

**Housing Authority of the County of Santa Cruz  
Project Based Voucher Application Scoring Criteria**

**Directions to Applicants**

Please provide to the Housing Authority of the County of Santa Cruz (HACSC) a completed HACSC Project Based Voucher Application form with project information and proposal clearly addressing each of the scoring criteria listed below.

**Scoring Criteria**

The scoring criteria include 200 base points. Up to 20 bonus points are possible. **The minimum threshold score for project-based voucher (PBV) consideration is 150 points.** Further, applications proposing to exceed the PBV Standard Project Cap of the greater of 40 units or 40% of project units must meet additional thresholds related to financial feasibility and project readiness, as detailed below.

Please note that the Housing Authority maintains the right to not award PBVs to proposals that meet the threshold, or to award fewer PBVs than requested, based on availability of vouchers, availability of funding, or any circumstance where the full award of vouchers is not in the best interest of the Housing Authority.

The Housing Authority may award full points, partial points, or no points for any given criterion and will consider the following:

**Summary of Evaluation Factors and Maximum Points Available**

| Evaluation Factor            |  | Maximum Points |
|------------------------------|--|----------------|
| 1                            | Project Type   | 50             |
| 2                            | Extent to Which Project Creates Housing Opportunities for Top Applicants on HACSC's HCV Waiting List | 30             |
| 3                            | Deconcentration of Poverty / Creation of Economic Opportunities                                      | 25             |
| 4                            | Location Amenities   | 25             |
| 5                            | Management and Owner Experience  | 20             |
| 6                            | Design Features  | 10             |
| 7                            | Construction Readiness   | 20             |
| 8                            | Financial Feasibility  | 20             |
| <b>Total Base Points</b>     |  | <b>200</b>     |
| 9                            | Bonus Points   | 20             |
| <b>Total Possible Points</b> |  | <b>220</b>     |

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1. **Project Type.** The Housing Authority prioritizes first those proposals which would create new affordable housing opportunities where no such affordable housing currently exists, second those which would retain currently affordable housing that was at imminent risk of losing its affordability requirements, and last those which would result in substantial improvements to existing housing.

| <b>Project Type</b>  | <b>Points</b> |
|--|---------------|
| New affordable housing   | 50            |
| Retains currently affordable housing at imminent risk of losing affordability requirements: Applicants must document how the property is at imminent risk of losing affordability requirements and how PBVs are critical in retaining the affordability of the units.    | 35            |
| Substantial improvements to existing housing*: Applicants must document what substantial improvements are needed, and how PBVs are critical in funding or financing such improvements.   | 25            |
| <i>*"Substantial improvement" means any reconstruction, rehabilitation, addition or other improvement to a structure, the total cost of which equals or exceeds 50 percent of the market value of the structure before the start of construction of the improvement.</i> |               |

2. **The Extent to Which the Project Creates Housing Opportunities for Top Applicants on the Housing Authority's Existing Housing Choice Voucher (HCV) Waiting List.** The Housing Authority prioritizes projects which create new housing opportunities available to top applicants on the Housing Authority's existing HCV Waiting List based on their date of placement or lottery number, without additional eligibility requirements. Units that are set aside for referral-based special purpose vouchers may be substituted 1:1 for units that are available to top applicants on the HCV Waiting List. These substitutions are contingent on the availability of special purpose vouchers to project-base and a letter of support from the agency responsible for the referrals.

| <b>The Extent to Which the Project Creates Housing Opportunities for Top Applicants on the Housing Authority's Existing HCV Waiting List</b>   | <b>Points</b> |
|--|---------------|
| 100% of PBV units for top applicants on HCV Waiting List or referral-based special purpose vouchers  | 30            |
| Projects with less than 100% PBV units for top HCV Waiting List applicants or referral-based special purpose vouchers receive a percentage of maximum points equivalent to the percentage of those PBV units, i.e.<br>80% for HCV = 80% of maximum points = 24<br>20% for HCV = 20% of maximum points = 6<br>0% for HCV = 0 points | 0-29          |

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3. **Deconcentration of Poverty.** Project-basing assistance for housing must be consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities for lower income households.

| <b>Deconcentration of Poverty</b>   | <b>Points</b> |
|---|---------------|
| Located in census tract where the poverty rate is less than 20%   | 25            |
| Located in census tract where the poverty rate is 20 percent or greater, include a narrative addressing the following regarding the location: <ul style="list-style-type: none"> <li>• Whether it is undergoing significant revitalization</li> <li>• Whether it had state, local, or federal dollars invested that has assisted in the achievement of deconcentrating poverty and expanding opportunity</li> <li>• Whether new market rate units are being developed and the likelihood that such market rate units will positively impact the poverty rate</li> <li>• If the poverty rate is greater than 20%, whether there has been an overall decline in the poverty rate in the past five years</li> <li>• Whether there is meaningful opportunity for education and economic advancement. Include the percentages of poverty in the census tract, city, and county.</li> </ul> | 0 to 15       |

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**4. Location Amenities.**

| <b>Location Amenities</b>   | <b>Points</b> |
|---|---------------|
| Project is in a Location with a Walk Score of 85% or Higher   | 2.5           |
| Project with 2+ bedroom units for families includes a playground, toddler play area, childcare facility, or similar child-focused space(s).   | 2.5           |
| Project includes space/programs to enhance health and wellness of residents such as Fitness/Sports/Recreation facilities or there is a partnership with local fitness center(s) where residents get discounted monthly gym fees, yoga/classes, etc.   | 2.5           |
| Project integrates space and programming to enhance living skills or job readiness skills of residents of the project or community residents (e.g. a computer room, resident-run café or other social entrepreneur business).   | 2.5           |
| Provides Public-Use Amenity: Project provides the neighborhood with public-use amenity (e.g. a public easement onto open space or community garden, a pocket park, public plaza, etc.).   | 2.5           |
| Transit: The proposed project is located with a public transit corridor, or the project is using a van or dial-a-ride service. If located within a public transit corridor, the project site must be within ¼ mile of a bus stop with at least hourly service as demonstrated by a Metro bus schedule for the route.                              | 2.5           |
| Groceries: The proposed project is located within ½ mile of groceries and other essential shopping needs. Grocery is defined as a full-service store or market that provides fresh food staples: fresh meats, poultry, dairy products, and produce. [Convenience stores and mini marts are not considered full-service stores or markets.]        | 2.5           |
| Health and Social Services/ Schools: The project is located within one mile of a health or social service facility that is operated to serve the target population(s); or, the proposed project is a family project and is located within one mile of the services above, or within ½ mile of a public elementary, middle school, or high school. | 2.5           |
| Recreation: The proposed project is located within ¼ mile of a park, library, recreational facility, or a community center accessible to the general public and appropriate for the targeted population(s).   | 2.5           |
| Project incorporates outdoor sculpture, murals, or other special architectural features that enhance the neighborhood aesthetic.  | 2.5           |

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**5. Management and Owner Experience.**

| <b>Property Development Experience:<br/>Track Record of Successful Affordable Housing Developments</b> | <b>Points</b> |
|--|---------------|
| Broad experience (5+ affordable developments)  | 8             |
| Some experience (3-4 affordable developments)  | 5             |
| Minimal experience (1-2 affordable developments)   | 3             |
| No prior experience  | 0             |
| <b>Property Management Experience:<br/>Number of Affordable Units Managed in Prior 5 Years</b>         | <b>Points</b> |
| Broad experience (201+ affordable rental units)  | 6             |
| Good experience (101-200 affordable rental units)  | 4             |
| Fair experience (51-100 affordable rental units)   | 2             |
| Minimal experience (Under 50 affordable rental units)  | 0             |
| <b>Project Based Voucher Experience:<br/>Number of PBV Units Managed in Prior 5 Years</b>              | <b>Points</b> |
| Broad experience (201+ PBV rental units)   | 6             |
| Good experience (151-200 PBV rental units)   | 4             |
| Fair experience (50 to 150 PBV rental units)   | 2             |
| Minimal experience (Under 50 PBV rental units)   | 0             |

**6. Design Features.**

| <b>Design Features</b>   | <b>Points</b> |
|--|---------------|
| The applicant certifies that the project will be developed in accordance with the minimum requirements of any one of the following programs: Leadership in Energy & Environmental Design (LEED); Green Communities; Passive House Institute US (PHIUS); Passive House; Living Building Challenge; National Green Building Standard ICC / ASRAE – 700 silver or higher rating; or the GreenPoint Rated Program. | 10            |

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7. **Construction Readiness.** The Housing Authority prioritizes projects that have demonstrated site control or entitlement and those that will be ready for construction soon. All projects must execute an Agreement to Enter into a Housing Assistance Payments Contract (AHAP) within 24 months of conditional award of PBVs, but additional points will be awarded to those that propose to do so earlier. **To exceed the PBV Standard Project Cap, the proposal must receive at least 15 points in this category and at least 15 points in Financial Feasibility.**

|   |    |
|---|----|
| <b>Entitlements and Site Control</b>                          |    |
| Full entitlement and jurisdictional approval for project      | 16 |
| Documented site control demonstrated by a deed or lease       | 14 |
| Anticipated site control demonstrated by a sale agreement     | 10 |
| No documentation demonstrating present or future site control | 0  |
| <b>Timeline to AHAP</b>                                       |    |
| Within 12 months of conditional award                         | 4  |
| Within 18 months of conditional award                         | 2  |
| Within 24 months of conditional award                         | 0  |

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8. **Financial Feasibility.** The Housing Authority prioritizes projects which demonstrate financial feasibility and those that leverage other sources of funding. Secured sources of funding will receive full points; anticipated sources of funding will receive half points. **To exceed the PBV Standard Project Cap, the proposal must receive at least 15 points in this category and at least 15 points in Construction Readiness.**

| <b>Assumptions of Development and Operating Costs</b>  | <b>Points</b> |
|--|---------------|
| Overall trending debt-coverage ratio, cash flow, yearly rent increases, yearly increases in operating expenses, and PBV unit vacancy rates anticipate HUD/CTCAC subsidy layering review guidelines without requiring further justification | 5             |
| <b>Leveraging of Local Funding and Competitiveness for State Funding</b>   | <b>Points</b> |
| Local sources account for 30 percent or more of the total development cost   | 10            |
| Local sources account for 25 to 29 percent of the total development cost   | 8             |
| Local sources account for 20 to 24 percent of the total development cost   | 6             |
| Local sources account for 15 to 19 percent of the total development cost   | 4             |
| Local sources account for 10 to 14 percent of the total development cost   | 2             |
| Local sources account for less than 10 percent of the total development cost   | 0             |
| <b>Leveraging of Project-Based Vouchers</b>  | <b>Points</b> |
| Total PBV income over the initial term is 15 percent or less of total government funding, including LIHTC equity   | 5             |
| Total PBV income over the initial term is 16 to 20 percent of total government funding, including LIHTC equity   | 4             |
| Total PBV income over the initial term is 21 to 25 percent of total government funding, including LIHTC equity   | 3             |
| Total PBV income over the initial term is 26 to 30 percent of total government funding, including LIHTC equity   | 2             |
| Total PBV income over the initial term is 31 to 35 percent of total government funding, including LIHTC equity   | 1             |
| Total PBV income over the initial term is more than 35 percent of total government funding, including LIHTC equity   | 0             |

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**9. Bonus Points.**

| <b>Bonus Points</b>  | <b>Points</b> |
|--|---------------|
| <b>Underutilization Bonus:</b> The Housing Authority reserves the right to award additional Bonus Points, at their sole discretion, for projects which will utilize otherwise underutilized or unawarded vouchers at risk of loss to HUD.                        | 5             |
| <b>Unique and Time-Limited Funds:</b> Project leverages funding from a unique, time-limited federal, state, or local housing initiative (ex. Homekey, No Place Like Home, etc.).   | 10            |
| <b>Value-Added of PBVs:</b> The proposed project demonstrates that it will provide significant supportive services to residents eligible for such services, and/or provide housing to large families, and/or provide housing to other hard-to-house populations. | 5             |



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**Proposals may be submitted at any time. All proposals will be scored according to the evaluation criteria listed above.** While the Housing Authority will consider applications for PBVs on an ongoing basis, there is no guarantee that any proposal will be selected as a result of the RFP. The Housing Authority reserves the right to change scoring criteria and issue a new RFP at any time. Conditional award of project-based vouchers will be subject to availability of vouchers and funding.

Before officially selecting any project-based voucher proposal, the HACSC will determine that the proposal complies with HUD program regulations and requirements, including a determination that the property is eligible for project-based vouchers, that the proposal complies with the cap on the percentage or number of project-based units per project, and that the proposal meets HUD's site selection standards.

**Outcome and Notification**

HACSC will notify all parties in writing within two months of proposal submission. When a proposal is selected, the Housing Authority will post this on the Housing Authority website in the next update of the Administrative Plan. The Housing Authority will make documentation available regarding the basis for the selection of any project-based voucher proposal to any interested persons.

For additional information, please contact the HACSC's Principal Management Analyst at (831) 454-9455 Ext 258.

**Changes After Conditional Approval of an Award**

If the Housing Authority conditionally approves an award of Project-Based Vouchers based upon an application received and scored, then any significant changes to the proposal, including but not limited to changes in financial structure, ownership, unit mix, or population, will nullify the conditional approval and the applicant must submit an amended proposal.

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**SUPPLEMENT FOR SUPPORTIVE SERVICES**

Projects proposing to provide supportive services must complete the **Supplement for Supportive Services** with their application. The **Supplement** will not affect the score but will be used to ensure program compliance and to determine the availability of special purpose vouchers. You will find the **Supplement** on the Housing Authority website on the same page that you found this application.

**Supportive Services for all Households.** When a project includes supportive housing units, the supportive services must be available to all PBV-assisted households in the project, not just to households eligible for those services. The provision of on-site and off-site supportive housing services such as case management, health services, independent living skills, or other such assistance, is offered to help households remain successfully housed. For households placed in supportive housing units, participation in supportive services and programs will be encouraged but shall be voluntary and the household shall not be required to receive supportive services as a condition of tenancy.