses only on the following approved Goals and Objectives:

- *Goal Area 1. Affordable Housing:*

Provide decent, safe, sanitary and affordable housing opportunities for low-and moderate-income households in order to enhance household, neighborhood and community stability.

- *Objective 1.1 Housing Supply*

Preserve, improve and expand the supply of affordable housing for homeowners and renters.

- *Goal Area 3. Strong & Healthy Neighborhoods:*

Strengthen neighborhoods through strategic investments in physical assets and amenities like neighborhood centers, community gardens or other community facilities, as well as other planning and revitalization efforts.

- *Objective 3.2 Capital Improvements for Community Organizations*

Create or improve safe, accessible, energy efficient and well-maintained community and neighborhood facilities.

1.3 Funding Availability

The Community Development Division (CDD) anticipates making approximately \$6 million available from a combination of the HOME Investment Partnerships (HOME) Program, Community Development Block Grant (CDBG) Program and Energy Efficiency & Conservation Block Grant (EECBG) Program funds. Total amount of funds available is contingent upon the City receiving sufficient federal funding allocations from the U.S. Department of Housing and Urban Development (HUD).

HOME Funds	\$5,270,000
CDBG Funds	\$800,000
EECBG Funds	\$900,000

1.4 Requirements for Affordable Housing Proposals

GOAL ONE: AFFORDABLE HOUSING

Provide decent, safe, sanitary and affordable housing opportunities for low- and moderate-income households in order to enhance household, neighborhood and community stability.

OBJECTIVE: Housing Supply

Preserve, improve and expand the supply of affordable housing for homeowners and renters.

Requirements

Eligible Applicants

In order to be considered for financing, applicants must meet all of the following requirements:

- Demonstrate that the proposed project is economically viable and the applicant(s) have the financial ability to repay the funds, if the project is not completed consistent with written agreement.
- Demonstrate financial capacity and experience in developing affordable housing, financed in whole or in part with HOME and/or CDBG funds, to produce a high-quality project and complete the project as proposed.
- Demonstrate that the applicant will contribute a minimum of 5% of the total development costs in equity or a first mortgage and that it will be able to secure all funds that may be necessary or convenient to complete the project as proposed.
- Not-for-profit corporations are eligible to apply. The corporation must be a 501(c)(3) or 501(c)(4) tax-exempt organization.
- For-profit corporations may co-apply for funding with a not-for-profit corporation, provided the not-for-profit entity has a majority ownership interest in the property.

- f) Have an active registration on the System for Award Management website. Registration for the SAM website can be found at <https://sam.gov/portal/SAM/#1>.

Eligible activities for these funds include those that address any of the following:

- a) Increase the supply of safe, quality, affordable rental units.
- b) Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability.
- c) Improve existing rental housing stock in targeted neighborhoods through the acquisition and/or rehabilitation of properties to create long-term affordability and sustainability.
- d) Expand homeownership opportunities through the acquisition, rehabilitation, and/or construction of single-family or condominium properties.
- e) Enhance the affordability of housing stock through investments in energy efficiency and/or accessibility improvements.

To be eligible, properties must comply with the following standards:

- a) The property must be located in the City of Madison.
- b) Including the application of any City funds awarded under this RFP, the total amount of secured financing for a project, from all sources, may not exceed 115% of the property's value upon completion of the project. Secured loan-to-value ratios of 125% may be allowed for projects in areas of priority to the City, including designated Neighborhood Resource Team (NRT) areas. Projects for which a community land trust serves as owner of the underlying land will be permitted the 125% secured funds-to-value ratio for the entire project - land and property.
- c) The CDD will not consider projects that propose to convert owner-occupied units to rental units, except for Lease-to-Purchase projects.
- d) The property must pass an environmental review, conducted by CDD, prior to receiving a formal commitment of federal funding.
- e) All housing units must be in compliance with all applicable state and local codes, ordinances, and zoning regulations at the time of project completion. All housing must meet the accessibility standards of the Fair Housing Act (and amendments) and Section 504 of the Rehabilitation Act of 1973, as applicable.
- f) If considering new construction, applicants are advised to confirm permissive zoning status, or the ability to achieve permissive zoning, with the City's Planning and Building Inspection Divisions prior to submitting an application.
- g) If the applicant does not have site control at the time of application, a targeted or defined project area within the City of Madison must be identified.

Targeted Areas

CDD seeks to geographically target the development of housing to incentivize new development in areas of the City that have strong connections with or proximity to key amenities, such as employment opportunities, public transit, a full service grocery store, health facilities, schools, parks, and other basic amenities. CDD also aims to achieve a wider dispersion of affordable rental

housing throughout Madison and to discourage development of additional income- and rent-restricted units in areas with already high concentrations of poverty and/or assisted housing. At this time, CDD supports the development of owner-occupied projects citywide.

The 2018 Affordable Housing Targeted Area Map is included in this RFP as Attachment A. A larger version of the map may be printed from the link at: [Community Development Division Funding Opportunities Website](#). A searchable version of the map, where proposers can enter specific addresses, may be found on the [City's Open Data Portal](#).

Development projects must be proposed within the corresponding locations indicated in the following chart. The CDD may consider supporting the construction of new rental housing outside an Eligible or Preferred Area if the development is part of a larger revitalization effort designed to stabilize or improve areas of priority to the City, such as Neighborhood Resource Team areas.

Type of Development	Location
New Construction of Rental Housing	Must be located in Eligible or Preferred Areas
Acquisition &/or Rehab of Rental Housing	Citywide, but preferred in Targeted Rehab Areas
Construction, Acquisition &/or Rehab of units that will serve populations that may need intensive case management or ongoing supportive services	Must be located in Eligible or Preferred Areas
Construction or Acquisition/Rehab for Homeownership properties	Citywide

Preferences

In addition to the conditions of eligibility listed above, preference will be given to:

- Projects that are “shovel ready,” meaning that construction or rehab will begin within six months of receiving financial commitment.
- For-profit corporations co-applying with not-for-profit corporations that have a General Partner Purchase Option, Right of First Refusal, or a controlling interest in the development and/or ownership entity.
- Agencies serving populations requiring intensive case management or ongoing supportive services, that can also leverage their own non-City funded supportive services dollars.
- Projects proposed by Community Housing Development Organizations (CHDOs).
- Proposals that incorporate a Tenant Selection Plan (TSP) that embraces the CDD’s TSP Best Practices, as outlined in Attachment B.

Federal Requirements

All projects must comply with the relevant funding source requirements. HOME-funded projects must comply with the regulations at 24 CFR Part 92, HOME Investment Partnerships Program, as amended. CDBG-funded projects must comply with the regulations at 24 CFR Part 570, Community Development Block Grant, as amended. These federal requirements include, but are not limited to, the following:

- a) Acquisition, construction, and/or rehab of rental housing must maintain rents at or below specified HOME rent levels.
- b) At least 90% of HOME-assisted units in a rental project must assist households with incomes at or below 60% of Area Median Income (AMI) at the time of initial occupancy or investment. The remaining units must assist households with incomes at or below 80% of AMI.
- c) An agency designated as a developer cannot provide direct down payment assistance to individual homeowners purchasing the property, unless it is a certified with the CDD as a Community Housing Development Organization (CHDO), or has both Developer and Sub-recipient contracts for each housing project, as applicable.
- d) At least 20% of HOME units must be designated as low HOME rent units in developments with five or more HOME-assisted units.
- e) All prospective homebuyers offered CDD financial assistance must attend a CDD-approved homebuyer education class. Recipients will be required to submit a homebuyer education certificate of completion prior to closing.
- f) The sale or re-sale prices of HOME-assisted owner-occupied units must comply with the HOME purchase price or value limits designated by the U.S. Department of Housing and Urban Development (HUD).
- g) Homeownership dwellings must be transferred to owner-occupied status within nine (9) months of construction completion.
- h) Applicants must comply with CDD Underwriting Guidelines for all loans provided for purchase of owner-occupied dwellings.
- i) Housing (after rehab) must meet the CDD Rehabilitation Standards and all applicable City minimum housing standards and building codes.
- j) HOME projects require a minimum of 25% matching funds from non-federal sources. Forms of eligible match are defined under 24 CFR 92.220.
- k) HOME-funded projects will be subject to a Period of Affordability (POA), the length of which is based upon the amount of HOME funds invested in the property and the use of the funds. The POA will be reflected in the Land Use Restriction Agreement (LURA) recorded in first position ahead of the first mortgage. This requirement may be adjusted for developments financed using low-income housing tax credits (LIHTCs).

Financing Terms and Amounts

- The CDD shall secure funding for capital costs with a promissory note and a mortgage in the form of a non-recourse loan, and a LURA if required by a funding source. Funds will be provided in the form of a long-term deferred loan payable upon sale, transfer, or change in the use of the property. The promissory note will reflect one of the following loan term options, to be selected by the applicant at the time of project application:
 - Option 1:** Zero percent, long-term deferred loan payable upon sale, transfer, or change in the use of the property. The promissory note will require repayment of either a percentage of the appraised value after rehab or construction, based on the amount of the CDD funds invested in the property, or a percentage of the net proceeds, whichever is less.

Option 2: Long-term deferred loan - principal plus 2% accrued simple interest, payable upon sale, transfer, or change in the use of the property. Repayment will be equal to the amount of the CDD funds awarded, plus 2% simple interest accrued over the life of the loan.

- A minimum of 85% of all funds offered in support of a project must be used for capital costs, as defined by the CDD, to include acquisition- and construction-related costs. No more than 15% of CDD funds may be applied toward developer fee or soft costs (e.g. closing costs, design, engineering costs). No more than 10% of the total CDD funds received may be applied toward the developer fee.
- CDD anticipates offering gap financing awards in the range of up to \$75,000-\$90,000 per unit of affordable housing, depending on the scale or number of proposed units in the development. The amount of subsidy offered will reflect the extent to which proposals match the City's overall goals, objectives, and preferences as described in this RFP; the extent to which all other available financing sources are leveraged; and the availability of funds. Final commitment of funds (execution of a written agreement with the City of Madison) will be subject to subsidy layering/underwriting and a HOME cost allocation analysis, if applicable.
- In addition to direct subsidies offered through this RFP, applicants may also qualify for a waiver from payment of Park Impact Fees associated with development of new low-cost housing units.
- The City may alter the terms and conditions of its loans from those described above if deemed necessary to maximize the expansion of affordable housing units or better respond to stated preferences.

1.5 Scoring Criteria for Affordable Housing Proposals

Scoring Criteria	Points Available
1. OVERALL QUALITY Development concept and plan, number of units, types of units, unit mix and income targeting, in-unit and property amenities, sensitivity to neighborhood context, proposal vision and goals, anticipated market demand, readiness to proceed, and compliance with eligibility requirements.	30 points
2. RESPONSIVENESS Level of responsiveness and extent to which proposal addresses overall City goals, objectives, and preferences as described in this RFP. Evidence of site control; absence of known environmental issues that might significantly delay the project; likelihood of project meeting zoning requirements and securing City permits and/or approvals; level of Alder support; and level of neighborhood support. (i.e. "Shovel Readiness")	20 points
3. FEASIBILITY Development pro forma details reasonable sources and uses of funds, and is complete. Operating budget details reasonable costs and cash flow over the period of affordability. Financial structure reflects maximized available resources, financial strength of proposal, financial strength of applicant, and includes reasonable assumptions and projections.	20 Points
4. CAPACITY, EXPERIENCE AND QUALIFICATIONS	20 points

Demonstrated capacity to produce a high-quality product – based on successful history of developing affordable housing, including the incorporation of HOME and CDBG regulations in developments, and performance on past CDD-assisted projects.	
5. PROPOSED SITE/TARGETED AREA Proximity to public transit, schools, employment opportunities, groceries, and other key amenities and/or benefit to surrounding neighborhood.	10 points
Total Points Available	100 points

1.6 Requirements for Strong and Healthy Neighborhood Proposals

GOAL THREE: STRONG & HEALTHY NEIGHBORHOODS

Strengthen neighborhoods through strategic investments in physical assets and amenities like neighborhood centers, community gardens or other community facilities, as well as other planning and revitalization efforts

OBJECTIVE: Capital Improvements for Community Organizations

Create or improve safe, accessible, energy efficient and well-maintained community and neighborhood facilities. Community and neighborhood facilities, provide a public benefit. They serve as focal points in neighborhoods, helping to bring people together, build relationships and strengthen neighborhoods.

Requirements**Eligible Applicants**

In order to be considered for financing, applicants must do the following:

- a) Demonstrate that the project is economically viable and the borrower(s) have the economic ability to repay the funds, if the project is not completed consistent with written agreement.
- b) Demonstrate financial capacity and experience/ability to use CDBG funds to produce a high-quality project and complete the project as proposed.
- c) Contribute at least 5% of the total development costs in equity or first mortgage financing, and demonstrate the ability to secure all funds which may be necessary or convenient to complete the project as proposed.
- d) Qualify as a not-for-profit corporation. The corporation must be a 501(c)(3) or 501(c)(4) tax exempt organization.
- e) Have an active registration on the System for Award Management website. Registration for the SAM website can be found at <https://sam.gov/portal/SAM/#1>.

Eligible Activities

- a) Acquisition, construction, reconstruction or rehabilitation of a community facility. Costs associated with design features and improvements that promote energy efficiency may be included.
- b) Improvements to existing neighborhood centers that significantly increase the efficient use of energy or expand capacity of programming at the neighborhood center.
- c) Projects must demonstrate coordination with other community groups, service providers, and reflect the support and participation of neighborhood residents.
- d) Projects must demonstrate that they meet the CDBG National Objective, i.e., that at least 51% of those who benefit from the project are low- or moderate-income individuals as defined by CDBG Program standards.

Ineligible Activities

- a) Funds may not be used to pay for the operation, repair or maintenance of community facilities.
- b) Buildings, or portions thereof, used for general conduct of government cannot be assisted.

Preferences

- a) In the interest of promoting longer-term maintenance and planning, the City will limit agencies to one award per property in a 10-year period.
- b) The total amount of secured financing for a project, from all sources, may not exceed 115% of the property's value upon completion of the project.

Financing Terms and Amounts

- The CDD shall secure funding for capital costs with a promissory note and a mortgage in the form of a non-recourse loan. Funds will be provided in the form of a long-term deferred loan payable upon sale, transfer, or change in the use of the property. The promissory note will reflect one of the following loan term options, to be selected by the applicant at the time of project application:
 - Option 1:** Zero percent, long-term deferred loan payable upon sale, transfer, or change in the use of the property. The promissory note will require repayment of either a percent of the appraised value after-rehab or construction based on the amount of the CDD funds invested in the property or a percentage of the net proceeds, whichever is less.
 - Option 2:** Long-term deferred loan - principal plus 2% accrued simple interest, payable upon sale, transfer, or change in the use of the property. Repayment will be equal to the amount of the CDD funds awarded plus 2% simple interest accrued over the life of the loan.
- A minimum of 85% of all funds offered in support of a project must be used for capital costs, as defined by the CDD, to include acquisition and construction-related costs. No more than 15% of CDD funds may be applied to developer fee or soft costs (e.g. closing costs, design, engineering costs). No more than 10% of the total CDD received can be applied toward the developer fee.
- Projects requesting less than \$50,000 will not be considered, except for lease improvements.
- For agencies renting space, the City may provide up to \$25,000 as a ten-year forgivable loan. Agencies renting space will be asked to provide a ten-year lease from the owner in lieu of a mortgage on the property.
- The cumulative funding award for any leased property is capped at \$25,000.
- The amount of subsidy offered will reflect the extent to which proposals match the City's overall goals, objectives, and preferences as described in this RFP; the extent to which all other available financing sources are leveraged; and the availability of funds.
- Neighborhood centers assisted with a CDD loan for capital improvements must enter into an option to purchase agreement for the property with the City or an agreement to identify another acceptable operator if performance standards are not met.

1.7 Scoring Criteria for Strong and Healthy Neighborhood Proposals

Scoring Criteria	Points Available
1. OVERALL QUALITY Development concept and plan, sensitivity to neighborhood context, proposal vision and goals, anticipated market demand, readiness to proceed, and compliance with eligibility requirements.	30 points
2. FEASIBILITY Development pro forma details reasonable sources and uses of funds and includes all project costs. Operating budget details reasonable costs and cash flow. Financial structure included maximized available resources, financial strength of proposal, financial strength of applicant, and includes reasonable assumptions and projections.	20 Points
3. CAPACITY, EXPERIENCE AND QUALIFICATIONS Demonstrated capacity to produce a high-quality product – based on successful history of past performance, qualifications or experience.	20 points
4. IMPACT The estimated number of low-to-moderate income persons or households expected to directly benefit from the proposed project and the extent to which these targeted beneficiaries will be served.	20 Points
5. RESPONSIVENESS The extent to which the proposal shows evidence of thorough planning and is coordinated with other established agencies, volunteers, and resources.	10 points
Total Points Available	100 points

1.8 Projects Involving Energy Efficiency Rehabilitation of Existing Structures

The City of Madison is also making available funds through the Energy Efficiency & Conservation Block Grant (EECBG) program, funded by the U.S. Department of Energy. This competitive block grant program is intended to provide financial support for the implementation of projects that result in improved energy efficiency. Applicants whose proposals include the rehabilitation of residential and non-residential structures may be eligible for additional funds if the scope of work includes energy efficiency upgrades or retrofits to the existing building. Eligible activities that may be funded through this program include:

- Installation of insulation.
- Installation of efficient lighting.
- Heating, Venting, and Air Conditioning (HVAC) and high-efficiency shower/faucet upgrades.
- Weather sealing.
- Purchase and installation of Energy Star® appliances.
- Installation of solar-powered appliances with improved efficiency.
- Replacement of windows and doors, if included with projects listed above.

Please note that cosmetic improvements to buildings that do not improve the energy efficiency or decrease the energy consumption of the building are not eligible activities under the EECBG program.

In order to be eligible for EECBG funds, the applicant must have a Focus on Energy Audit completed for the subject property, as performed by a certified and approved energy auditor. Applicants requesting EECBG funds are also subject to all of the requirements referenced in the **Requirements** subsection of Section 1.4 and Section 1.6 of this Request for Proposals.

SECTION 2: GENERAL CRITERIA AND REQUIREMENTS

The CDD will require projects to meet these national, state and local regulatory requirements, where applicable:

1. Serve low- and moderate-income (LMI) persons.
2. Take affirmative steps to contract with minority, women, and disadvantaged business enterprises (M/W/DBEs).
3. Comply with the goals and requirements of the City's Section 3 Program, which seeks to extend employment, training and contracting opportunities to low- and moderate-income people and businesses.
4. Promote affirmative action, non-discrimination and equal opportunity for all citizens.
5. Comply with physical accessibility standards.
6. Minimize negative environmental impacts, and comply with environmental review requirements.
7. Comply with Federal Fair Labor Standards (e.g., Davis-Bacon Prevailing Wages).
8. Affirmatively further fair housing, housing diversity, and housing choices.
9. Reduce lead paint hazards using certified inspectors, supervisors, workers and companies, as well as established lead safe work practices when required.
10. Reduce hazards caused by asbestos and asbestos-containing materials, and/or remove asbestos and asbestos-containing materials, using a certified asbestos abatement supervisor and a certified asbestos worker.
11. Minimize both the direct and indirect displacement of persons and/or businesses. Where appropriate, the CDD will adhere to the State and Uniform Relocation Act procedures.
12. Design program operations to safeguard vulnerable populations, including, but not limited to, young children, youth, elderly, and people with disabilities.
13. **Notice regarding lobbying ordinance:** If you are seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if you are seeking assistance from the City with a value of over \$10,000 (this includes grants, loans, TIF, or similar assistance), then you likely are subject to Madison's lobbying ordinance, MGO sec. 2.40. You are required to register and report your lobbying. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000. Applicants may find more information on registering on the [City Clerk's website](#).
14. Adhere to the constitutional and regulatory provisions of separation of church and state, and avoidance of public funding of inherently religious activities.

More information on the above requirements can be found in the attached sample contracts and exhibits.

SECTION 3: PROPOSAL SUBMISSION REQUIREMENTS

3.1 Response Format

1. Proposals and all required additional documentation must be submitted electronically to CDDapplications@cityofmadison.com utilizing the Application Form in Microsoft Word, the budget in the Excel Workbook, and/or PDFs.
2. The response to the RFP should be complete and comprehensive, but succinct. Attachments or documents not specifically required should not be submitted.

3.2 Required Information and Content of Proposals

Proposals must include the documents listed below in order to be considered complete and eligible for consideration, including all additional requested documentation. Please include only the required submittals. Application forms are available at [Community Development Division Funding Opportunities Website](#).

1. RFP Application Form- Agency Overview and Project Description
2. Budget Workbook
3. Project Specific Narrative
4. Designation of Proprietary and Confidential Information, if necessary

SECTION 4: GENERAL RFP ADMINISTRATIVE INFORMATION

4.1 Point of Contact

The RFP contact identified below is the sole point of contact regarding this RFP from the date of its release until selection of the successful applicants.

Linette Rhodes, Interim Community Development Grants Supervisor

City of Madison Community Development Division

Phone: 608-261-9240

Email: lrhodes@cityofmadison.com

All communications relating to this RFP must be directed to the designated contact for this RFP. All bidders, proposers, protestors, or individuals acting on their behalf are hereby prohibited from attempting to persuade or influence any City agents, employees or any member of the relevant selection team, for or against a specific cause related to a pending solicitation, unless otherwise directed by the RFP contact.

4.2 Inquiries and Clarification of Specifications

Proposers shall carefully examine the RFP and contract documents, correlate their observations with the RFP specifications, and exercise their own judgment as to the nature and scope of the work required. If applicable, visit the Department's website, [CDD Funding Opportunities](#). Consider federal, state, and local laws and regulations that may affect cost, progress, performance or furnishing of the work.

Proposers shall immediately notify the RFP contact of any questions, exceptions, clarification of any ambiguity, error, conflict, discrepancy omission or other deficiency or additions they have concerning the RFP document. Failure to do so will be at proposer's own risk.

This RFP will serve as the basis for or will become part of the resulting agreement. No plea of ignorance of conditions or difficulties that exist or may hereafter arise in the execution of the work under this contract as a result of failure to make necessary examinations and investigations, shall be accepted as an excuse for any failure or omission on the part of the applicant to fulfill the requirements of a resultant contract.

4.3 Contracting Agency

Any contracts resulting from this RFP shall be administered by staff in the City of Madison Community Development Division.

4.4 Addenda / Official Communication

During the solicitation process for this RFP, all official communication between the City and proposers will be made via the [Community Development Division Funding Opportunities Website](#). The City will post such notices, which will include, but not be limited to, addenda for any modifications to administrative or performance requirements, clarifications to requirements, and the announcement of the apparent winning proposer(s). It shall be the

responsibility of the proposers to regularly monitor this website for any such postings. Failure to retrieve such addenda and include their appropriate provisions in your response, may result in your proposal being disqualified.

4.5 Oral Presentations / Site Visits / Pre-Application or Pre-Award Meetings

Proposers may be asked to attend pre-application and/or pre-award meetings, make oral presentations, or make the site and/or properties available for a site visit as part of this request for proposal process. Such presentations, meetings, or site visits will be at the proposer's expense.

4.6 Acceptance/Rejection of Proposals

1. The City reserves the right to accept or reject any or all proposals submitted, in whole or in part, and to waive any informalities or technicalities, which at the City's discretion is determined to be in the best interests of the City. Further, the City makes no representations that a contract will be awarded to any proposer responding to this request. The City expressly reserves the right to reject any and all proposals responding to this invitation without indicating any reasons for such rejection(s).
2. The City reserves the right to postpone due dates and deadlines for its own convenience and to withdraw this solicitation at any time without prior notice.

4.7 Incurring Costs

This request for proposals does not commit the City to award a contract, pay any costs incurred in preparation of proposals, or to procure or contract for services or equipment.

4.8 Proposer Qualifications

The City of Madison may make such investigations as it deems necessary to determine the ability of the proposer to perform the work, and the proposer shall furnish to the City all such information and data for this purpose, as the City may request. The City reserves the right to reject any proposal if the evidence submitted by, or investigated of, such proposer fails to satisfy the City that the proposer understands the full scope of work and is properly qualified to carry out the obligations of the contract and to complete the work contemplated herein.

4.9 Proposal Content

The evaluation and selection of an applicant and the contract will be based on the information submitted in the proposal plus any additional information required. Additional information may include references, on-site visits, or oral presentations. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a response.

Elaborate proposals (e.g. expensive artwork, news stories, or letters of support) beyond information required to present a complete and effective proposal, are not necessary or desired. Information provided by the applicant in addition to the required proposal may not be considered in the evaluation of the proposal.

4.10 Withdrawal or Revision of Proposals

1. A proposer may, without prejudice, withdraw a proposal submitted at any point in the process by requesting such withdrawal in writing (email is sufficient) to the RFP contact.
2. Proposals may not be modified or altered after the deadline, except with express approval by the City.

4.11 Designation of Proprietary Information

Proposers are hereby notified that all information submitted in response to this RFP may be accessible to the public through the Community Development Division website and/or made available for public inspection according to public records laws of the State of Wisconsin or other applicable public record laws. Therefore, proposers are encouraged to refrain from submitting information that cannot be open for public inspection. However, if proposers must include information deemed confidential and proprietary by the proposer, proposer must comply with these instructions:

1. All restrictions on the use or inspection of data contained within a proposal shall be requested prior to submission of the proposal itself. Written requests for confidentiality shall be submitted to the RFP contact by the proposer prior to the proposal submission date.
2. Requests shall use the following process:
 - SECTION 1** – Email or phone the RFP contact to discuss your concern.
 - SECTION 2** – Any information to be considered confidential or proprietary must clearly be stated on the attached “Designation of Confidential and Proprietary Information” form. (RFP Attachment D).
 - SECTION 3** – Any information to be considered confidential or proprietary must be separated from the rest of the proposal. Co-mingling of confidential/proprietary and other information is not acceptable.
 - SECTION 4** – Applicants may be asked to submit a written request for information to be considered confidential or proprietary. Provide specific information related to the claim for confidential and proprietary information including RFP section, page number, topic, and specific concern that supports claim.
3. Funding requests always become public information through the committee review process. Information usually cannot be kept confidential unless it involves a trade secret as defined in S.134.90(1)(c), Wis. Stats. Any information that will be included in any resulting contract cannot be considered confidential. A proposal, in its entirety, will not be considered confidential and/or proprietary.
4. Proprietary information submitted in a proposal, or in response to the RFP, will be handled in accordance with the applicable Wisconsin State Statute(s). However, the City cannot ensure that the information will not be subject to release if a request is made under applicable public records laws. The City will not provide advance notice to a proposer prior to release of any requested record.

5. The Applicant agrees to hold the City harmless for any damages arising out of the release of any material unless they are specifically identified. In the event the designation of confidentiality of this information is challenged, the Applicant also agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and, further, agrees to hold the City harmless from any penalties, costs, damages, and fees, including attorney's fees, awarded to the requestor and ordered to be paid by the City, in any such legal action.
6. To the extent permitted by law, it is the intention of the City to withhold the contents of the proposal from public view until such times as competitive or bargaining reasons no longer require non-disclosure, in the opinion of the City. At that time, all proposals will be available for review in accordance with the Wisconsin Open Records Law.

4.12 Sample Loan Agreement

Proposers are responsible for reviewing this information on the [CDD Funding Process website](#) prior to submitting their proposals. The Sample Loan Agreement shall serve as the basis of the contract resulting from this RFP, subject to revision at the City's discretion, following the proposer's demonstration that it has met any identified contingencies. By submitting a proposal, proposers affirm their willingness to enter into an Agreement containing these terms.

4.13 Proposal Evaluation and Award

1. PRELIMINARY EVALUATION

Submitted proposals will be reviewed for completeness and compliance with RFP guidelines. All incomplete RFP submissions may be determined nonresponsive and removed from further consideration. To be considered complete, RFPs shall include all required submittals and shall be signed and dated. In the event that no submissions meet all of the RFP requirements, the City of Madison reserves the right to continue the evaluation of the proposals that most closely meet the requirements.

2. PROPOSAL EVALUATIONS, INTERVIEWS AND/OR SITE VISITS

The City's designated RFP Review Committee will make the final selection and recommendation following the evaluation of the proposals which may include presentations, site visits, and interviews, if deemed necessary, with some or all of the proposers. However, the City may make preliminary selection(s) on the basis of the original proposals only, without negotiation, interviews, and/or site visits with any proposers. If presentations, interviews, and/or site visits are conducted, the Selection Committee may choose to assign additional points for these processes or re-evaluate, re-rate, and/or re-rank the finalists' proposals based upon the written documents submitted and any clarifications offered in the interviews.

3. CLARIFICATION OF PROPOSALS

During the evaluation of proposals, the City reserves the right to contact any or all proposers to request additional information for purposes of clarification of RFP responses, reject proposals which contain errors, or at its sole discretion, waive disqualifying errors or gain clarification of error or information.

4. PRICE AND/OR COST ANALYSIS

The City reserves the right to conduct a price and/or cost analysis to determine if the price is fair and reasonable. If only one responsive proposal is received, a detailed price and/or cost analysis may be requested of the single proposer. Proposers shall cooperate as needed with the City's efforts to perform said analyses.

5. NEGOTIATION

The City reserves the right to negotiate final project and financial details with applicants.

6. PROCESS

At any phase, the City reserves the right to terminate, suspend, or modify this process; reject any or all submittals; and waive any informalities, irregularities or omissions in submittals, all as deemed in the best interests of the City.

7. COMMUNICATION WITH REVIEW COMMITTEE

Proposers may not contact members of the Selection Committee at anytime during the evaluation process, except at the City of Madison CDD request, or as instructed in Section 4.1 above.

8. RIGHT TO REJECT PROPOSALS AND NEGOTIATE CONTRACT TERMS

The City reserves the right to reject any and all proposals and to negotiate the terms of any contracts, including the award amounts, with applicants.

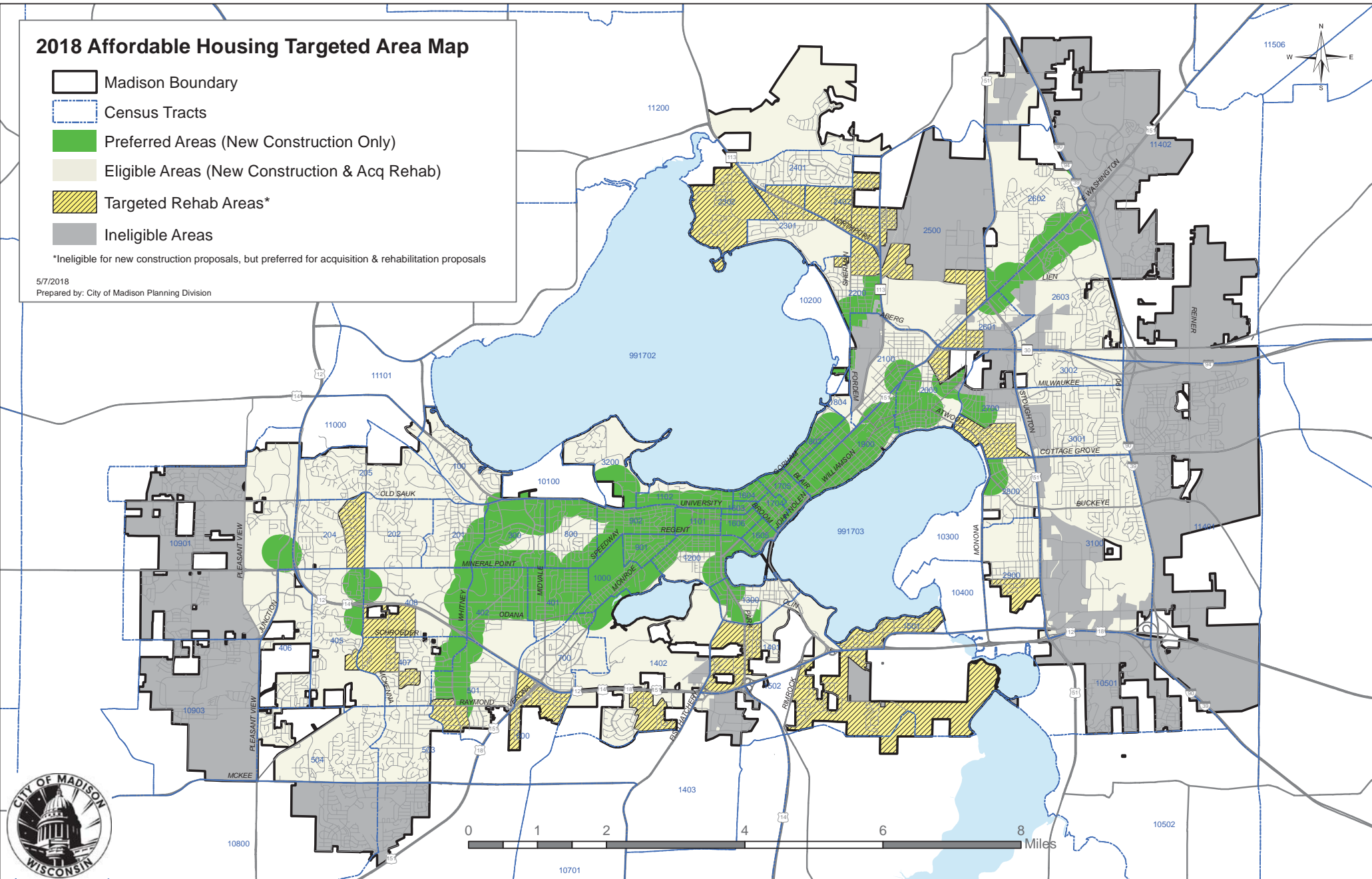
ATTACHMENT A

2018 Affordable Housing Targeted Area Map

-  Madison Boundary
-  Census Tracts
-  Preferred Areas (New Construction Only)
-  Eligible Areas (New Construction & Acq Rehab)
-  Targeted Rehab Areas*
-  Ineligible Areas

*Ineligible for new construction proposals, but preferred for acquisition & rehabilitation proposals

5/7/2018
Prepared by: City of Madison Planning Division



ATTACHMENT B

Tenant Selection Plan Best Practices- City of Madison

The City of Madison requires a tenant or resident selection plan for projects receiving federal funds and adherence to all state, local, and federal fair housing requirements.

Below is a set of best practices that may assist housing developers and property managers in drafting a Tenant Selection Plan (TSP). These best practices serve to align the City's goals with those of the project and to ensure Madison residents have reduced barriers to fair housing choice. They are not intended to be a complete or exhaustive list. In creating your project's Tenant Selection Plan, housing developers and property managers should consult with your attorney to ensure that your plan complies with all applicable laws and regulations, program requirements, and the Fair Housing Act.

The TSP should clearly identify the project's criteria regarding the following categories:

- **Income criteria**, including providing clear information on minimum and maximum income requirements of applicants and the processes and criteria used to evaluate applications. Identify the **unit mix**, i.e., the quantity of housing units that are available for rent at each level of income-restriction (e.g. 30% of the Area Median Income, 50% of the Area Median Income, 60% of the Area Median Income). The TSP should also indicate the rent structure that identifies the rental rates of units by bedroom size and income distribution.
- **Occupancy criteria**, including defining the minimum number of persons allowed to occupy each unit in the project, subject to local, state, and federal laws. Each unit should be occupied by a minimum of one person per bedroom at the time of occupancy.
- **Credit score and/or report**. The TSP, marketing, and application materials should include a section noting whether or not a credit report will be ordered. The housing provider must provide a notice to applicants if adverse action is taken based on information obtained from the credit report.
- Landlord or **housing history**, including eviction judgment.
- **Waitlist process** and waitlist preference criteria, if applicable.
- **Notice of denial**, which includes a written explanation of the TSP criteria the applicant failed to meet. The notice of denial should inform applicants how to seek an appeal of the housing provider's decision.
- **Compliance with the Violence Against Women Act (VAWA)**, which provides that an applicant may not be denied admission on the basis that the applicant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission.
- Tenant selection and application **criteria for supportive housing units**.
- **Criminal and felony convictions**, including defining the number of years that will be considered in a criminal background search. A housing provider's TSP should clearly define what information will be collected for the use of screening an applicant's criminal history:
 - It is unlawful for a housing provider to reject applicants solely based on arrest records (without conviction)
 - Housing providers should distinguish between convictions for **criminal conduct that indicates a demonstrable risk to resident safety and/or property** and criminal conduct that does not.
 - Screening policies should take into account the nature and severity of a conviction and the amount of time that has passed since the criminal conduct occurred
 - Housing providers should take into account evidence that the individual has maintained a good tenant history before and/or after the criminal conduct occurred.

- **Preferences:**

The TSP should identify the **age-restriction**, or lack thereof, of tenancy for the project. Acceptable age-restrictions may include “family” housing for units without an age-restriction; “active-adult” or “senior” housing for units restricted to households with at least one member aged 55 and above; and “elderly” housing for units restricted to households aged 62 and above.

The TSP should establish resident preferences that do not diminish or obstruct the Project’s fair housing obligations. Both existing tenant preferences and new tenant preferences should be outlined in the TSP. The TSP should identify the populations targeted to lease supportive services units in the Project, if applicable. The Project’s waitlist must indicate if certain tenant populations will be given a higher priority for units than others.

The City of Madison and the U.S. Department of Housing and Urban Development (HUD) stress the importance of applying TSP standards consistently to all applicants.

ATTACHMENT C

RFP RESOURCES

Relevant Links:

[2018 HOME Rent & Income Limits](#) (City Resource): This document provides the current rent and income limits for projects seeking HOME funds.

[2018 HOME Homeownership Value Limits](#) (Federal Resource): This resource provides the maximum allowed purchase price or after-rehabilitation value of homeownership units assisted with HOME funds, as determined by HUD.

[Targeted Area Map](#) (City Resource): This map provides guidance to eligible or preferred areas for housing development assisted with federal funds in the City of Madison.

[Focus on Energy](#) (Local Resource): Information from Focus on Energy about energy efficiency.

[24 CFR Part 92](#) (Federal Resource): Electronic Code of Federal Regulations for the HOME Investment Partnership Program

[24 CFR Part 570](#) (Federal Resource): Electronic Code of Federal Regulations for the Community Development Block Grants program.

[2 CFR Part 200.302 \(Financial Management\)](#) (Federal Resource): Part of the Electronic Code of Federal Regulations, it details uniform administrative requirements, cost principles and audit requirements for federal awards.

[2 CFR Part 200.303 \(Internal Controls\)](#) (Federal Resource): Part of the Electronic Code of Federal Regulations, it details uniform administrative requirements, cost principals and audit requirements for federal awards.

ATTACHMENT D**DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION**

Proposers are hereby notified that all information submitted in response to this RFP may be made available for public inspection according to public records laws of the State of Wisconsin or other applicable public record laws. Therefore, proposers are encouraged to refrain from submitting information that cannot be open for public inspection. However, if proposers must include information deemed confidential and proprietary by the proposer, proposer must comply with these instructions:

- Requests for confidentiality must be submitted prior to the proposal submission date to the City of Madison Purchasing Office.
- Requests for confidentiality must use this designated form. Failure to include this form in the bid/proposal response may mean that all information provided as part of the bid/proposal response will be open to examination and copying. The City considers other markings of confidential in the bid/proposal document to be insufficient.
- Any information to be considered confidential or proprietary must be separated and packaged from the rest of the proposal. Co-mingling of confidential/proprietary and other information is not acceptable.

Prices always become public information when bids/proposals are opened or when negotiations have been completed and the contract has been awarded. Other information usually cannot be kept confidential unless it involves a trade secret as defined in S.134.90(1)(c), Wis. Stats. Any information that will be included in any resulting contract cannot be considered confidential. A proposal, in its entirety, will not be considered confidential and/or proprietary.

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in s. 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

In the event the designation of confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and agrees to hold the City of Madison harmless for any costs or damages arising out of the City's agreeing to withhold the materials.

The attached material submitted in response to Bid/Proposal # _____ includes proprietary and confidential information which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this bid/proposal response be treated as confidential material and not be released:

Section	Page No.	Topic	Specific law that supports confidentiality of information

Company Name _____

Enter Name: _____

By entering your initials in the box,

You are electronically signing your name and agreeing to the terms above.

Date: _____