

**City of Madison**  
**Community Development Division**  
Suite 300, 215 Martin Luther King, Jr. Blvd.  
Madison, WI 53703-3348



**REQUEST FOR PROPOSALS**

**RFP #XXXX-2020**

**Affordable Housing Fund:  
Developers Seeking 2020 WHEDA Tax Credits  
for Rental Housing Development**

**Release Date: June XX, 2020**

**Due Date: 12:00 p.m., NOON  
Thursday, July XX, 2020**

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## RFP SUMMARY

<b>RFP NUMBER</b>	<b>RFP # XXXX-2020</b>
<b>RFP TITLE</b>	<b>Affordable Housing Fund: Developers Seeking 2021 WHEDA Tax Credits for Rental Housing Development</b>
<b>DEADLINE FOR BID SUBMISSIONS</b>	<b>12:00 P.M. (NOON) CDT, Wednesday, July XX, 2020</b> <b>Proposals received after the deadline will not be considered.</b>
<b>SCOPE</b>	<p>The City of Madison Community Development Division (CDD) is seeking to improve the competitiveness of development proposals submitted to WHEDA and maximize the receipt of tax credits for projects in Madison through proposals from qualified developers that seek to accomplish the following three objectives:</p> <ol style="list-style-type: none"> <li>1. Increase the supply of safe, quality, affordable rental housing that ensures long-term affordability and sustainability.</li> <li>2. Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability.</li> <li>3. Improve the existing rental housing stock in targeted neighborhoods through acquisition/rehab to create long-term affordability and sustainability.</li> </ol>
<b>FUNDS AVAILABLE:</b>	The CDD anticipates having approximately \$X million available from the City's Affordable Housing Fund to support 2-4 proposals through this process.
<b>APPLICATION FORM AND GUIDELINES</b>	<b>Available at:</b> <a href="#">Community Development Division Funding Opportunities Website</a>
<b>E-MAIL PROPOSAL TO:</b>	<p><a href="mailto:CDDapplications@cityofmadison.com">CDDapplications@cityofmadison.com</a></p> <p>All proposals must be submitted electronically via email in the Word and Excel Workbook documents provided. Please submit <u>one</u> combined PDF of the application materials, if possible. Please put <b>Affordable Housing Fund</b> in email subject line.</p>
<b>DIRECT ALL INQUIRES TO:</b>	<p><b>Julie Spears</b>, Community Development Specialist <a href="mailto:jspears@cityofmadison.com">jspears@cityofmadison.com</a> 608-267-1983</p> <p><b>Linette Rhodes</b>, Community Development Grants Supervisor <a href="mailto:lrhodes@cityofmadison.com">lrhodes@cityofmadison.com</a> 608-261-9240</p>

**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.

<b>Date</b>	<b>RFP Activity</b>
<b>June XX, 2020</b>	Release of RFP
<b>12:00 p.m. NOON (CST) July XX, 2020</b>	<b>DEADLINE FOR SUBMISSION OF PROPOSALS</b>
<b>August 6, 2020</b>	Development Assistance Team (DAT) Deadline
<b>Week of August 10, 2020</b>	CDD requests additional/clarifying information from applicants
<b>August 19, 2020</b>	Deadline for Neighborhood Meeting Applicants to submit Supplemental Application
<b>Week of August 24, 2020</b>	Applicant Presentations to Staff
<b>September 3, 2020</b>	Applicant Presentations to CDBG Committee
<b>October 1, 2020</b>	CDBG Committee Recommendations
<b>October 12, 2020</b>	Finance Committee Recommendations
<b>October 20, 2020</b>	Common Council Approval
<b>November 2020</b>	Commitment Letter (Notification of Award)
<b>Late 2021 - Mid 2022</b>	Anticipated contract effective date(s)/ Start of Construction

## SECTION 1: SCOPE OF WORK

### 1.1 Introduction

The City of Madison (City) Community Development Division (CDD) is seeking proposals from developers that would utilize the City's Affordable Housing Fund (AHF) to leverage 2021 Low-Income Housing Tax Credits (LIHTC) administered by the Wisconsin Housing and Economic Development Authority (WHEDA) for projects that will expand, preserve, or improve the supply of affordable rental housing in Madison, with an emphasis on the primary objective of increasing supply.

### 1.2 Goals and Objectives

The goal of the Affordable Housing Initiative is to improve the competitiveness of development proposals submitted to WHEDA and maximize the receipt of tax credits for projects in Madison that seek to accomplish the following three objectives:

1. Increase the supply of safe, quality, affordable rental housing that ensures long-term affordability and sustainability.
2. Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability.
3. Improve the existing rental housing stock in targeted neighborhoods through acquisition/rehab to ensure long-term affordability and sustainability.

In addition to these primary objectives, the Affordable Housing Initiative aims to:

- Achieve a wider dispersion of affordable rental housing throughout the city and discourage development of additional supply of income- and rent-restricted units in areas with high concentrations of assisted housing.
- Incentivize new development in areas of the city with 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.
- Align CDD-assisted development and property management practices with the City's Racial Equity and Social Justice Initiative through inclusive and culturally-sensitive property management and marketing practices.
- Implement the Goals, Strategies and Actions outlined in [Imagine Madison](#), the City of Madison's Comprehensive Plan.
- Embrace the City's commitment to energy efficiency, renewable energy and/or sustainable building design techniques that contribute to the [City's goal](#) to achieve 100% renewable energy and zero-net carbon emissions by 2030.

The City of Madison intends to select development proposals based on RFP proposals that (1) are most responsive to the Project Goals found in Section 1 and Project Requirements

found in Section 2 of the RFP, and (2) contain the combination of features and attributes offering the best overall value to the City. The City will determine the potential best overall value by comparing differences in project features and feasibility, and development team attributes, striking the most advantageous balance for achieving the City's goals.

### **1.3 Funding Availability**

CDD anticipates having approximately \$X million available from the City's Affordable Housing Fund to support 2-4 proposals through this Request for Proposals (RFP) process. The City's primary objective is to add at least 200 units to the supply of affordable rental housing in Madison. Additional funds may become available pending the progress of projects previously awarded AHF funds. At its discretion, and in consultation with applicants, the City may also opt to draw from other City-administered sources (including CDBG, HOME and/or EECBG) in order to maximize its capacity to support development proposals.

The CDD may require the submission of additional information about the proposer(s) and/or project in order to determine eligibility with other funding sources. Projects proposed within active tax increment financing (TIF) districts may also qualify for assistance from that resource, which is managed by the City's Economic Development Division (EDD). City staff will work to coordinate the award of multiple sources of City financial assistance where applicable.

Assistance offered from City Affordable Housing Funds will be contingent upon their authorization during the 2021 Budget process, which concludes in November of 2020. All funding awards offered to a project by the City are made contingent upon an applicant's receipt of LIHTCs for that project, as well as the applicant's ability to secure other financing necessary for the project, and land use and zoning approvals.

Applicants previously awarded 2019 AHF, who did not receive a 2020 LIHTC award and will seek 2021 LIHTCs, must submit an application through this RFP process.

The intent of this RFP is to support applicants applying for WHEDA tax credits during their next competitive application process. Proposals already in receipt of an award of 2020 LIHTCs that secured site control after the deadline for the 2019 Affordable Housing Fund RFP and have not yet applied for Affordable Housing Funds must be located in a 2020 Preferred Area or Super Preferred Area. These proposals must also demonstrate evidence of engaging with the community in developing the design of the development prior to the submission of a tax credit application to WHEDA; must follow the pre-application process outlined in Section 2; and are strongly encouraged to have already presented to the City's Development Assistance Team. The AHF Targeted Area Map is subject to change annually based on numerous factors.

Funds awarded through this RFP are expected to be secured by a Loan Agreement by December 31, 2022. Payment schedule will be negotiated at point of contract with 10% of funds reserved until project completion, including submission of all final documentation.

#### **1.4 Financing Amounts and Terms**

CDD anticipates offering gap financing awards that range from \$15,000-\$40,000 per unit of affordable housing. 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 pursued; and the availability of funds.

CDD anticipates that at least 50% of the funds offered to any project will be provided in the form of a 30-year loan, at 0% interest, payable upon the earliest of the sale, transfer, or change in use of the property. Repayment will be based on a percent of the restricted rent appraised value after rehabilitation or construction, derived from the amount of CDD-administered funds invested in the project or the amount of the loan, whichever is greater. Non-profit applicants or applicants with a non-profit controlling member may be eligible to have a higher percentage of Affordable Housing Funds provided as a long-term deferred loan.

CDD further anticipates that up to 50% of the funds offered will be provided in the form of a 16-year term loan, amortized over 30 years. The interest rate will be set at 2.75% or the annual long-term Applicable Federal Rate, whichever is lower. Annual payments will commence on April 1<sup>st</sup> of the year following final disbursement of funds, contingent upon sufficient cash flow to support the project. In the event that cash flow is insufficient to pay all or a portion of the annual payment, the balance of the loan must be repaid at the end of the 16-year term. Funds awarded under this RFP will be loaned directly to the project's ownership entity (e.g., single-purpose LLC) in most instances.

In addition to direct subsidies offered as part of this RFP, applicants may also qualify for an exemption from payment of Park Impact Fees for development of low-cost rental housing units. A low-cost unit is defined as one reserved for households with incomes less than or equal to 60% AMI (Area Median Income) and for which rents are restricted to amounts not greater than 30% of income for a household at 60% AMI with a land use restricted period of at least 30 years.

The City may alter the terms and conditions of its loans from those described above if it deems that it is necessary to maximize the expansion of affordable housing units or incentivize the responsiveness to the stated preferences.

#### **1.5 2020 Affordable Housing Targeted Area Map**

The 2020 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 applicants can enter specific addresses may be found on the [City's Open Data Portal](#). Also available are searchable versions of the [Zoning Map](#) and [Generalized Future Land Use Map](#).



Development projects must adhere to the location requirements in the following chart:

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

1. **Preferred Areas** are driven by the City's Core Transit areas within a ¼ mile of Madison Metro bus service every 30 minutes, 7 days/week. Please note that not all sites in Preferred Areas can be found suitable for multifamily residential development.
2. **Super Preferred Areas** are within a ¼ mile of proposed East-West Bus Rapid Transit (BRT) stops. Please note that not all sites in Super Preferred Areas can be found suitable for multifamily residential development.
3. **Targeted Rehab Areas** are ineligible for new construction proposals in order to align with the City's objective to encourage the development of additional supply of income- and rent-restricted units in areas without existing concentrations of assisted housing.
4. **Limited Eligibility Areas** are areas that may be eligible for funding based on certain characteristics. These areas include properties that are currently under study as part of a Special Area Plan. Such properties may be found eligible to apply for AHF funds if the applicant can successfully demonstrate that the proposal: a) is consistent with the Comprehensive Plan; b) has or will provide adequate public street frontage; and c) will not preclude the development of future public streets or street connections likely to be recommended. Limited Eligibility areas also include properties that are located within the 65+ decibel contour model around the Dane County Airport depicted in the U.S. Air Force's final [Environmental Impact Statement](#) of the selected site of the F-35 operation. Proposals within the 65+ decibel area around the airport will be required to implement adequate noise attenuation measures. For sites in a Limited Eligibility area, presentation of the proposed project at a Development Assistance Team (DAT) meeting in advance of the July X, 2020 AHF application deadline is required. See Section 2.2 for more information.

## 1.6 Requirements and Preferences

### A. Requirements

The CDD has identified the following conditions of eligibility:

1. Applicant must seek 2021 LIHTCs and meet the corresponding income, occupancy and rent restrictions.
2. Proposals awarded City funds must agree to a minimum of a 40-year period of affordability, secured by a Land Use Restriction Agreement.
3. The entity applying for City funds must have an ownership interest in the development.



4. Applicant must demonstrate site control at the time of application, unless the site is already owned or controlled by the City or the Community Development Authority.
5. Proposed sites for new construction must be located in an Eligible or Preferred/Super-Preferred Area as identified on the map. However, an acquisition/rehab development may be proposed at any location within the City of Madison, except areas designated as Ineligible. Refer to Section 1.5 above or the map listed as Attachment A.
6. Proposals must demonstrate 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.
7. At least 20% of the proposed affordable units must be reserved for households with incomes at or below 30% AMI and those units must be distributed proportionately across proposed unit sizes (e.g., one-, two- and three- or more bedroom units).
8. At least 20% of the proposed total units must be designated as supportive housing units and make adequate supportive services available for the selected target populations.
9. Proposals serving households with incomes at or below 30% AMI must have adequate supportive services available to meet the needs of those households.
10. Proposals offered City funds will be expected to take full advantage of other significant sources of affordable housing financing, including but not limited to Federal Home Loan Bank's Affordable Housing Program and/or other available federal, state and local funds.
11. Proposals must engage in the Pre- and Post-Application Processes pertaining to land use entitlements and neighborhood engagement described in Section 2 below.
12. Proposals must leverage the use of all available financial resources including deferment of the maximum feasible amount of developer fee.
13. Proposals must provide a non-smoking environment throughout the property.
14. Proposals must include in-unit internet service at low or no cost to residents.
15. Proposals must present a Tenant Selection Plan (TSP) that embraces the CDD's TSP Best Practices outlined in Attachment B-1.
16. Proposals must present an Affirmative Marketing Plan (AMP) that embraces the CDD's AMP Best Practices outlined in Attachment B-2.
17. Proposals seeking tax credits through the WHEDA Supportive Housing set-aside will only be considered under this RFP in limited circumstances pending the outcome of pre-application meetings with CDD staff.
18. Proposals must submit an Initial Application to Focus on Energy's (FOE) New Construction Energy Design Assistance program.

#### **B. Preferences**

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

1. New construction proposals with a site located in a Preferred or Super Preferred Area as identified on the map listed as Attachment A.
2. Acquisition/rehab proposals with a site located in a Targeted Rehab Area as identified on the map listed as Attachment A.
3. Proposals from a non-profit entity that assumes the roles of both Developer and Owner or a partnership where the non-profit has a majority ownership interest in the property

and a General Partner Purchase Option, Right of First Refusal, or a controlling interest in the ownership entity.

4. Proposals in which at least 25% of the proposed affordable units in non-senior developments contain three or more bedrooms.
5. Proposals in which at least 25% of the proposed affordable units are made available for households with incomes at or below 40% AMI representing a proportional mix across proposed unit sizes (e.g., one-, two- and three- or more bedroom units).
6. For proposals that secure Project-Based Vouchers, PBVs shall be placed on 50% or 60% AMI units to maintain the minimum required proportion of 30% units while maximizing the affordability benefits to prospective tenants in vouchered units, unless PBV units are targeted to supportive housing units for households experiencing homelessness.
7. Proposals for multifamily developments that include a dedicated year-round indoor play space and an outdoor playground on the premises or in close proximity.
8. Proposals that reflect an integrated supportive housing approach in addition to meeting the supportive housing requirements outlined in WHEDA's QAP and Appendix S targeting veterans and/or people with disabilities, as described in Section C. below.
9. Proposals that demonstrate a commitment to incorporating extraordinary energy efficiency, renewable and/or sustainable building design techniques that contribute to the [City's goal](#) to achieve 100% renewable energy and zero-net carbon emissions by 2030, as described in Section D. below.

### ***C. Integrated Supportive Housing Units Preference***

The CDD seeks to expand the supply of housing opportunities, with supportive services, for individuals or families who face common obstacles obtaining housing (e.g. negative rental histories and/or evictions, poor credit, criminal conviction records, etc.) and may require access to supportive services to maintain housing. To be successful, the City recognizes the need to improve the coordination between CDD-assisted affordable housing developments and local agencies providing supportive services designed to achieve housing stability and/or prevent homelessness.

Preference will be given to proposals that incorporate one or more of the following approaches to supportive service partnerships:

1. Target supportive housing units to one or more of the following population(s):
  - a. **Individuals and/or families experiencing homelessness** selected from the applicable Community-wide Priority List and partnered with a local Homeless Services Consortium service provider listed on [Attachment C](#).
  - b. **Formerly homeless families** occupying permanent supportive housing units who are deemed by their service provider to no longer require intensive supportive services and partnered with a local Homeless Services Consortium service provider listed on [Attachment C](#).
  - c. **Other Supportive Service Target Populations** and related supportive service partnerships, which may include:
    - i. Previously incarcerated individuals re-entering the community; and/or
    - ii. Other target populations that meet an identified community need.

2. Contribute meaningful financial support for supportive services provided through local service partner(s) experienced in serving the target population. Level of support, intensity and location of the services (i.e., on- or off-site) will depend on the needs of the target population(s).
3. Leverage additional and adequate non-City funded supportive services dollars.
4. Demonstrate extensive consultation and coordination of the collaborative partnership between the development, property management and the supportive services teams. This includes developing a supportive services plan describing, in detail, the design of services made available to the target population(s); planning for a unit mix that will best accommodate the targeted population(s); having pre- and post-initial lease up referral processes designed to screen-in prospective tenants from these target population(s); and utilizing alternative, flexible tenant screening criteria for prospective tenants who are connected to and/or will have improved access to supportive services.

***D. Commitment to Energy Efficiency, Renewable Energy and Sustainable Design Preference***

The CDD seeks proposals that embrace the City's commitment to incorporating extraordinary energy efficiency, renewable and/or sustainable building design techniques that contribute to the [City's goal](#) to achieve 100% renewable energy and zero-net carbon emissions by 2030. Preference will be given to proposals that demonstrate how the development will be designed and operated to contribute to these goals, while also taking advantage of available expertise and resources.

**1. Energy Efficiency.**

Focus on Energy's [New Construction Energy Design Assistance](#) provides a no-cost energy analysis based on building characteristics, implementation cost, payback periods and annual energy cost savings. As explained above, all applicants for new construction projects will be required to submit an initial FOE application for Energy Design Assistance.

Additionally, FOE can provide *financial incentives* for design professionals and building owners to help offset the incremental costs of the installed energy efficiency measures. To address the preference outlined in this RFP, applicants are expected to:

- a. Complete the FOE's New Construction Energy Design Assistance Program's full Building Analysis and incorporate a significant level of recommendations; and/or
- b. Seek to achieve LEED, Energy Star, Passive House, or a similar certification that requires developments to directly address the net carbon impact of a building.

**2. Renewable Energy.**

Applicants are encouraged to explore implementing any **Renewable Energy** options and incentives that may be feasible. Preference will be given to proposals that incorporate renewable energy features.

- a. Focus on Energy's Renewable Energy offerings provide incentives for cost-effective renewable energy projects (e.g., solar photovoltaics (PV), solar thermal, biogas, biomass and wind). The Focus on Energy Renewable Energy Incentive

application may be accessed [here](#). Contact Scott Bloedorn at (608) 230-7017 with questions or to discuss program details.

- b. Additional funding for solar PV may be available through the [MadiSun](#) program and/or Dane County's Affordable Housing Development Funding process

### 3. Sustainable Design.

The American Institute of Architects (AIA) offers a [Framework for Design Excellence](#). This Framework organizes design elements and strategies into a top 10 "Best Practices" approach to design for equitable communities, optimize site potential, optimize energy use, protect and conserve water, optimize building space and material use, enhance indoor environmental quality (IEQ) and optimize operational & maintenance practices.

Preference will be given to proposals that incorporate sustainable design techniques described in the [AIA's Framework for Design Excellence](#), including but not limited to:

- a. Building techniques that substantially reduce energy and water consumption on site
- b. A rainwater reclamation or gray water system to minimize water consumption on site
- c. Sourcing a significant amount of building materials from renewable sources

To help evaluate and measure the expected energy reduction and cost savings associated with this design framework, applicants and their architects are encouraged to consult this Framework when designing the building. For questions or further technical assistance, architects may benefit from consulting with City of Madison Planner Janine Glaser (AIA) at [jglaser@cityofmadison.com](mailto:jglaser@cityofmadison.com).

Applicants will be expected to provide more detailed responses regarding their proposals to meet these preferences through the Supplemental Application Materials described in Section 2.2 below. Proposals that commit to energy efficiency, renewable and/or sustainable building design techniques will become project requirements via the City's term sheet. As such, the City expects the majority of these measures will be incorporated in the final design and implemented during the building's construction as an "above the line" item.

## 1.7 Review of Proposals and Scoring Criteria

The City will accept proposals from both non-profit and for-profit developers, as well as those that reflect strategic partnerships between two or more entities. City staff will review and evaluate proposals based on the following criteria:

Scoring Criteria	Points Available
<p><b>1. OVERALL QUALITY &amp; RESPONSIVENESS</b> Development proposal vision and goals, concept and plan. Level of responsiveness and extent to which proposal addresses overall City goals, objectives and preferences as described in this RFP.</p>	<b>20 points</b>
<p><b>2. DEVELOPMENT CONCEPT, PLANNING &amp; ZONING AND SUSTAINABILITY</b> Conformance with adopted plans; permissive zoning or likelihood of project re-zoning, securing City approvals; absence of known environmental issues that might significantly delay project; strength of development concept and site plan; sensitivity to neighborhood context; anticipated market demand; readiness to proceed. Demonstrated commitment to energy efficiency, renewable energy and/or sustainable building design; presentation of proposal at Development Assistance Team and response to concerns/issues raised.</p>	<b>25 points</b>
<p><b>3. PROPOSED SITE &amp; MAP</b> Location in a Preferred or Super-Preferred Area; proximity of proposed site to public transit, schools, employment opportunities, groceries and other key amenities; walkability and/or benefit to surrounding neighborhood; suitability for new construction or major rehabilitation; and impact on schools.</p>	<b>15 points</b>
<p><b>4. FINANCIAL FEASIBILITY &amp; LEVERAGE</b> Development budget workbook details reasonable sources and uses of funds, including sound costs projections. Operating budget details reasonable costs and cash flow over the period of affordability. Financial structure leverages all available financial resources (including reasonably maximizing the deferred developer fee). Proposal demonstrates financial feasibility, including reasonable assumptions and projections. WHEDA self-score appears to be accurate, reasonable and competitive.</p>	<b>15 Points</b>
<p><b>5. CAPACITY, EXPERIENCE AND QUALIFICATIONS: DEVELOPER</b> Demonstrated organizational and financial capacity to produce a high-quality product – based on successful history of developing affordable housing. Diversity of the development team. Performance on past CDD-assisted projects.</p>	<b>5 points</b>
<p><b>6. CAPACITY, EXPERIENCE AND QUALIFICATIONS: SERVICE PROVIDER &amp; PROPERTY MANAGER</b> Partnership approach between developer, supportive service provider(s) and property management team for supportive housing units. Demonstrated capacity of Service Provider to coordinate adequate, effective, and quality supportive services for target population(s). Demonstrated commitment of Property Manager to utilize flexible Tenant Selection Plan and Affirmative Marketing Plan Best Practices that refrain from presenting unreasonable barriers to access, especially for the target population(s).</p>	<b>10 points</b>
<p><b>7. ALDER AND NEIGHBORHOOD ENGAGEMENT</b> Demonstrated efforts to identify and address site plan, design and other reasonable concerns raised by the Alder(s) and/or neighborhood residents throughout the pre- and post-application process.</p>	<b>10 points</b>
<b>Total Points Available</b>	<b>100 points</b>

While informative, proposal scores are not the sole factor in making funding decisions. The top scoring proposals will be recommended for further consideration.

Development teams that remain under consideration will be expected to present to a City review team the week of August 10<sup>th</sup>. This review team will formulate recommendations for financial assistance to selected projects. Those recommendations, including funding amounts and terms of the awards, will be presented for review to the City's Community Development Block Grant (CDBG) Committee. Selected applicants will be expected to make project presentations to this Committee on **September 3<sup>rd</sup>**. CDBG Committee recommendations will be forwarded to the Finance Committee and Common Council for final approval. Common Council has final authority over offers of financial assistance.

## **1.8 Initial and Ongoing Project Requirements**

The City will secure its funding with promissory notes and a mortgage in the form of a non-recourse loan. Applicants offered financial support will be required to enter into a 40-year Land Use Restriction Agreement, recorded in first position following the first mortgage for the period of affordability.

The City will require the recipient of its funds to submit detailed compliance reports and other periodic reports on the project during the period of affordability. Due dates and specific requirements will be established within the Loan Agreement. The City reserves the right to schedule site visits to verify compliance with the terms of the City agreement.

## **SECTION 2: PROPOSAL SUBMISSION REQUIREMENTS**

### **2.1 Pre-Application Process**

Applicants are strongly encouraged to make the following Pre-Application contacts as soon as feasible in advance of the AHF Application deadline and are required to do so by **July 8, 2020**. When scheduling these meetings, please indicate that the meeting will be about a proposed AHF project.

1. **Contact CDD.** Applicants are required to contact CDD staff to notify the CDD of the applicant's intent to apply and discuss how the City might best support the proposed development. To discuss your project, please contact Julie Spears (Community Development Specialist) at [jspears@cityofmadison.com](mailto:jspears@cityofmadison.com) or Linette Rhodes (CD Grants Supervisor) at [lrhodes@cityofmadison.com](mailto:lrhodes@cityofmadison.com).
2. **Contact PD.** Applicants are required to contact and meet with the Planning Division (PD) to discuss site selection, zoning and the land use approval process. Joint pre-application meetings with PD, Zoning, EDD and CDD staff will be scheduled whenever possible. To schedule a meeting, please contact Kevin Firchow (Principal Planner in the City's Planning Division) at [kfirchow@cityofmadison.com](mailto:kfirchow@cityofmadison.com) and cc: Julie Spears.
3. **Contact EDD.** Applicants whose proposals are within an active tax increment financing (TIF) district and who are interested in TIF assistance are required to contact and meet

with Economic Development Division (EDD) staff to discuss a preliminary application. Please review the [TIF Goals, Objectives and Process](#) and [TIF Underwriting Policy](#) found on the EDD's [TIF Website](#).

Applicants will be asked to work with staff to submit a formal application for TIF assistance in advance of or concurrently with an AHF application. Applicants are advised that EDD and CDD staff will coordinate review of these respective applications. Applicants should be aware that AHF and TIF applications have different requirements, and as such, should take time to meet with the appropriate staff and fully understand both processes, requirements and applications. To discuss the process for TIF assistance, contact Dan Rolfs (Community Development Project Manager in the City's EDD) at [drolfs@cityofmadison.com](mailto:drolfs@cityofmadison.com) or Joe Gromacki at [jgromacki@cityofmadison.com](mailto:jgromacki@cityofmadison.com).

4. **Contact Zoning.** Applicants are required to obtain written confirmation of permissive zoning or zoning status and process from Matt Tucker (Zoning Administrator) at [mtucker@cityofmadison.com](mailto:mtucker@cityofmadison.com). The following information must be provided: Address(es), # of stories, # of units, etc. TBD.

#### Sites Scheduled to be Annexed into the City of Madison

For properties that are not within the City of Madison, please note that the attachment/annexation process must be fully completed and approved **before** the City can accept, process and approve land use applications. Please be aware that this may impact Zoning Compliance statements, depending on the approvals that are necessary. The timing of attachments/annexations varies, but typically takes at least 6-8 weeks upon receiving a complete petition. For questions related to the attachment/annexation process, please contact Tim Parks (Planning Division) at [tparks@cityofmadison.com](mailto:tparks@cityofmadison.com). It is the responsibility of the existing property owner to coordinate necessary attachment/annexation approvals.

Applicants should consult with City staff via the pre-application process to confirm that the parcel(s) will be annexed into an eligible area on the AHF Targeted Area Map.

5. **Contact Focus on Energy.** Applicants are required to submit an [Initial Application](#) to Focus on Energy's (FOE) [New Construction Energy Design Assistance](#) program. Contact FOE's Dorene Schink at (608) 709-1395 with questions or to discuss program details and how Focus on Energy might best support the proposed development.

The City reserves the right to waive pre-application meetings for projects deemed to have made sufficient communication with DPCEd staff in advance of submitting an application.

#### 6. **Alder & Neighborhood Notification Process**

Applicants are also required to make the following contacts prior to the AHF Application deadline in order to address the corresponding questions in the AHF application:

- a. **Contact Alder.** Applicants are required to contact the district's [alder](#) to discuss the proposed project, identify and, where possible, address any issues or concerns the



alder may have. Applicants must also assess the alder's response to the proposed project as well as the alder's anticipation of the neighborhood's response to the proposed project. If the proposed project is within 200 feet of another aldermanic district, that alder should also be contacted as described above. (See Application Question #35).

- b. **Contact Neighborhood Association.** Applicants are required to contact the Neighborhood Association to discuss the proposed project, identify and where possible, address any issues or concerns the neighborhood may have. Designated Contact Information is posted on the [City Planning Division Website](#). Applicants must also assess the response of neighborhood association to the proposed project. If the proposed project is within 200 feet of another association(s), those associations should also be contacted as described above. If the proposed development is not located within an existing neighborhood association, contact the most relevant adjacent neighborhood association(s). (See Application Question #36).
7. **Development Assistance Team (DAT).** The DAT is an interagency staff team that meets with applicants to discuss various technical requirements regarding development. In order to obtain timely preliminary feedback from City reviewing agencies, applicant teams are *strongly encouraged* to present their proposed project at a Development Assistance Team (DAT) meeting in advance of the AHF Application deadline of **July X, 2020** and required to do so no later than **August 6, 2020**.

Earlier appointments are encouraged. Contact either Christopher Wells ([cwells@cityofmadison.com](mailto:cwells@cityofmadison.com)) or Kevin Firchow ([kfirchow@cityofmadison.com](mailto:kfirchow@cityofmadison.com)) to schedule an appointment. DAT meetings occur on Thursdays at 9:00 a.m. Appointments are reserved on a first-come first-served basis with agendas finalized the preceding Friday at noon. Applicants are expected to email a PDF of preliminary site plans by noon on the preceding Friday. Applicants will be asked to respond to concerns identified at DAT in their Supplemental Application response described in Section 2.2 below. A follow-up DAT meeting may be recommended before Land Use Application submittal.

## 2.2 Post-Application Process

1. **Supplemental Application Materials.** Applicants will be required to submit a Supplemental Application to address items that are not likely to be known at the time of initial application and respond to outstanding concerns identified at DAT, from Neighborhood Meetings, etc. Applicants should anticipate Supplemental Application questions to be sent the week of **August 10, 2020**. This response will be due by **August 19, 2020**.
2. **Land Use Application.**
  - a. **Projects Requiring a Zoning Map Amendment.** Applicants for projects that require a zoning map amendment must file a complete Land Use Application no later than **September 16, 2020** in order to obtain Plan Commission approval by November 23,

2020 and/or Common Council approval by December 1, 2020 in advance of the anticipated WHEDA Application deadline. This shall include all necessary pre-application notices and the required information described in the application form. Applicants are strongly encouraged to submit this application sooner to account for any delays or referrals that may be made in the approval process. A [Development Review Schedule](#) can be found on the Planning Division's website containing meeting dates for Plan and Urban Design Commissions.

- b. Projects Not Requiring a Zoning Map Amendment (Permissively Zoned).** Applicants for projects that require a demolition and/or conditional use approval(s) and/or are part of a General Development Plan (GDP) shall file a complete Land Use Application, or or Specific Implementation Plan (SIP) respectively, no later than **October 7, 2020**. This shall include all necessary pre-application notices and the required information described in the application form. While WHEDA may not require other land use approvals, such as conditional uses, such approvals are a requirement for projects receiving funding through this RFP.
- 3. Neighborhood Meeting(s).** In advance of the Supplemental Application due date to the staff team on **August 19, 2020**, applicants are required to present the proposed development to the neighborhood at a well-publicized meeting. Notify Julie Spears & Kevin Firchow at least two weeks in advance of planned meeting so that Planning and/or CDD staff may attend as availability permits.

The City encourages applicants to offer residents ample opportunities to provide input in multiple formats in lieu of the ability to conduct in-person neighborhood meetings. Applicants should be prepared to incorporate reasonable resident feedback as well as be aware that a follow-up neighborhood meeting may be warranted. Some alders and/or neighborhood associations may also request a project steering team and/or a series of meetings with the developer. Applicants are encouraged to meet with the alder and/or neighborhood to assess the residents' level of interest in engaging with their proposal.

- 4. Applicant Presentations to Staff Team.** Applicants should be prepared to address the following, at a minimum, during their presentations to staff the week of August 10<sup>th</sup>:
  - a. Provide an overview of the project with an emphasis on the elements that clearly address the proposal's responsiveness to the goals, objectives and preferences in the RFP.
  - b. Introduce the Development Team including Property Management and Supportive Service Partner(s); related property management and supportive service strategies; and the Tenant Selection Plan for the general population as well as supportive service units.
  - c. Address any outstanding concerns identified via the DAT review, at the neighborhood meetings, etc.

A PowerPoint presentation, while not required, is strongly encouraged for this presentation as well as to the CDBG Committee.

### 2.3 Response Format

1. Proposals and all required additional documentation must be submitted electronically to [CDDapplications@cityofmadison.com](mailto:CDDapplications@cityofmadison.com) utilizing the Application Form in Microsoft Word, the budget in the Microsoft Excel workbook and/or PDFs. Please submit one combined PDF of the application materials, if possible. Extraneous spacer pages are not necessary. Please adhere to the space limitations in the application document.
2. The response to the RFP should be complete and comprehensive but succinct. **Please limit most answers to a maximum of one ½ page per question.** Attachments or documents not specifically required should not be submitted.

### 2.4 Required Information and Content of Proposals

Proposals must include the following documents listed below in order to be considered complete and eligible for consideration, including all additional requested documentation. Please include only the required submittals, submitted and labelled in the following order.

1. RFP Application Form and Budget Workbook

Available on the [Community Development Division Funding Opportunities Website](#).

2. Development Team's Experience & Capacity

Include an attachment addressing the following. Please limit this response to no more than 10 pages. Attachments or documents not specifically required should not be submitted (e.g., project profiles):

- a. Experience developing multifamily housing for low- and moderate-income households, including:
  - i. Experience obtaining and utilizing LIHTC, including number of projects, number of units and location of LIHTC and/or affordable housing units your organization has developed;
  - ii. Experience obtaining and utilizing federal, state, city and other financing resources, including number of projects, number of units and location of projects with federal LIHTC, HOME, CDBG, EECBG, or Section 108 funds.
- b. Experience with participating in public/private joint ventures.
- c. Years in existence and staff qualifications (briefly).
- d. Financial capacity of the organization to secure financing and complete the proposed project.
- e. Developer's experience with, including number of projects, number of units and location of projects developed with integrated support housing units.
- f. Proposed property management entity or partner's experience including number of projects, number of units and location of projects managed. Be sure to address the property management entity's performance record and approach with integrated support services as well as with inclusive and culturally-sensitive property management and marketing practices.
- g. List of any architectural awards, service awards, or green building certifications that your organization has received.

h. Project Organizational Chart, including ownership interest percentages.

3. Additional Application Materials

- a. Letter(s) from Supportive Service Provider(s) detailing the type and level of services they intend to provide and affirming that the level of services that will be made available are adequate for the number of supportive housing units and target population.
- b. Detailed site map and a second map showing the site in the context of the City using the Affordable Housing Targeted Area Map.
- c. A preliminary site plan and drawings, if available.
- d. Capital Needs Assessment report of the subject property, if the proposal is for a rehabilitation project and if the report is available at the time of application.

If a preliminary site plan is not available at the time of application, submittal will be required for DAT by August 6, 2020. If the Capital Needs Assessment is not available at the time of application for a rehab project, submittal will be required by **August 19, 2020**.

4. Designation of Proprietary and Confidential Information – Attachment D

Complete and submit the form included in this document, if applicable.

## SECTION 3: GENERAL RFP ADMINISTRATIVE INFORMATION

### 3.1 Point of Contact

The RFP contact identified below is the sole point of contact regarding the RFP from the date of release of the RFP until selection of the successful proposer(s).

Julie Spears, Community Development Specialist  
City of Madison Community Development Division  
Phone: 608-267-1983 – *Please send an e-mail.*  
Email: [jspears@cityofmadison.com](mailto:jspears@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.

### 3.2 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 bidder to fulfill the requirements of the contract.

### **3.3 Contracting Agency**

The contract resulting from this RFP will be administered by Community Development Division, City of Madison.

### **3.4 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.

### **3.5 Oral Presentations / Site Visits / Pre-Application or Pre-Award Meetings**

Proposers will be required 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, upon request. Such presentations, meetings, or site visits will be at the proposer's expense.

### **3.6 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 openings for its own convenience and to withdraw this solicitation at any time without prior notice.

### **3.7 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.

### **3.8 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.

### **3.9 Proposal Content**

The evaluation and selection of a Contractor and the contract will be based on the information submitted in the vendor's 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.

### **3.10 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.

### **3.11 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** – State clearly on the attached “Designation of Confidential and Proprietary Information” form (RFP Attachment D) any information to be considered confidential or proprietary.
  - SECTION 3** – Separate any information to be considered confidential or proprietary from the rest of the proposal. Co-mingling of confidential/proprietary and other information is not acceptable.
  - SECTION 4** – Note that 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. Allocation requests always become public information through the selection committee process. Information usually cannot be kept confidential unless it involves a trade secret as defined in §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 Selected Contractor 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 Selected Contractor 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.

### **3.12 Sample Loan Agreement**

Proposers are responsible for reviewing this information on the [CDD Funding Process website](#) prior to submission of their bid. 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 the contingencies outlined in the authorizing resolution. By submitting a proposal, proposers affirm their willingness to enter into an Agreement containing these terms.



### **3.13 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 Selection Committee, also referred to as the staff team, 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) based on 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. BEST AND FINAL OFFER**

The designated Selection Committee may request best and final offers from one or more proposers determined to be reasonably susceptible to being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. If best and final offers are requested, they will be evaluated against the stated criteria, scored and ranked. The City reserves the right to negotiate the terms of the contract, including the award amount, with the selected proposer(s) prior to entering into a contract. If contract negotiations cannot be concluded successfully with the selected proposer(s), the City may negotiate a contract with the next highest scoring proposer.

#### **4. 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 that contain errors, or at its sole discretion, waive disqualifying errors or gain clarification of errors or information.

#### **5. 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.

6. NEGOTIATION

The City reserves the right to negotiate final fees and scope of services with the selected Contractor.

7. PROCESS

At any phase, the City reserves the right to terminate, suspend, or modify this selection 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.

8. COMMUNICATION WITH SELECTION COMMITTEE

Proposers may not contact members of the Selection Committee at any time during the evaluation process, except at the City of Madison CDD's request, or as instructed in Section 3.1 above.

9. 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 the contract, including the award amount, with the selected proposer(s) prior to entering into a contract. If contract negotiations cannot be concluded successfully with the selected proposer(s), the City may negotiate a contract with the next preferred propose

## ATTACHMENT B-1

### Tenant Selection Plan Best Practices City of Madison Affordable Housing Initiative

The Affordable Housing Fund (AHF) Loan Agreement requires a tenant or resident selection plan 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 AHF 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. The TSP should note that apartments are rented on a first come, first served basis.
- **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 project should establish preferences that conform to preferences identified in the development's approved LIHTC application submitted to WHEDA, and in the signed Supportive Services Agreement, as applicable. 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 TSP should explicitly state that applicants would not be denied solely due to:

- A lack of housing history;
- A low credit score, provided that the applicant has a cosigner and/or is enrolled in a credit repair program;
- Information on a credit report that is or has been formally disputed, in repayment, or unrelated to a past housing or housing utility obligation;
- The applicant owing money to a prior landlord for rent or damages, or to a utility company, provided the applicant has entered into a payment arrangement with the creditor and is current on the repayment arrangement

#### **Security Deposits**

The project should not implement a security deposit that puts an undue financial burden on applicants or creates a financial impediment to accessing housing. Housing providers should consider whether existing security deposit policies create a barrier to entry for low-income households and those requiring supportive services. Security deposits for prospective residents should be reasonable, and the City has a preference for security deposit policies that incorporate some or all of the following:

- A maximum security deposit equal to one-half month's rent, as a standard;
- For tenants with conditional credit, limited rental histories, or other limiting factors: a security deposit equal to one-half month's rent with a cosigner, or a deposit equal to one month's rent;
- A set amount applied equally to all applicants that approximate one-half month's rent and one month's rent for standard and conditionally approved applicants, respectively (e.g. a \$500 standard security deposit and a \$1,000 security deposit for conditionally-approved applications);
- For units and/or tenants with rental payments guaranteed through an operating subsidy (e.g. Housing Choice Vouchers, VASH Vouchers, or Project-Based Vouchers): the lower or standard security deposit amount should be imposed, regardless of credit history

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 B-2

### **Affirmative Marketing Plan Best Practices City of Madison Affordable Housing Initiative**

The Affordable Housing Fund (AHF), HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) Loan Agreements require an Affirmative Marketing Plan 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 an Affirmative Marketing Plan (AMP). 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 Affirmative Marketing 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 AMP should clearly identify the project's criteria regarding the following categories:

- **Applicant and Project Identification**, the plan should specify the approximate start date of marketing activities to groups targeted for special outreach and the expected date of initial occupancy.
- **Targeted Outreach**, the plan should identify the demographic groups that are "least likely to apply" for this housing without special outreach. In determining which groups should be identified, housing providers should consider the rental rate of the housing, the racial/ethnic composition of the neighborhood in which the property is located and the population of the broader housing market area.
  - The plan should describe the marketing efforts anticipated to be used to attract the demographics identified as least likely to apply, as well as all segments of the eligible population. These efforts could include the type of media used to advertise the development (including the names of publications and websites to be used); the duration that the marketing effort will be published in the newspaper or run on the radio; and the identity of the intended audience of each marketing effort.
  - Specific community organizations and contacts should also be identified when describing targeted outreach, with a special emphasis placed on those agencies able to influence populations identified as least likely to apply. City staff can assist housing providers in identifying points of contact and relevant listservs, if necessary. Examples of listservs that should receive housing vacancy lists include: Homeless Services Consortium and the City's Neighborhood Resource Teams.
  - Pursuant to the Loan Agreement, marketing materials will be reviewed by the City of Madison Community Development Division. Any marketing materials that depict graphics or renderings of people should be inclusive, diverse, culturally-sensitive and representative of the demographics of target populations identified in the AMP as well as the supportive service population(s) described in the tenant selection plan, if applicable.
- **Future and Continued Marketing Efforts**, the plan should include a statement or description of how the housing provider will continue affirmative marketing efforts after initial lease-up is complete to maintain occupancy goals. The property must use the Equal Housing Opportunity logo on all notices, lease documents and marketing materials, and the Fair Housing poster must be

prominently displayed in the leasing office, including any temporary spaces that may be used during lease up.

- **Staff Experience**, the plan should indicate the experience, training and certification(s), if any, held by staff that will be involved in marketing and lease-up of the property. The AMP should mention that a hard copy of the plan, and any other written materials regarding fair housing laws, should be available on request in the leasing office.

The project should make note of efforts that conform to preferences identified in the development's approved LIHTC application submitted to WHEDA, as applicable. The AMP 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 AMP should describe demographics least likely to apply in a manner that does not diminish or obstruct the Project's fair housing obligations. The AMP 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.

While not explicitly required, the City of Madison will also accept a HUD template Affirmative Fair Housing Marketing Plan (HUD Form 92243-PRA) that incorporates the above best practices. The City of Madison and the U.S. Department of Housing and Urban Development (HUD) stress the importance of implementing the AMP consistently during leasing and throughout the lease-up process.

## ATTACHMENT C



### Service Providers & Target Populations

<p>The Road Home Kristin Rucinski Executive Director <a href="mailto:kristinr@trhome.org">kristinr@trhome.org</a> Ph: 608-294-7998 x302 <b>A &amp; B</b></p>	<p>YWCA Madison Jael Currie Housing Director <a href="mailto:jcurrie@ywcamadison.org">jcurrie@ywcamadison.org</a> Ph: 608-247-1436 <b>A &amp; B</b></p>
<p>Housing Initiatives Brad Hinkfuss Executive Director <a href="mailto:bhinkfuss@housinginitiatives.org">bhinkfuss@housinginitiatives.org</a> Ph: 608-620-1751 <b>A only</b></p>	<p>Lutheran Social Services of Wisconsin and Upper Michigan Dennis Hanson Executive Director for Housing Services <a href="mailto:dhanson@lsswis.org">dhanson@lsswis.org</a> Ph: 414-246-2711 <b>A only</b></p>
<p>The Salvation Army of Dane County Melissa Sorensen Director of Social Services <a href="mailto:Melissa.sorensen@usc.salvationarmy.org">Melissa.sorensen@usc.salvationarmy.org</a> Ph: 608-250-2237 <b>A only</b></p>	<p>Tenant Resource Center Robin Sereno Homeless Services Program Director <a href="mailto:robin@tenantresourcecenter.org">robin@tenantresourcecenter.org</a> Ph: 608-620-4205 <b>A only</b></p>
<p>Middleton Outreach Ministry Shannon Ash Program Director <a href="mailto:shannon@momhelps.org">shannon@momhelps.org</a> Ph: 608-826-3416</p>	

#### Individuals and/or Families Experiencing Homelessness (A):

Agencies providing supportive services for individuals and/or families experiencing or at risk of homelessness.

#### Formerly Homeless Families (B):

Agencies providing supportive services for formerly homeless families who are no longer in need of intensive supportive services.

Agencies listed above may have the potential to partner on development proposals seeking to include permanent supportive housing units targeting one or more of these populations.



## 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 §.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 §. 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: \_\_\_\_\_