

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



REQUEST FOR PROPOSALS

RFP #XXXX-2098

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

Release Date: May XX, 2019

**Due Date: 12:00 p.m., NOON
Thursday, June XX, 2019**

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RFP SUMMARY

RFP NUMBER	RFP # XXXX-2019
RFP TITLE	Affordable Housing Fund: Developers Seeking 2019 WHEDA Tax Credits for Rental Housing Development
DEADLINE FOR BID SUBMISSIONS	12:00 P.M. (NOON) CDT, Thursday, June XX, 2019 Proposals received after the deadline will not be considered.
SCOPE	<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">1. Increase the supply of safe, quality, affordable rental housing.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 create long-term affordability and sustainability.
FUNDS AVAILABLE:	The CDD anticipates having approximately \$5 million available from the City's Affordable Housing Fund to support 3-4 proposals through this process.
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 Affordable Housing Fund in email subject line.
DIRECT ALL INQUIRES TO:	Julie Spears , Community Development Specialist jspears@cityofmadison.com 608-267-1983 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
May XX, 2019	Release of RFP
12:00 p.m. NOON (CST) June 27, 2019	DEADLINE FOR SUBMISSION OF PROPOSALS
Week of July 22, 2019	CDD requests additional/clarifying information from applicants, if necessary.
Week of August 5, 2019	Applicants respond to request for additional/clarifying information
Week of August 12, 2019	Applicant Presentations to Staff
September 5, 2019	Applicant Presentations to CDBG Committee
October 3, 2019	CDBG Committee Recommendations
October 7, 2019	Finance Committee Recommendations
October 15, 2019	Common Council Approval
November 2019	Commitment Letter (Notification of Award)
Late 2020 - Mid 2021	Anticipated contract effective date(s)

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 2019 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.
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 create 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 poverty and/or 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 marketing.

1.3 Funding Availability

CDD anticipates having approximately \$5 million available from the City's Affordable Housing Fund to support 3-4 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, 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 City financial assistance where applicable.

Assistance offered from City Affordable Housing Funds will be contingent upon their authorization during the 2019 Budget process, which concludes in November of 2019. All funding awards offered to a project by the City are made contingent upon an applicant's receipt of LIHTC for that project, as well as the applicant's ability to secure other financing necessary for the project, and land use and permit approvals.

Funds awarded through this RFP are expected to be secured by a Loan Agreement by December 31, 2021. Payment schedule will be negotiated at point of contract with 10% of funds reserved until project completion.

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.

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 1st 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 addition to direct subsidies offered as part of this RFP, applicants may also qualify for a waiver 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 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 is necessary to maximize the expansion of affordable housing units or incentivize the responsiveness to the stated preferences.

1.5 2019 Affordable Housing Targeted Area Map

The 2019 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](#). The City of Madison Planning Division also maintains a searchable version of the [City's Zoning Map](#) on its website.

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

1.6 Requirements and Preferences

Requirements

The CDD has identified the following conditions of eligibility:

1. Applicant must seek 2020 LIHTCs and meet the corresponding income, occupancy, and rent restrictions.
2. The entity applying for City funds must have an ownership interest in the development.
3. 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.
4. Proposed sites for new construction must be located in an Eligible or 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.
5. 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.
6. At least 15% 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).
7. 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.
8. Any proposal serving households with incomes at or below 30% AMI must have adequate supportive services available to meet the needs of those households.

9. Proposals offered City funds will be expected to apply, or have applied, to the Federal Home Loan Bank's Affordable Housing Program.
10. Proposals must engage in the Pre- and Post-Application Processes pertaining to land use entitlements and neighborhood engagement described in Section 2 below.
11. Proposals seeking tax credits through the WHEDA Supportive Housing set-aside will not be considered under this RFP.

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 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/or a General Partner Purchase Option, Right of First Refusal, or a controlling interest in the ownership entity.
4. Proposals in which more than 20% of the proposed affordable units contain three or more bedrooms.
5. Proposals in which more than 20% of the proposed affordable units are made available for households with incomes at or below 30% AMI representing a proportional mix across proposed unit sizes (e.g., one, two, and three or more bedroom units).
6. Proposals that reflect an integrated supportive housing approach, described below, in addition to meeting the supportive housing requirements outlined in WHEDA's QAP and Appendix S targeting veterans and/or people with disabilities.
7. Proposals that leverage the use of all available resources including the deferment of the maximum amount of developer fee feasible.
8. Proposals that offer repayment of the amortized interest loan beginning in Year 1 simultaneously with repayment of the deferred developer fee.
9. Proposals that provide a non-smoking environment throughout the property.
10. Proposals that include in-unit internet service at low or no cost to residents.
11. Proposals for multifamily developments that include a dedicated year-round indoor play space and/or outdoor playground on the premises.
12. Proposals that present a Tenant Selection Plan (TSP) that embraces the CDD's TSP Best Practices outlined in Attachment B-1.
13. Proposals that present an Affirmative Marketing Plan (AMP) that embraces the CDD's AMP Best Practices outlined in Attachment B-2.

Integrated Supportive Housing Units

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. poor credit, negative rental histories, 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 partner with a local Homeless Services Consortium service provider listed on Attachment B;
 - b. **Formerly homeless families** occupying permanent supportive housing units who are deemed by their service provider to no longer require intensive supportive services and partner with a local Homeless Services Consortium service provider listed on Attachment B.
 - 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 meets 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.

1.6 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
1. OVERALL QUALITY & RESPONSIVENESS Development proposal vision and goals, concept and plan, number of units, types of units, unit mix and income targeting, in-unit and property amenities, sensitivity to neighborhood context, anticipated market demand, readiness to proceed, and compliance with eligibility requirements. Level of responsiveness and extent to which proposal addresses overall City goals, objectives, and preferences as described in this RFP.	30 points
2. PROPOSED SITE Proximity of proposed site to public transit, schools, employment opportunities, groceries, and other key amenities, walkability and/or benefit to surrounding neighborhood; impact on schools; suitability for new construction or major rehabilitation; conformance with adopted plans; 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; presentation of proposal at DAT and response to concerns or issues raised at DAT.	25 points
3. FINANCIAL FEASIBILITY & LEVERAGE Development pro forma details reasonable sources and uses of funds and includes all project costs. Operating budget details reasonable costs and cash flow over the period of affordability. Financial structure includes maximized available resources (including reasonably maximizing the deferred developer fee), financial strength of proposal, financial strength of applicant, and includes reasonable assumptions and projections. WHEDA self-score is accurate, reasonable and competitive.	20 Points
4. CAPACITY, EXPERIENCE AND QUALIFICATIONS OF DEVELOPMENT TEAM Demonstrated capacity to produce a high-quality product – based on successful history of developing affordable housing. Demonstrated capacity to incorporate adequate, quality supportive service partnership(s) for supportive housing units. Demonstrated address of Tenant Selection Plan and Affirmative Marketing Plan Best Practices. Diversity of the development team. Performance on past CDD-assisted projects.	15 points
5. ALDER AND NEIGHBORHOOD NOTIFICATION & MEETINGS Demonstrated efforts to identify and address concerns raised by the Alder(s) and/or neighborhood residents throughout the pre- and post-application process. Level of Alder and neighborhood support expressed for the proposed project.	10 points
Total Points Available	100 points

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 12th. 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 Committee (CDBG Committee). Selected applicants will be expected to make project presentations to this Committee on September 5th. 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.

1.7 Initial and Ongoing Project Requirements

The City will secure its funding with promissory notes and a mortgage in the form of non-recourse loans. Applicants offered financial support will be required to enter into a 30-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 **June 13, 2019**:

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 or 608-267-1983 or Linette Rhodes (Interim CD Supervisor) at lrhodes@cityofmadison.com or 608-261-9240.
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 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 or 608-267-1150 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. 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. To discuss the process for TIF assistance, contact Matt Wachter (Office of Real Estate Services Manager in the City's EDD) at mwachter@cityofmadison.com or 608-266-5940.

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.

4. **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 alder to discuss the proposed project, identify and, where possible, address any issues or concerns the alder may have; assess the level of alder support for the proposed project; and assess the alder's anticipation of neighborhood support for 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 #26).
- b. **Contact Neighborhood Association.** Applicants are required to contact the Neighborhood Association (Designated Contact Information is on the City Planning Division [Website \(Add link\)](#)) to discuss the proposed project, identify, and where possible, address any issues or concerns the neighborhood may have, as well as assess the level of neighborhood association/neighborhood support for 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 #27).

2.2 **Post-Application Process**

1. **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 by **July 18, 2019**. Earlier appointments are encouraged. Contact Christopher Wells (cwells@cityofmadison.com) or Kevin Firchow (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-serve 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 response to an Additional/Clarifying Information Request from staff due the week of **August 5th**. A follow-up DAT meeting may be recommended before Land Use Application submittal.
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 25, 2019** in order to obtain Plan Commission approval by November 25, 2019 and/or Common Council approval by December 3, 2019 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) shall file a complete Land Use Application no later than **October 9, 2019**. 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 projects receiving funding through this RFP.
3. **Neighborhood Meeting(s).** In advance of the Applicant Presentations to Staff Team (Week of August 12th 2019), Applicants are required to present the proposed development to the neighborhood at a well-publicized meeting by **August 9, 2019**. 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.

Applicants should 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 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 during their presentations to staff the week of August 12th:
 - a. Overview of the project, highlighting elements that meet the priorities identified in the RFP.
 - b. Development Team including Property Management and Supportive Service Partner(s) and strategy and the Tenant Selection Plan for the general population as well as supportive service units.
 - c. Any outstanding concerns identified via the DAT review, at the neighborhood meeting, etc.

2.3 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. Please submit one combined PDF of the application materials. Applicants must also submit five (5) paper copies of their proposals by the deadline listed above. These must be printed single-sided, individually and securely bound without the use of three-ring binders. Please submit one contiguous document with no extraneous spacer pages. 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 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.

1. RFP Application Form and Budget Workbook

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

2. Supplemental Application Information

- a. Detailed site map and a second map showing the site in the context of the City.
- b. Project Organizational Chart, including ownership interest percentages.
- c. Description of the development team's experience in the following areas:
 - i. Obtaining and utilizing federal, state, city, and other financing resources
 - ii. Participating in public/private joint ventures
 - iii. Developing multifamily housing for low- and moderate-income households
 - iv. Property management, including their experience with supportive housing.
 - v. Providing supportive housing units or delivering supportive services.
- d. Letter(s) from Supportive Service Provider(s) detailing what level of services are necessary to be adequate for the target population and what level of services they intend to provide.
- e. Detailed WHEDA self-score based on the most recently published scoring criteria (include a breakdown of scoring categories where applicable, such as the Areas of Economic Opportunity scoring category).
- f. 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 the Capital Needs Assessment is not available at the time of application, submittal will be required when become available and in advance of receiving the CDD commitment letter.

Applicants may be required to submit additional information upon request.

3. 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
Email: 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 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.

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 – Any information to be considered confidential or proprietary must clearly be stated on the attached “Designation of Confidential and Proprietary Information” form. (RFP Attachment A).

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. 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 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 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 proposers 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 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 error 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 request, or as instructed in Section 2.1 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 proposer.

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 debtor and is current on the repayment arrangement;

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 kristinr@trhome.org Ph: 608-294-7998 x302 A & B</p>	<p>YWCA Madison Jael Currie Housing Director jcurrie@ywcamadison.org Ph: 608-247-1436 A & B</p>
<p>Housing Initiatives Brad Hinkfuss Executive Director bhinkfuss@housinginitiatives.org Ph: 608-620-1751 A only</p>	<p>Lutheran Social Services of Wisconsin and Upper Michigan Dennis Hanson Executive Director for Housing Services dhanson@lsswis.org Ph 414-246-2711 A only</p>
<p>Porchlight, Inc. Karla Thennes Executive Director kthennes@porchlightinc.org Ph: 608-257-2534 x14 A only</p>	<p>The Salvation Army of Dane County Melissa Sorensen Director of Social Services Melissa.sorensen@usc.salvationarmy.org Ph: 608-250-2237 A only</p>
<p>Tenant Resource Center Megan Osowski Homeless Services Program Director megan@tenantresourcecenter.org Ph 608-620-4205 A only</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 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: _____