 METRO HRA

REQUEST FOR PROPOSALS

for

Veterans Affairs Supportive Housing Project-Based Vouchers (PBV)

Rent Assistance

Issue Date: March 15, 2022

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| Due Date: April 15, 2022 by 4:00 pm CST |

Metro HRA

Veterans Affairs Supportive Housing

Project-Based Voucher Rent Assistance

Request for Proposals

The Metropolitan Council Housing and Redevelopment Authority (Metro HRA) announces the availability of up to twenty (20) Veterans Affairs Supportive Housing Project-Based Vouchers (VASH PBV). The VASH program combines U.S. Department of Housing and Urban Development (HUD) rent assistance for veterans experiencing homelessness with case management, clinical services and referrals provided by the Department of Veterans Affairs (VA).

The Metro HRA reserves the right to cancel this RFP in writing or postpone the date and time for submitting proposals at any time prior to the proposal due date. No owner/applicant submitting a proposal shall have a right to make a claim against the Metro HRA if the Metro HRA accepts a proposal or does not accept any or all proposals or does not award all of the PBVs that may be available under this RFP. By issuing this RFP the Metro HRA does not promise or commit to accept any specific proposal and specifically reserves the right to reject any or all proposals, to waive any or all immaterial informalities or irregularities in the proposals received, to modify RFP contents, and to obtain new proposals.

# Project Based Voucher Program Overview

The PBV program is a HUD-funded Section 8 housing subsidy program that ties the federal rental assistance directly to a specific unit rather than the traditional tenant-based Housing Choice Voucher (HCV) which is tied to a person. Metro HRA administers PBVs in Anoka, Carver, Hennepin, and Ramsey Counties, excluding the cities of St. Paul, Minneapolis, Plymouth, Richfield, St. Louis Park and Bloomington.  The Metro HRA will prioritize PBV projects located in its own operating area prior to considering projects outside of its jurisdiction.

Eligible families receive rental assistance by agreeing to live in existing, newly constructed, or rehabilitated PBV units and continue to receive assistance as long as they maintain their program eligibility and reside in the specific project-based dwelling units. PBV participants’ gross household income may not exceed 50% of area median income (AMI). After successful tenancy in a PBV unit for a minimum of twelve (12) months, a participant is eligible to request a tenant-based voucher to move to a unit of their choice on the open rental market, if the Metro HRA has HCVs available. The PBV remains with the original unit.

Almost any type of newly constructed or existing structure may be used for PBV. Up to 25 percent of the units in a project (with 4 or more total units) can be assisted under the PBV program. Projects serving elderly or disabled households or households receiving supportive services can be up to 100% PBV-assisted. Owners must be willing to enter into a Housing Assistance Payments (HAP) Contract with the Metro HRA for not less than one year and no more than twenty (20) years.

Financing for construction or rehabilitation of units must be obtained independently by the owner and must be obtained prior to a formal PBV award.

# VASH Program Requirements

The HUD VASH program operates in accordance with the Housing Choice Voucher and Project Based Voucher rental assistance regulations set forth at 24 CFR Part 982 and 983, with the following exceptions:

* VASH PBV units are filled with referrals from the Department of Veterans Affairs.
	+ Eligibility determination and veteran selection is done by the VA.
* HUD-VASH eligible families consist of homeless veterans and their families.
* Services for the veterans are provided by the VA.
* VASH PBV occupants are not subject to the regular screening process and will only be denied assistance if they are over-income or subject to a lifetime registration requirement under a state sex offender registration program.
	+ Owners must be willing to waive all other resident selection criteria.

# PBV Program Requirements

***PBV Program Rules and Regulations*.** The HUD program rules and regulations governing the Section 8 Housing Choice and Project-Based Voucher programs are contained in Title 24 Code of Federal Regulations Part 983, available online at: [HUD PBV program](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-983?toc=1) *and Part 982,* available online at[*HUD HCV Program*](https://www.ecfr.gov/current/title-24/subtitle-B/chapter-IX/part-982?toc=1%20)*. .* Proposers are encouraged to review the Metro HRA’s Housing Choice Voucher Administrative Plan for additional information on PBV policy and program requirements [Metro HRA Administrative Plan](https://metrocouncil.org/Housing/Publications-And-Resources/METRO-HRA/PLANS/2021-Metro-HRA-Administrative-Plan-DRAFT.aspx).PBV program policies can be found in Chapter 17 of the Plan.

***Eligibility and Occupancy*.** Families occupying PBV-assisted units must be eligible to participate in the federal Section 8 HCV Program and have a gross household income at or below 50% of area median income. Residents occupying PBV units will pay 30% of their adjusted income towards rent and utilities. The Metro HRA will pay the remainder directly to the owner.

New residents or vacancies in VASH PBV-assisted units must be filled with referrals from the VA. Owners must be willing to alter screening criteria to accept veterans with barriers. The only exception for denial of assistance are occupants who are over-income or applicants subject to a lifetime registration requirement under a state sex offender registration program.

***HAP Contracts and HQS Inspection*.** The owner of an eligible unit will be required to enter into a HUD-prescribed Housing Assistance Payments (HAP) contract with the Metro HRA. The term of the HAP contract will be between one (1) year and twenty (20) years. The Metro HRA typically offers twenty (20) year contracts. Prior to entering into a HAP contract for a proposed PBV unit, the unit will be inspected and must meet HUD’s Housing Quality Standards (HQS) regulations. The Metro HRA cannot enter into a HAP contract covering a unit until the unit fully complies with HQS, [HUD HQS](https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/hqs). A copy of the standard Section 8 project-based HAP contract is available upon request.

***Required Lease Provisions*.** Owners will be required to use leases that incorporate a HUD-required tenancy addendum containing HUD-required lease provisions and otherwise must comply with HUD Section 8 program regulations. A copy of the HUD-required lease addendum can be found here: [PBV Tenancy Addendum](https://www.hud.gov/sites/dfiles/OCHCO/documents/52530c.pdf).

***Unit Rent Limits*.** Eligible units must have proposed Gross Rents that do not exceed that of comparable unassisted units in the area. Gross rent cannot exceed the payment standards and includes contract rent plus tenant-paid utilities. The Metro HRA adopted Small Area Fair Market Rents, rent limits (Payment Standards) by zip code instead of one FMR for the entire region. Current SAFMRs can be found at [Metro HRA Payment Standards](https://metrocouncil.org/Housing/Services/Metro-HRA-Rental-Assistance/PaymentStandards.aspx). The current Utility Allowance schedules can be found here: [Utility Allowance Schedule](https://www.housinglink.org/SubsidizedHousing/HousingAuthorityWaitingList/metro-hra).

***Families’ Right to Move*.** Families assisted under the PBV program have the right to terminate the assisted lease after the first year of occupancy and move with a tenant-based HCV, if the Metro HRA determines that the household is eligible and a tenant-based HCV is available. Families moving prior to the first year will move unassisted.

***Ineligible Housing Types*.** The following types of housing are ***not eligible*** for PBV assistance: owner-occupied units; units currently occupied by a family ineligible for participation in the PBV program; shared housing; units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution; nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care; units owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution; manufactured homes; cooperative housing; transitional housing; public housing dwelling units or units (or occupants) subsidized with any governmental subsidies; and units with any other duplicative federal, state, or local housing subsidy.

# Application Procedures for the VASH PBV Program

The Metro HRA invites interested owners to apply for VASH PBVs by submitting an application no later than **4:00 p.m. (CST) on April 15, 2022**. **Applications must be emailed in pdf format to:**

**metrohra@metc.state.mn.us**

**Subject: VASH PBV Proposal-Project Name**

Proposals that are incomplete or received after the submission deadline will not be considered or reviewed. Paper proposals will not be accepted.

Applications for the Metro HRA’s PBV program are available online at: [VASH PBV RFP](https://metrocouncil.org/Housing/Services/Metro-HRA-Programs.aspx). All questions regarding this RFP and the application must be directed to metrohra@metc.state.mn.us. Questions must be received by the 4:00 p.m. on April 5, 2022.

# Selection Criteria for Project-Based Voucher (PBV) Proposals

**Letter of Support Required from the U.S. Department of Veteran’s Affairs**

A letter of support must be included with the application from the U.S. Department of Veteran’s Affairs (VA). Requests for Letter of Support can be directed to Bridgette Gil, HUD-VASH Program Coordinator, Bridgette.gil@va.gov. Requests for support should be submitted as soon as possible to the VA has time to process and issue letter prior to application due date.  Applications that do not includes a letter of support will not be considered.

**Proposal Selection Criteria**

PBV proposals will be reviewed and ranked in accordance with the following selection criteria:

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| --- | --- |
| Criteria | Possible Points |
| Project Readiness including system and regulatory conformance, financial readiness and status of funding commitments and applicant’s capacity to manage the project.  | 15 |
| Extent to which the project provides or preserves housing types that contribute to a full range of affordable housing choices, the addition of or preservation of affordable units in an Area of Concentrated Poverty or improved affordable housing choice in an Area of Affluence.  | 20 |
| The extent to which the project integrates housing and tenant services for specialized populations such as people experiencing homelessness, people living with disabilities, veterans or other specialized population. | 25 |
| The extent to which the project supports mixed income through providing a variety of units at different income levels. | 5 |
| The extent to which the project supports housing for larger families needing 3 or more bedrooms. | 10 |
| Extent to which the proposed project maximizes connections between housing, centers of employment, education, retail and recreation uses through location or design.  | 15 |
| The extent of local support for the proposed housing including project teams that involve partnerships among government, private for-profit, and nonprofit sectors and the local community.  | 10 |
| Total Points | 100 |

Based on the evaluation, the Metro HRA may:

* Request further information from proposer
* Determine the proposal is non-responsive and/or incomplete
* Reject the proposal

# Award Procedures for the VASH PBV Program

Applications will be reviewed and scored within 4 (four) weeks of submittal. The highest scoring applications for up to twenty (20) VASH PBVs will proceed as follows:

* New Construction. New construction projects will be provided with a Letter of Intent that commits VASH PBVs, contingent on a project receiving the necessary full funding in 2022 to become financially feasible.
	+ If a project receives the necessary funding award through Minnesota Housing’s consolidated RFP or through other funding sources in 2022, the VASH PBVs will be formally awarded by the Metropolitan Council through business action.
	+ If a project does not receive the necessary funding in 2022, the project will not be awarded VASH PBVs and the project owner must reapply for PBVs at a later date when PBVs are again offered.
* Existing Housing. Existing housing applications will be formally awarded VASH PBVs through formal Metropolitan Council action. The action will be taken when along with other VASH PBV action after Minnesota Housing has made its funding awards.

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Application Form

This application form is available at: [VASH PBV RFP](https://metrocouncil.org/Housing/Services/Metro-HRA-Programs.aspx). Please be complete in your responses. Proposals that are incomplete will not be considered or reviewed. Attach up to five (5) additional sheets if they are needed to fully answer the questions. A letter of support is required from the U.S. Department of Veteran’s Affairs. Applications that exceed the maximum number of pages may be rejected. **The deadline for submitting applications is April 15, 2022, 4:00 p.m. (CST)**.

## I. APPLICANT INFORMATION

|  |
| --- |
| **Name:** |
| **Address:** |
| **City:** | **State:** | **Zip:** |
| **Phone:**  | **Fax:** |
| **Contact Person:** |

## II. **CONTACT PERSON INFORMATION**

|  |
| --- |
| **Name:** |
| **Address:** |
| **City:** | **State:** | **Zip:** |
| **Phone:**  | **Fax:** |
| **E-mail Address:** |

## III. PROJECT INFORMATION

|  |
| --- |
| **Project Name:** |
| **Address:** |
| **City:** | **State:** | **Zip:** |
| **Please describe the project, including the population to be served, the number of buildings in the project and the total number of dwelling units in each building.**  |

## IV. UNIT OWNERSHIP AND MANAGEMENT

|  |
| --- |
| **Please provide the individual names and companies of all parties having a substantial interest in the Unit(s).** |
| **Principal Owner/s or Partners:** | **1.** |
| **2.** |
| **3.** |
| **4.** |
| **Management Agent/s:** | **1.** |
| **2.** |
| **Others:** | **1.** |
| **2.** |

## V. PROJECT SCORING CRITERIA

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| --- |
| **Describe the project readiness including regulatory conformance, financial readiness and status of funding commitments and applicant’s capacity to manage the project.****Describe the extent to which the project provides or preserves housing types that contribute to a full range of affordable housing choices, the addition of or preservation of affordable units in an Area of Concentrated Poverty or improved affordable housing choice in an Area of Affluence.** **Describe the extent to which the project integrates housing and tenant services for specialized populations such as people experiencing homelessness, people living with disabilities, veterans or other specialized population.****Describe the extent to which the project supports mixed income through providing a variety of units at different income levels.****Describe the extent to which the project supports housing for larger families needing 3 or more bedrooms.****Describe the extent to which the proposed project maximizes connections between housing, centers of employment, education, retail and recreation uses through location or design.** **Describe the extent of local support for the proposed housing including project teams that involve partnerships among government, private for-profit, and nonprofit sectors and the local community.**  |

## VI. UNIT DESCRIPTION DETAILS

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| **Please indicate the number of Units by structure type.** |
| Single Family(one to four units)\_\_\_\_\_\_ | Duplex-Townhouse\_\_\_\_\_\_ | Multi-Family(Four units or more)\_\_\_\_\_\_ | Other\_\_\_\_\_\_ |

|  |  |  |
| --- | --- | --- |
| Building Address  | # of Units by BR Size | # of Requested PBV Units  |
| Eff | 1 | 2 | 3 | 4 | 5 |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
| Total # of Buildings = \_\_\_ | Total # of Units by BR Size | Total # of PBV Units = \_\_\_ |

## VII. PROPOSED RENTS AND UTILITIES

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| --- |
| **Please indicate below the proposed rent and the utilities and appliances included for each Unit type. Indicate what utility or appliance is included in the rent by** “**🗸**” **checking the box below. Utilities not included in the rent will be calculated using the Metro HRA’s *Utility Allowance Schedule,*** [*located here*](https://www.housinglink.org/SubsidizedHousing/HousingAuthorityWaitingList/metro-hra)[.](https://metrocouncil.org/Housing/Services/Metro-HRA-Rental-Assistance.aspx) **Circle the type of fuel or energy source used where appropriate.** |
|  | **Contract****Rent** | **Heat** | **Water & Sewer** | **Water Heater** | **Trash Service** | **Cooking Fuel** | **Lighting and Cooling** | **Tenant Provided Range** | **Tenant Provided Refrig** |
| **1 BR** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  |  |  |
| **2 BR** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  |  |  |
| **3 BR** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  |  |  |
| **4 BR** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  |  |  |
| **Other** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  | **Gas****Electric****Other** |  |  |  |
| **In the table below please indicate the gross rent (contract rent plus utilities) for each Unit by type. Please note that the gross rent may not exceed the HUD-approved maximum Voucher Payment Standard for the area in which a Unit is located. Gross rent limits can be** [located here](https://metrocouncil.org/Housing/Services/Metro-HRA-Rental-Assistance/PaymentStandards.aspx)**.**  |
| Unit Type | Contract Rent + | Utility Allowance = | Gross Rent |
| 1 BR |  |  |  |
| 2 BR |  |  |  |
| 3 BR |  |  |  |
| 4 BR |  |  |  |
| Other |  |  |  |

## VIII. CERTIFICATIONS

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| **I the Owner/Applicant hereby certify that I have the legal capacity to submit this proposal and if approved, the legal capacity to enter into a Housing Assistance Payments contract with the Metropolitan Council HRA for Section 8 Project-Based Voucher assistance and;****That the information provided is true, accurate, and complete to the best of my knowledge and;****That no present or former member or officer of the Metropolitan Council, no employee of the Metropolitan Council who formulates policy or influences decisions with respect to the Section 8 program, and no public official or member of a governing body or state or local legislator who exercises functions or responsibilities with respect to the Section 8 program may have any direct or indirect interest during this person’s tenure or for one year thereafter, in the Unit(s) or in any proceeds or benefits arising from the resulting Housing Assistance Payments contract and;****The owner/applicant and no party having a substantial interest in the Unit(s) is on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs.****\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**  **Owner/Applicant Name (***printed***) and Title** **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** **Owner/Applicant Signature Date** |