

**Request for Proposals
for
Project-Based Vouchers (PBV)
In
Sioux Falls, South
Dakota**



Issued: February 2024

**PROPOSALS ARE DUE NO LATER THAN 5:00PM
CST FRIDAY 03/15/2024**

LATE PROPOSALS WILL NOT BE ACCEPTED



630 Minnesota Ave Sioux Falls, SD
57104 1-605-332-0704
1-605-339-9305 (Fax)



REQUEST FOR PROPOSALS

AFFORDABLE HOUSING DEVELOPMENT

Issue Date: 02/01/2024

Due Date: 03/15/2024

Proposal Submission

Submit electronic copy via email to: L_Deedrich@siouxfallshousing.org

Questions

All questions must be submitted to: Larissa Deedrich

L_Deedrich@siouxfallshousing.org

I. Overview and Project Requirements

Sioux Fall's Housing and Redevelopment Commission (SFHRC) is seeking proposals from developers interested in applying for up to 25 (twenty-five) Project Based Vouchers (PBV) to be used in multi-family affordable housing rental project(s) that serve low-income, very low-income and extremely low-income households in any of the five rural jurisdictions¹ that SFHRC currently administers and manages housing assistance programs. SFHRC is looking for experienced developers capable of delivering high quality affordable housing. Successful proposals will demonstrate experience with the type, size, scale and complexity of housing proposed to be developed.

As a result of this RFP, awards may be funded to either single or multiple projects depending on available resources. SFHRC reserves the right as the result of our review to determine the best mix of resources for a proposed project. SFHRC encourages proposals from developers that will assist rural areas in increasing their housing stock and overall availability to affordable housing in their community.

Successful applications will demonstrate how their project can advance SFHRC development goals. These include:

1. Increased opportunities for affordable housing.
2. De-concentration of low-income housing.
3. Developments that seek to house those experiencing homelessness.
4. Development of housing that increases access to community services (e.g. social services, health care, transportation, youth programs, adult education & job training).
5. Increased units that would be available to households at or below 30% of Area Median Income (AMI).
6. Developments that add to the long-term financial sustainability of SFHRC.

II. Description of PBV Program

PBV Eligibility

Project-based vouchers (PBV) are an optional component of the Housing Choice Voucher

Project Based Voucher RFP 2

(HCV) program that Public Housing Authorities may choose to implement. SFHRC is accepting PBV proposals for up to 25 (Twenty-five) vouchers that can meet the following minimum requirements:

1. Expand the affordable housing stock available to residents in SFHRC's service area
2. Serve families at or below 50% of the Area Median Income (AMI); and
3. Increase the affordability of housing currently not affordable to households below 30% of AMI; and
4. Demonstrate evidence of site control.
5. Partner with SFHRC's Non-Profit Partner, Affordable Housing Solutions

Through the PBV program, SFHRC will enter into a Housing Assistance Payment (HAP) contract with selected property owner(s) for an initial term of no less than Five Years and up to 25 years. The term of all PBV HAP contracts will be negotiated with the owner on a case-by-case basis

Any time before expiration of the HAP contract, SFHRC may extend the term of the contract for an additional term of up to 15 years if SFHRC determines an extension is appropriate to continue providing affordable housing for low-income families or to expand housing opportunities.

Housing assistance subsidies will be provided while eligible families occupy the rental housing units and the units meet other program standards. SFHRC will maintain the waiting list and refer program participants to the project owner in order to fill vacant units. SFHRC occupancy standards will determine the appropriate unit size for the family size and composition.

Certain types of housing units and/or developments are **not eligible** for PBV assistance [24 CFR 983.53] including:

- Units on the grounds of a penal, reformatory, medical, mental, or similar public or
- College or other school dormitories;
- Nursing homes or facilities providing continuous psychiatric, medical, nursing service, board and care, or intermediate care;
- Units that are owned or controlled by an educational institution or its affiliate and designed for occupancy by the students of the institution;
- Manufactured homes;
- Cooperative housing;
- Transitional housing;
- Owner-occupied housing units;
- Units occupied by an ineligible family at the time of proposal submission or prior to execution of the Housing Assistance Payment (HAP) contract.

Additionally, SFHRC may not attach or pay PBV assistance to units in any of the following types of subsidized housing (24 CFR 983.54):

- A public housing unit;
- A unit subsidized with any other form of HCV Section 8 assistance;
- A unit subsidized with any governmental rent subsidy;
- A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;
- A unit subsidized with Section 236 rental assistance payments (except that a PHA may attach assistance to a unit subsidized with Section 236 interest reduction payments);
- Section 202 project for non-elderly with disabilities;
- Section 811 project-based supportive housing for persons with disabilities;
- Section 202 supportive housing for the elderly;
- A Section 101 rent supplement project;
- A unit subsidized with any form of tenant-based rental assistance;
- A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or SFHRC in accordance with HUD requirements.

The number of PBV assisted units in the project cannot exceed the greater of 25 units or 25 percent of the total number of dwelling units in the project, except:

- units that are exclusively for elderly families,
- units that are for households eligible for supportive services available to all families receiving PBV assistance in the project (although the family is not required to accept or receive such services), and

Site Selection Standards [24 CFR 983.57]

It is goal of the SFHRC to select sites for PBV housing that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal, SFHRC will limit approval of sites for PBV housing in Qualified census tracts that have poverty concentrations of 20 percent or less.

SFHRC will grant exceptions to the 20 percent standard where SFHRC determines that the PBV assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement

Activities under the PBV program are subject to HUD environmental review regulations and may be subject to review under the national Environmental Policy Act by local authorities.

For properties with nine or more proposed PBV units, the owner, the owner's contractors, and subcontractors must pay Davis-Bacon` wage rates to labors and mechanics.

Fair Housing

All Projects must comply fully with all federal, state and local nondiscrimination laws and rules and regulations governing fair housing and equal opportunity in housing and employment. SFHRC is pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the Nation. SFHRC requires affirmative advertising and marketing in which there are no barriers to obtaining housing because of race, color, religion, sex (including gender, gender identity, sexual orientation, and sexual harassment), disability, familial status, and national origin. All projects must have completed and submitted to SFHRC an Affirmative Fair Housing Marketing Plan (AFHMP) (HUD-935.2A) prior to award of PBVs.

PBV Contract Rents

For each unit type and size, the proposed contract rent must be provided as well as a breakdown of the utilities to be paid by the tenant and by the owner.

SFHRC's goal is to provide as many households with vouchers as possible. Given the budget limitations of the program, SFHRC must implement policies that control its HAP expenditures. It is expected that developers will build units that will fit within the FMR's for the County where the project is sited. Where we do have flexibility to go above the FMR in 2024, this should be an exception and not the norm for a request.

The rent to owner including utility allowances must not exceed the lowest of:

- An amount determined by SFHRC, not to exceed 110 percent of Fair Market Rent (FMR). The contract rent is determined by the applicable FMR minus the applicable utility allowance; and
- The contract rent must be rent reasonable.

III. **SUBMISSION REQUIREMENTS**

Format Requirements

Proposers must submit one (1) copy of the proposal, as an electronic version by the due date. Respond only to items listed below and include only relevant information.

Email to: Larissa Deedrich, Executive Director
L_Deedrich@siouxfallshousing.org

Once submitted, no additions, deletions, or substitutions may be made to written proposal.

A. Cover Letter

Cover letter signed and submitted by the principal party authorized to contract on the organization's behalf. The cover letter should include a brief overview of the project, the number of PBV units requested, and projected population.

B. Required Forms

1. Project Summary Sheet - See Exhibit A.
2. Proposer Certification – See Exhibit B.

THRESHOLD REQUIREMENT RANKING CRITERIA FOR PBV UNITS

Please note that in order for the housing authority to consider a project's proposal for project-based assistance, the proposal must be received from a non-profit agency who is developing Permanent Housing units targeted at homeless or chronically homeless families and individuals.

Proposed sites must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents. The proposed site must also be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower income workers is not excessive.

In addition to the requirements listed above, the proposal must also score at least the minimum points required in each section below where a minimum point total is listed.

Each applicant should carefully describe how they will comply with each of the requirements.

SITE LOCATION – HIGH OPPORTUNITY OR CITY-DESIGNATED REVITALIZATION AREA

Minimum Points Required: 10

Maximum Points: 30

A development falls within any category listed below:

20 Points

- A census tract in which the proposed PBV development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract in which the proposed PBV development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational and economic advancement

Bonus Points

A maximum of 10 points

- **An area in which there has been an overall decline in poverty within the last 5 years. (5 points)**
- **A census tract where a significant number of new market rate units have been constructed in the past 2 years. (5 points)**

10 Points

<p>TERM OF CONTRACT REQUESTED Minimum Points Required: 5 Maximum Points: 10</p> <p>Fifteen years</p> <p>Eight to 11 years</p> <p>One to seven years</p>	<p>10 Points</p> <p>5 Points</p> <p>0 Points</p>
<p>ACCESSIBILITY REQUIREMENT Minimum Points Required: 10 Maximum Points: 15</p> <p>More than 5 % of the units will be targeted for physically disabled plus 1% visual and 1 % hearing impaired</p> <p>5% of the units will be targeted for physically disabled plus 1% visual and 1% hearing impaired</p> <p>No provisions for accessible units in project</p>	<p>15 Points</p> <p>10 Points</p> <p>0 Points</p>
<p>OWNER EXPERIENCE Maximum Points: 5</p> <p>Applicant has 20 or more year’s experience in owning affordable rental housing.</p> <p>Applicant has 10 to 19 year’s experience in owning affordable rental housing.</p> <p>Applicant has 20 or more year’s experience in owning other types of rental housing.</p> <p>Applicant has 10 to 19 year’s experience in owning other types of rental housing.</p> <p>Less than 10 years ownership in affordable or rental housing</p>	<p>5 Points</p> <p>4 Points</p> <p>3 Points</p> <p>1 Point</p> <p>0 Points</p>
<p>Tenant Selection Maximum Points: 20</p> <p>Owners agree to work with SFHRC in the creation of the Tenant Selection Plan and will not enforce undue hardships such as high credit scores, unrealistic, income requirements, unrealistic landlord references, etc.</p> <p>Owner agrees to select tenants from SFHRC waiting list to be housed in PBV units</p>	<p>10 Points</p> <p>10 points</p>

<p>PROPERTY MANAGEMENT EXPERIENCE Minimum Points Required: 2 Maximum Points: 5</p> <p>Applicant or contracted property management firm has 20 or more years of experience in managing and maintaining affordable rental housing.</p> <p>Applicant or contracted property management firm has 10 to 19 years of experience in managing and maintaining affordable rental housing.</p> <p>Applicant or contracted property management firm has 20 or more years of experience in managing and maintaining other types of rental housing.</p> <p>Applicant or contracted property management firm has 10 to 19 years of experience in managing and maintaining other types of rental housing.</p> <p>Applicant or contracted property management firm has less than 10 years of management experience</p>	<p>5 Points</p> <p>4 Points</p> <p>3 Points</p> <p>2 Points</p> <p>0 Points</p>
<p>Supportive Services Plan Minimum Points Required: 10 Maximum Points: 15</p> <p>Supportive Services Plan indicates onsite supportive services are actively offered and provided to residents (residents not required to accept the services).</p> <p>Supportive Services Plan indicates residents are actively offered access to offsite services upon request and this plan must identify what agency/agencies are being relied upon once short/medium term subsidy ends (such as RRH)</p> <p>Supportive services not provided</p>	<p>15 Points</p> <p>10 Points</p> <p>0 Points</p>
<p>BONUS POINTS FOR PERMANENT SUPPORTIVE HOUSING - Moving on Strategy Maximum Points: 5</p> <p>Applicant agrees to work with Sioux Falls Housing and Redevelopment Commission on utilizing and supporting the Family Self-Sufficiency Program and will assist with programs support</p>	<p>5 Points</p>

Method of Award

Proposals that meet all the RFP requirements will be evaluated and ranked by the SFHRC Selection Panel. A SFHRC ranking list will be prepared according to the points awarded to each proposal. SFHRC may, at its discretion, select none, one or more of the proposals submitted.

After selection, a Preliminary Award Letter will be made available to selected proposals to be used in the application of other development finance.

SFHRC reserves the right to reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by the SFHRC to be in its best interests. SFHRC reserves the right to reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services. If a proposal is determined to be non-responsive a notice will be mailed to the applicant identifying the disqualifying factor.

SFHRC reserves the right to award fewer than the number of units requested, if the requester agrees to accept a lower number of PBV units. SFHRC will have no obligation to compensate an applicant for costs incurred in responding to this RFP.

Other Requirements

1. Before executing an Agreement with any selected owner, SFHRC will:
 - a. Establish rents in accordance with §983.12.
 - b. Obtain subsidy-layering reviews from HUD, if applicable.
 - c. Complete the required Environmental Review and obtain fully executed HUD Form 7015.15 Request for Release of Funds (RROF) for the local HUD field office.
 - d. Submit a certification to the HUD field office stating that the unit or units were selected in accordance with SFHRC's approved unit selection policy.

IV. CLARIFICATIONS AND ADDENDA

A. Questions and Comments

Any respondent requiring clarification of the information contained within this RFP must submit in writing specific questions or comments to the RFP contact Brent Tucker via email at B_Tucker@siouxfallshousing.org. **The deadline for submitting such questions is 02/29/2024.** If in SFHRC's opinion, additional information or interpretation is necessary, such information will be supplied in the form of an Addendum that will be posted to the SFHRC website

B. Required Information

The successful respondent must be licensed to do business in South Dakota

A responsive proposal SFHRC include:

1. A complete response to the RFP questions
2. A signed copy of the Project Summary Sheet (Exhibit A)
3. A signed copy of the Proposer Certification (Exhibit B)

C. Specifications Limiting Competition

Respondents may comment on any specification or requirement contained within this RFP which they feel limits competition. Such comments may be formal or informal and are to be addressed to L_Deedrich@siouxfallshousing.org.

D. Award of Contract: Clarification or Rejection of Proposals

SFHRC will evaluate proposals and will rate proposals using the scoring methodology described in Section IV. of this RFP.

SFHRC reserves the right to seek clarification of the written proposals from respondents.

SFHRC reserves the right to reject any and all proposals and to waive any informality in proposals received whenever such rejection or waiver is in the interest of SFHRC.

SFHRC reserves the right to reject the proposal of any proposer including those who have previously failed to perform properly, or to complete on time, contracts of a similar nature, who is not able to perform the contract, or who has neglected the payment of bills or otherwise disregarded their obligations to subcontractors, material suppliers, or employees. SFHRC also reserves the right to reject the proposal of any proposer listed in the current issue of "List of Parties Excluded from Federal Procurement and Non-procurement Programs" U.S. General Services Administration, Office of Acquisition Policy or listed in the HUD Limited Denial of Participation, current edition.

E. Right to Protest

Any actual proposer who is adversely affected or aggrieved by SFHRC's award of the contract to another proposer on the same solicitation SFHRC have fourteen (14) calendar days after notice of intent to award has been issued to submit a written protest of the award. The written protest SFHRC specify the grounds upon which the protest is based and are to be addressed to the Sioux Fall's Housing and Redevelopment Commission 630 Minnesota Ave, Sioux Falls South Dakota 57104
ATTN: Brent Tucker B_Tucker@siouxfallshousing.org If addressed via e-mail the subject line of the e-mail must read PBV RFP – Written Protest of Award. SFHRC will not entertain protests submitted after the time period established in this rule.

F. Cancellation

SFHRC reserves the right to cancel or reject any or all proposals, and to cancel award of this contract at any time before execution of the contract by both parties if cancellation is deemed to be in SFHRC's best interest. In no event SFHRC have any liability for cancellation of award.

G. Cost of Preparation

Costs incurred by respondents in preparation of a response to this RFP shall be the sole responsibility of the respondent.

H. References

SFHRC reserves the right to investigate references of our choice. Investigation may include past performance of any development team member with respect to its successful performance of similar projects, compliance with specifications and contractual obligations, completion or delivery of a project on schedule or on budget, and its lawful payment of subcontractors, employees, and workers. If demanded by SFHRC, supportive references must be furnished.

I. Confidentiality

Proposals are public records. All information submitted by respondents shall be public record and subject to disclosure pursuant to the South Dakota Public Records Act, except such portions of the proposal for which respondent requests exception from disclosure consistent with South Dakota Law. All requests shall be in writing, noting specifically which portion of the proposal the respondent requests exception from disclosure.

Respondents shall not copyright, or cause to be copyrighted, any portion of any said document submitted to the SFHRC as a result of this RFP.

J. Post Award

SFHRC may request additional information to evaluate the viability of the project sponsor and/or the project. This may include, but is not limited to, previous audits, certified financial statements and additional project information.

EXHIBIT A

**Project Summary Sheet
SFHRC PROJECT BASED VOUCHER PROGRAM**

SPONSOR INFORMATION	
Name of Organization:	Contact Person:
Mailing Address:	Phone Number:
	E-Mail Address:
PROJECT INFORMATION	
Name of Project:	Address:
Owner:	Tax I.D. #:
HOUSING INFORMATION	
Census Tract Proposed Project	
# of Total Units:	#
# of Proposed PBV Units by Bed and Bath Size:	#
Proposed Amenities in units and on site: (E.g. Washer and Dryer, Community Room, Wi-Fi, etc.)	
Proposed Rents:	
Utility Responsibility for Tenants	Electric
	Gas
	Water
	Sewer
	Garbage
# of Proposed Units Below 30% MFI:	#
Proposed Completion Date:	
Proposed PBV Contract Term:	
Average Cost/Unit:	
ANTICIPATED FUND SOURCES	
Disposition Funds	\$
HOME Funds	\$
LIHTC Tax Credits	\$
Other Sources:	\$
	\$
	\$

By submitting a proposal, a proposer expressly represents it has taken no exception to any term, condition, obligation or requirement contained in this solicitation document, or any addenda to this solicitation, which is not expressly stated in its proposal.

The undersigned certify that the information provided herein, to the best of their knowledge, is true, complete, and accurately describes the proposal.

Signature of Authorized Representative

Date

Exhibit B

PROPOSER CERTIFICATION

**Each Proposer must read and sign this section.
Failure to do so may mean the proposal is deemed non-responsive.**

1. By submitting a proposal, proposer expressly represents it has taken no exception to any term, condition, obligation or requirement contained in this solicitation document, or any addenda to this solicitation, which is not expressly stated in its proposal.
2. This RFP is not a solicitation of competitive bids. SFHRC by this request for proposals specifically reserves the right in its sole discretion to determine which proposals best serve the public good, and to:
 - A. Revise the solicitation, evaluation, or selection process including extending the deadline or canceling without selecting any Projects.
 - B. Waive informalities and irregularities in the proposals received in response to this RFP.
 - C. Disqualify without recourse or appeal any or all proposals.
 - D. Reject any or all proposals with or without cause.
 - E. Determine the timing, arrangement and method of any presentation throughout the process.
 - F. Verify and investigate the qualifications and financial capacity of the Project Sponsor, and any of the information provided in the proposal.
3. Every effort has been made to provide current and correct information; however, unless citing a specific SFHRC approved resolution or plan, SFHRC makes no representation or warranty with respect thereto.
4. Restrictions on communication. Every effort has been made to include herein all the information necessary to prepare and submit a responsive proposal to this RFP. However, in the event additional information is desired, please adhere to the following:
 - A. During the course of this RFP, development teams are cautioned not to undertake any activities or actions to promote or advertise their proposals except in the course of SFHRC-authorized presentations; or to make any direct or indirect (through others) contact with members of the Board, staff review committee members (if named) or SFHRC staff members not identified in this RFP as a contact for specific information.
 - B. SFHRC will not hold “one-on-one” meetings with any development teams during the evaluation process except as part of a scheduled interview or presentation process involving all or a “short list” of development teams. SFHRC may, however, ask individual development teams clarifying questions or obtain additional information about some specific point of a proposal.
 - C. Failure to abide by these restrictions is grounds for disqualification. This RFP does not commit SFHRC to enter into an agreement.
5. Respondents to this RFP are prohibited from employing or retaining a former SFHRC employee to assist in the preparation of a proposal to this RFP if the former SFHRC employee has been separated from SFHRC for less than one year and was associated with the Property or related project while employed by SFHRC.

6. The selected development team is further prohibited from employing or retaining a former SFHRC employee who has been separated from SFHRC for less than one year and was associated with this Project while employed by SFHRC.
 - A. To work on or receive any financial gain related to the Project; or
 - B. To work in a capacity responsible for influencing or trying to influence the actions of SFHRC other than through public testimony.
7. Proposer agrees to make the proposal a binding offer to the SFHRC for a period of one (1) calendar year from the date proposals are due.
8. Proposer agrees to bring all required reporting to SFHRC current as of the date of official selection.
9. Proposer further certifies:
 - A. This proposal is genuine and not made in the interest of, or on behalf of, any undisclosed person, firm or corporation; proposer has not induced any person, firm or corporation to refrain from proposing; and proposer has not sought by collusion or fraud to obtain for itself any advantage over any other proposer or over SFHRC.
 - B. It has no business or personal relationships with any other companies or persons that could be considered as a conflict of interest or potential conflict of interest, and that the key personnel and principals identified to perform work under an awarded contract do not have any undisclosed personal or business relationships with any of the SFHRC employees.
 - C. The undersigned warrants that s/he is an authorized representative of the proposer; has read, understands and agrees to be bound by all RFP instructions, specifications, contract terms and conditions contained herein (including all addenda issued for this solicitation); that the information provided in this proposal is true and accurate; and understands that providing incorrect or incomplete information may be cause for proposal rejection or contract termination.

SIGNATURE BLOCK

Signature of Proposer's duly authorized representative:

_____ Date: _____

Printed Name and Title: _____

Legal Name of Proposer/Firm:

(Mandatory) Federal Tax Identification Number (FEIN or SSN): _____