

Housing Authority of the County of Santa Cruz

Project-Based Voucher Request for Proposals

Fall 2024 Release

Open Date: October 15, 2024

Close Date: November 18, 2024, 11:59 PM

Vouchers Available:

Up to Fifteen (15) Veterans Affairs Supportive Housing (VASH)

Up to Ninety (90) Housing Choice Vouchers (HCV)



I. HACSC Project-Based Voucher Proposal Information

Purpose – This document is used to submit proposals for project-based voucher (PBVs) from the Housing Authority of the County of Santa Cruz (HACSC). The proposal will be scored in accordance with the established **Scoring Criteria** to determine eligibility and ranking consideration for PBVs.

Consideration Method - HACSC will score all proposals received and rank the proposals from highest to lowest score. Projects that do not meet the minimum threshold score will not be considered. The project with the highest score will be considered for PBVs first and projects with lower scores will then be considered iteratively from next highest to lowest, until all available PBVs have been awarded or until there are no more projects to consider.

Available Vouchers - HACSC is making the following vouchers available under this RFP:

- **Up to Fifteen (15) Veterans Affairs Supportive Housing (VASH)** vouchers, which are available to homeless veterans and their families referred by the Department of Veterans Affairs
- **Up to Ninety (90) Housing Choice Vouchers** which may be used as:
 - Standard PBVs, which are for top applicants on the HACSC Housing Choice Voucher Waiting List
 - Non-referral based special purpose vouchers, i.e. Mainstream for non-elderly disabled.
 - Non-VASH referral-based special purpose vouchers targeted for the specific population served by the voucher (ex. Family Unification Program, Homeless Families with Minor Children)

The usage of special purpose vouchers under this category is subject to the availability of the voucher type and a letter of support from the agency responsible for the referrals. Please contact HACSC prior to applying for a special purpose voucher to determine availability and discuss any additional information.

See the HACSC HCV Administrative Plan for a list of special purpose vouchers.

- Vouchers for other special populations for which there is not a special purpose voucher (ex. elderly families, farmworkers)

Reservation of Rights - HACSC has no obligation to award any of the PBVs that have been made available under this RFP – HACSC may choose to award fewer vouchers than made available or no vouchers. HACSC reserves the right to award fewer PBVs than requested to any given project, even if additional PBVs are available. HACSC reserves the right to award no PBVs to any given project, even if the project meets the threshold score, and even if PBVs are available. HACSC reserves the right to award a different PBV type than requested, even if the requested PBV type is available. HACSC may increase or decrease the number of vouchers available under this RFP at any time.

Project Cap - HACSC has established a **Project Cap** of the greater of 15 PBVs or 40% of units at the project. Applicants may not request or receive any number of PBVs that exceed the Project Cap.

Application Period - The application period runs from October 15, 2024, through November 18, 2024. Applications that are submitted after 11:59 PM Pacific Standard Time on November 18, 2024, will not be accepted.

Housing Authority of the County of Santa Cruz

Project-Based Voucher Proposal

October 15, 2024 – November 18, 2024

Contact Person & Proposal Submission – The Contact Person for this Request for Proposals is Eric C. Johnson, Senior Analyst. All proposal materials shall be submitted to the Contact Person at ericj@hacosantacruz.org. Any questions related to the RFP shall be directed to the Contact Person at ericj@hacosantacruz.org.

Financial Feasibility Technical Review – All projects are subject to a financial feasibility technical review by a qualified third-party affordable housing consultant. HACSC reserves the right to award fewer PBVs than requested based on this review, even if additional PBVs are available.

Summary of Scoring Criteria – A summary of the **Scoring Criteria** is below. For a full description of how points may be awarded, please see the supplemental **Scoring Criteria** document.

Scoring Criteria	Maximum Points Available
Project Type	45
Extent to Which the Project Creates Housing Opportunities for Top Applicants on the Housing Authority’s Existing Housing Choice Voucher Waiting List	25
Deconcentration of Poverty / Creation of Economic Opportunities	10
Extent to Which Project Creates Additional non-PBV Affordable Units	50
Location Amenities	14
Management and Owner Experience	6
Construction Readiness	15
Community Engagement	5
Financial Feasibility	30
Total Base Points	200
Bonus Points	10
Total Available Points	210

Threshold Score – The threshold score for new construction projects is 125 and 120 points for existing housing. Projects must receive at least the threshold score to be considered for an award of PBVs.

Certifications - By signing this proposal, the following certifications are made by the applicant:

- The owner and its agents will adhere to the most currently published HUD Project-Based Voucher regulations.
- The owner and its agency understand that they are solely responsible for confirming the accuracy and applicability of any federal, state, or local regulations or guidelines before taking any action that could be in violation of any such regulations or guidelines.
- The owner and its agents will comply with all applicable fair housing, Civil Rights, and other applicable HUD regulations, including but not limited to, the Fair Housing Act, the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act.
- The owner and its agents will comply with the HACSC Housing Choice Voucher Administrative Plan, and any conditions stated within any conditional award letter for PBVs.

Housing Authority of the County of Santa Cruz

Project-Based Voucher Proposal

October 15, 2024 – November 18, 2024

- The owner and its agents acknowledge and accept that any material changes to the project not disclosed to HACSC and not approved by HACSC after submittal of this proposal may result in termination of the conditional award of PBVs, the AHAP, or the HAP Contract. Material changes include but are not limited to, changes in the population served, changes in the project design, changes in funding/financing, or changes to the ownership structure.
- The owner and its agents acknowledge and accept that applying for PBVs does not guarantee an award of PBVs, even if the project meets the threshold score, and even if PBVs are available.
- The owner and its agents acknowledge and accept that if the project is selected for an award, HACSC may award fewer PBVs than requested, even if additional PBVs are available.
- The owner and its agents acknowledge and accept that any information provided to HACSC as part of this proposal may be shared with a third-party consultant.
- The owner and its agents confirm that the applicant is an existing entity and is eligible to receive an award of Project-Based Vouchers.

II. Applicant Information and Submission

Applicant Information	
Legal Name of Organization	
Tax ID Number of Organization	
Organization Mailing Address	
Name and Title of Contact Person for Application	
Telephone Number of Contact Person	
Email of Contact Person	
Signature for Submission	
Signature of Authorized Representative	
Title of Authorized Representative	
Date of Submission	

Required: If applying as an organization, submit your organization’s formation documents as part of the application package. Required formation documents by organization type include:

Corporation – Articles and bylaws

Limited Liability Corporation – LLC-1 filed with the California Secretary of State and Operating Agreement

Partnership – LP-1 filed with the California Secretary of State and Partnership Agreement

III. Project Summaries

Project Summary	
Project Name	
Project Address	
Census Tract Number	
Assessor’s Parcel Number(s)	
Jurisdiction in Which the Project is Located	
Total Number of Units in the Project	
Total Number of Affordable Units at the Project for Families at 80% AMI or Less (do not include manager’s units)	
Total Number of Manager’s Units	
Total Number of PBVs Requested	
PBVs as a Percent of the Total Number of Units	
Minimum Number of PBVs That Applicant will Accept	
Percent of Units with Mobility Accessibility Features	
Percent of Units with Communications Accessibility Features	
Requested HAP Contract Term	
Structure Type (apartments, townhouses, etc.)	
LIHTC property / or intent to apply? If intent, when?	
Is there any non-residential space? (ex. commercial, etc.)	
Has project received funding through any competitive process by a government entity?	
Has a NEPA environmental review been completed for this project?	
Existing Housing Projects Only: Will project use existing waiting list? If yes, how long is it and what is the approximate turnover?	
Existing Housing Projects Only: Provide list of current tenants in the proposed PBV units, with personally identifiable information omitted, including annual income and monthly rent. Include separate attachment if needed.	

Project Description – Narrative

Describe the project in as much detail as possible. Include information about how accepting the minimum number of PBVs, as indicated above, rather than the full requested amount would impact the project.

[Empty text area for project description narrative]

IV. Project Elements to Be Scored

Instructions: Mark the items that apply to your project. Please note that some items require additional documentation or attachments. Please note that this is information that is needed to score the project.

1. Project Type. Specify the project type.

Project Type	
New construction affordable housing	
Existing affordable housing – retains current affordable housing at risk of losing affordability Document how the property is at imminent risk of losing affordability and how PBVs are crucial in retaining the affordability of units.	
Substantial improvements to existing housing Document what substantial improvements are needed and how PBVs are critical in funding or financing such improvements. 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	

2. Extent to Which the Project Creates Housing Opportunities for Top Applicants on the Housing Authority’s Existing Housing Choice Voucher (HCV) Waiting List. Indicate the number of units proposed for each category. Please note that units for “top applicants on the HCV Waiting List” may not have any additional eligibility criteria attached to them, aside from AMI level.

PBV Unit Type and Household Description	Number of Proposed PBV Units	Percentage of Total PBV Units
Top Applicants on HCV Waiting List		
Units using a special purpose voucher <u>except VASH</u> (ex. FUP, HFMC) – please specify below		
VASH		
Units for other special population – please specify below		

3. Deconcentration of Poverty / Creation of Economic Opportunities. Complete either option A or B.

A) Demonstrate either:	
<p>Project is in a Census Tract with a poverty rate of 20% or less</p> <p style="color: red;">Provide an attachment demonstrating the poverty rate for the Census Tract and highlight where in the attachment this information can be found. HACSC will accept information from the most recent Census Bureau ACS 5-Year Estimates, but other sources may be considered on a case-by-case basis.</p>	
<p>Project is in a high- or highest-resource level area according to the CTCAC/HCD Opportunity Map</p> <p style="color: red;">Provide a screenshot from the CTCAC/HCD Opportunity Map demonstrating as such.</p>	
<p>B) If the project is not in a Census Tract with a poverty rate of 20% or less, and is not in a high- or highest-resource level, write a narrative that addresses the following points:</p> <ol style="list-style-type: none"> a. Whether the Census Tract is a HUD-designated Enterprise Zone, Economic Community, or Renewal Community b. Whether the Census Tract is undergoing significant revitalization c. Whether there have been federal, state, or local dollars invested into the area that has assisted in revitalization d. Whether market rate units are being developed in the same Census Tract where the proposed development will be located and the likelihood that such market rate units will positively impact the poverty rate in the area e. Whether the poverty rate has declined overall in the past five years f. Whether there are meaningful opportunities for education and economic advancement in the Census Tract 	

Housing Authority of the County of Santa Cruz

Project-Based Voucher Proposal

October 15, 2024 – November 18, 2024

[Empty rectangular box for content]

Housing Authority of the County of Santa Cruz

Project-Based Voucher Proposal

October 15, 2024 – November 18, 2024

4. Location Amenities. *Specify which amenities apply to the project.*

Attach evidence for each claimed amenity, such as a Google Maps route. For distance-based amenities, distance is calculated along publicly accessible routes (e.g., sidewalks, roads), not as the crow flies.

Location Amenity	
Project is in a location with a Walk Score or Bike Score of 85% or higher	
Project with 1+ bedroom units is located within ½ mile of a public elementary, middle, or high school	
Project with 2+ bedroom units includes a playground, toddler play area, childcare facility, or similar child-focused space	
Project provides in-unit laundry. On-site laundry will be awarded a half point.	
Project includes space/programs to enhance the health and wellness of residents, such as a fitness/recreation/sports facility or a partnership with a local fitness center where residents receive discounted monthly fees, classes, etc.	
Project integrates space and programming to enhance living skills or job readiness skills (e.g. computer room, resident-run café, etc.)	
Provides a public-use amenity, such as an easement onto open space, a community garden, public plaza, etc.	
Project is located within ½ mile of a bus stop with at least monthly hourly service as demonstrated by a bus schedule for that route, or project is using a van or dial-a-ride service.	
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.	
Project is located within one mile of a health or social service facility that is operated to serve the target population	
Project is located within ½ mile of a park, library, recreational facility, or community center accessible to the general public and appropriate for the target population(s)	

Housing Authority of the County of Santa Cruz

Project-Based Voucher Proposal

October 15, 2024 – November 18, 2024

5. Management and Owner Experience. *Specify which experience level applies to the owner and the property manager.*

For owner experience, provide a list of projects and the list of developments completed.

For management experience, provide a list of projects that they manage and indicate the number of PBV units at each property.

Owner - Property Development Experience	
Broad experience (5+ developments)	
Some experience (3 – 4 developments)	
Minimal experience (1 – 2 developments)	
No prior experience	
Management - Affordable Rental Experience	
Broad experience (201+ affordable rental units)	
Good experience (101 – 200 affordable rental units)	
Fair experience (51 – 100 affordable rental units)	
Minimal experience (under 51 affordable rental units)	
Management - Project-Based Voucher Experience	
Broad experience (201+ PBV rental units)	
Good experience (151 – 200 PBV rental units)	
Fair experience (50 to 150 PBV rental units)	
Minimal experience (under 50 PBV rental units)	

6. Construction Readiness. *Indicate the project’s level of site control and entitlements.*

Attach evidence of site control or anticipated site control, through a grant deed or purchase-sale agreement.

Attach evidence of full entitlement through a letter from the approving jurisdiction.

Site Control	
Documented site control demonstrated by a deed or lease	
Anticipated site control demonstrated by a sale agreement	
No documentation demonstration present or future site control	
Entitlements	
Full entitlement and jurisdictional approval or equivalent	

7. Community Engagement. *Describe the applicant’s commitment to community engagement below.*

Note: *The Housing Authority may require evidence of such community engagement at any time.*

Housing Authority of the County of Santa Cruz

Project-Based Voucher Proposal

October 15, 2024 – November 18, 2024

8. Financial Feasibility. Complete the table below. Place an **X** in the Secured or Anticipated column and indicate the amount of funding/financing. Indicate the amount of anticipated PBV income, permanent financing, and developer fees.

Source of Funding	Secured	Anticipated	Amount
LIHTC Equity			\$
Community Development Block Grant Program			\$
HOME			\$
Homekey			\$
Joe Serna			\$
Multifamily Housing Program			\$
Veterans Housing & Homelessness Prevention			\$
Affordable Housing & Sustainable Communities			\$
Infill Infrastructure Grant			\$
Other State Funding – <i>specify</i>			\$
Other State Funding – <i>specify</i>			\$
Other Federal Funding - <i>specify</i>			\$
Other Federal Funding - <i>specify</i>			\$
Other Local Funding – <i>specify</i>			\$
Other Local Funding – <i>specify</i>			\$
Other Cash Committed - <i>specify</i>			
TOTAL NON-PBV FUNDING			\$
PBV Income and Financing			
Anticipated PBV Income Over HAP Contract Term (<i>see Underwriting Tool</i>)			\$
Permanent Loan A			\$
Indicate interest rate, term, & amortization term			
Permanent Loan B			\$
Indicate interest rate, term, & amortization term			
Total Developer Fee			\$
Total Deferred Developer Fee			\$

Complete and attach the HACSC Underwriting Tool.

Complete and attach the project’s proforma. The proforma must include all the following information:

- Sources and uses
- Financing assumptions for all debt, including interest rates, terms, amortization
- Calculation of LIHTCs and LIHTC equity
- Cash flow projection similar to the Underwriting Tool, that minimally includes the following:
 - Project revenue (*do not combine PBV income and other rental income*)

Housing Authority of the County of Santa Cruz

Project-Based Voucher Proposal

October 15, 2024 – November 18, 2024

- Rent increase inflation factor
- Vacancy allowance
- Line-item operating expenses, plus inflation factor
- All debt payments
- All fee payments
- Net operating income
- Debt-coverage ratio
- Developer fee payments

Please note the Housing Authority may require the applicant to update the project proforma with additional information after submission in order to allow the financial consultant to perform the review sufficiently. Any information requested by HACSC must be provided in a timely manner for the application to remain in consideration.

9. Bonus Points

Project includes operational funding from a local jurisdiction or other entity for the provision of supportive services or other resident benefits. <i>Describe the amount, the organization, and the purpose. Attach commitment letter.</i>	
Project design includes a solar or other renewable energy system as certified by a renewable energy professional. <i>Describe the system. Attach the certification.</i>	

Checklist of Required Attachments:

- Formation documents
- Evidence of poverty rate / resource level
- Evidence of location amenities
- Evidence of owner development and property management experience
- Evidence of site control and/or entitlements, if claiming points
- HACSC Underwriting Tool
- Project proforma
- Commitment letter or certification, as required, to claim bonus points
- Existing Housing only** – description of how the property is at imminent risk of losing affordability and how PBVs are crucial in retaining the affordability of units.
- Substantial Improvement only** – description of what substantial improvements are needed and how PBVs are critical in funding or financing such improvements