

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



**REQUEST FOR PROPOSALS**

**RFP #12046-0-2023**

**Youth Centered Housing Development:  
1202 S. Park Street**

**Release Date: May 12, 2023**

**Due Date: 12:00 p.m., NOON  
July 14, 2023**

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## RFP SUMMARY

<b>RFP NUMBER</b>	<b>RFP # 12046-0-2023</b>
<b>RFP TITLE</b>	<b>Youth-Centered Housing: 1202 S. Park Street Development</b>
<b>DEADLINE FOR BID SUBMISSIONS</b>	<b>12:00 P.M. (NOON) CDT, Friday, July 14, 2023</b> <b>Proposals received after the deadline will not be considered.</b>
<b>SCOPE</b>	<p>The City of Madison Community Development Division (CDD) is seeking developer(s) to undertake the below specified youth-focused housing development at 1202 S. Park Street, and anticipates making available the project site and/or gap financing to accomplish the following objectives:</p> <ol style="list-style-type: none"> <li>1. Increase the supply of safe, quality, affordable rental housing, especially units affordable to households with incomes at or below 30% of area median income, that ensure long-term affordability and sustainability</li> <li>2. Designate a specific number of units to serve youth (18-24) exiting the foster care system.</li> <li>3. Provide sufficient supportive services to help stabilize and support those youth as they transition into living independently</li> </ol>
<b>FUNDS AVAILABLE:</b>	The CDD is making available up to <b>\$2,000,000</b> of American Rescue Plan Act (ARPA) funds to support this development. Those funds must be obligated no later than December 31, 2024.
<b>APPLICATION FORM AND GUIDELINES</b>	<b>Available at:</b> <a href="#">Community Development Division Funding Opportunities Website</a>
<b>E-MAIL PROPOSAL TO:</b>	<a href="mailto:CDDapplications@cityofmadison.com">CDDapplications@cityofmadison.com</a> All proposals must be submitted electronically via workbook documents provided online. Please submit <u>one</u> combined PDF of the application materials via email. The email must contain <b>Youth Centered Housing Application</b> in the subject line.
<b>DIRECT ALL INQUIRES TO:</b>	<b>John Vogt</b> , Community Development Specialist & RFP Point of Contact <a href="mailto:jvogt@cityofmadison.com">jvogt@cityofmadison.com</a> 608-267-0742

**RFP CALENDAR**

These dates represent the City's anticipated timeline for providing a commitment of funds to the selected project. Any necessary revisions to the due date for submission of proposals will be made via addendum. All other dates are for planning purposes only, and may be adjusted without warning, as needs and circumstances dictate.

Date	RFP Activity
<b>May 12, 2023</b>	Release of RFP
<b>2:00 p.m. (CDT)</b>	<a href="#">Virtual RFP Application Workshop</a>
<b>May 25, 2023</b>	
<b>June 16, 2023</b>	Deadline for Initial Staff Contact
<b>July 14, 2023</b>	<b>DEADLINE FOR SUBMISSION OF PROPOSALS</b>
<b>12:00 p.m. NOON (CDT)</b>	
<b>August 4, 2023</b>	Development Assistance Team (DAT) Deadline
<b>Week of August 4<sup>th</sup>, 2023</b>	CDD may request additional/clarifying information from applicants through a Supplemental Application
<b>12:00 p.m. NOON (CDT)</b>	
<b>August 14, 2023</b>	Applicants submit Supplemental Application
<b>August 14<sup>th</sup> - 25<sup>th</sup>, 2023</b>	Applicant consultation meetings
<b>September 7, 2023</b>	Applicant Presentation to CDBG Committee
<b>September 14, 2023</b>	Applicants Present to Neighborhood
<b>October 3, 2023</b>	Authorizing resolution introduced to Common Council
<b>October 5, 2023</b>	CDBG Committee Reviews Staff Recommendation
<b>October 9, 2023</b>	Finance Committee Consideration
<b>October 17, 2023</b>	Common Council Action
<b>October 2023</b>	Commitment Letter (Notification of Award)
<b>By Early 2024 - Mid 2025</b>	Anticipated contract effective date(s)/ Start of construction depending on financing

## SECTION 1: SCOPE OF WORK

### 1.1 Introduction

The City of Madison (City) Community Development Division (CDD) is seeking proposals from development team(s) with the experience and capacity to acquire and develop the City-owned parcel located at 1202 South Park Street (the "Property"). The City is specifically seeking proposals that will provide affordable housing, with integrated supportive services and set-aside units for youth exiting the foster care system. The City has allocated up to \$2,000,000 of American Rescue Plan Act (ARPA) funds to support eligible capital costs associated with the selected development proposal. The City will accept proposals from both non-profit and for-profit developers. Preference will be given to proposals that reflect strategic integrated partnerships with non-profit developers and/or service providers.

### 1.2 Goals and Objectives

The primary goal of this RFP is to create stable, permanent housing opportunities for youth who are exiting the foster care system. For the purposes of this RFP, references to youth should be understood and are generally defined as individuals between the ages of 18-24.

Proposals submitted through this RFP may seek an allocation of Low Income Housing Tax Credits (LIHTC) through the Wisconsin Housing and Economic Development Authority (WHEDA).

This RFP intends to offer ARPA funds to accomplish the following CDD objective:

1. Increase the supply of safe, quality, affordable rental housing, especially units affordable to households with incomes at or below 30% of area median income, that ensure long-term affordability and sustainability for that population.

The City expects to select a single development proposal based on:

1. Responsiveness to the Goals and Objectives found in this Section (Section 1.2) and the Requirements and Preferences found in Section 1.7 of the RFP, and
2. Submittals that contain the combination of features and attributes offering the best overall value to the City.

The City will determine the best overall value by comparing differences in proposed project features and feasibility and development team attributes, capacity, experience, and past performance, striking the most advantageous balance for achieving the City's stated goal.

### 1.3 Funding Availability

CDD has up to \$2,000,000 available from the City's allocation of ARPA funds to put toward this project.

Proposals should demonstrate financial feasibility anticipating only City gap financing made available under this RFP. However, at its discretion, and in consultation with applicants, the

City may additionally opt to draw upon partial and/or additional funding from other City-administered sources (including AHF and/or HOME) as is necessary and/or prudent. Federal funding sources are reserved solely for proposals submitted by non-profit applicants with a controlling interest in the development. Eligible non-profit applicants should review [Attachment D](#) for additional information on federal funding requirements.

Any assistance offered to proposers that considers additional award utilizing City Affordable Housing Funds will be contingent upon their authorization during the 2024 Budget process, to be adopted in November of 2023. Any funding award offered by the City, regardless of source of funds, is made contingent upon the applicant's ability to secure other financing necessary for the project, and all requisite land use and zoning approvals. Funds awarded through this RFP are expected to be secured by a Loan Agreement no later than December 31, 2024. Payment schedules are to be negotiated at point of contract, and must include 10% of the total award held until project completion, including submission of all required final documentation as specified in the Loan Agreement.

## **1.4 Financing Terms**

The amount of subsidy and terms offered is dependent upon and will reflect the extent to which proposals meet the City's overall goals, objectives and preferences as described in this RFP; the scale of the project; the extent to which all other available financing sources are pursued; and the availability of funds. The City will secure its funding with promissory notes and a mortgage in the form of a non-recourse loan.

### **Long-Term Deferred Promissory Note**

CDD anticipates that the funds offered to any project submittal will be provided in the form of a 30-year, 0% interest loan, and payable upon the earliest of sale, transfer, or change in use of the property. The project must commit to permanent affordability on the subject property through a recorded Land Use Restriction Agreement (LURA). The LURA on the affordable units in the Property shall remain in place permanently, notwithstanding any repayment of the loan.

All funds awarded under this RFP will be loaned directly to the project's ownership entity (e.g., single-purpose LLC) in most instances, with the potential exception of a fully non-profit owned and controlled project.

### **Park Impact Fee Exemption**

In addition to direct financial assistance offered as a component of this RFP, applicants may qualify for an exemption from payment of City Park Impact Fees for any low-cost rental housing units developed. A low-cost rental unit is defined as one reserved for households with incomes less than or equal to 60% Area Median Income (AMI) and for which rents are restricted to an amount not greater than 30% of gross income for a household at 60% AMI. The exemption will be secured with a land use restriction enforced for a period of, at minimum, 30 years. An applicant may request an estimate of the fees due for non-qualifying units at the

scheduled Development Assistance Team meeting for use in projecting total development costs.

## **1.5 Real Estate Transfer**

In addition to any conditional award of funding offered under this RFP, the City intends to make available for transfer or lease the parcel addressed as 1202 South Park Street. CDD anticipates that a negotiated transfer or lease of this property will occur as an outcome of this RFP process to a successful applicant, with purchase price and all other conditions of transfer of this property to be individually negotiated prior to contracting and contingent upon the responsiveness of the individual proposal to the requirements and preferences of the RFP. All proposals must fully describe the proposed terms of land transfer or lease in a manner that best addresses the City's desired outcomes and feasibility of the project.

### **No Representations and Warranties: As-is Condition**

In the event of a sale, it is the intent of the City to sell or lease the Property in "as-is" condition, with all faults. The City disclaims all warranties and representations that concern the Property. The Developer shall rely on its own inspections and shall be solely responsible for any structures and materials located on the Property from and after the date of closing. The Developer will have relied exclusively upon its own inspections and reviews, and not upon any representation or warranty of the City or its agents or employees.

The City is prepared to negotiate an option period for the Property upon review and selection of proposals submitted through this RFP.

## **1.6 Property Information**

### **Current Zoning**

The Property is currently zoned Commercial Corridor-Transitional (CC-T). The CC-T district is established to encourage the transformation of largely auto-oriented commercial corridors into mixed-use corridors that are equally conducive to pedestrian, bicycle, transit and motor vehicle activity. [More information on CC-T districts and allowable uses are available online.](#) The property also lies within the Transit Oriented Development (TOD) overlay district. [More information on the TOD overlay district is also available online.](#)

### **Imagine Madison – Generalized Future Land Use**

The City of Madison's Comprehensive Plan, Imagine Madison, establishes generalized future land use recommendations to guide future city growth. The Property is identified as a regional corridor (Park Street Corridor), planned for mixed-use infill development and redevelopment with good existing or planned transit service. The Generalized Future Land Use category for the property is [Regional Mixed-Use \(RMX\)](#) which recommends buildings over two stories and a wide range multi-family housing and commercial uses.

## **Site and Design Requirements**

The Property is additionally subject to the following guidelines and plans:

### *Urban Design District 7 (UDD 7)*

Based on the adopted design guidelines for the [Park Street Corridor: Main Street for the Southside](#), adopted in March 2004, this ordinance provides additional design requirements for the subject property. In addition to aforementioned zoning standards, new development will need to comply with these regulations and must be approved by the City's Urban Design Commission (UDC). The ordinance includes additional standards and guidelines related to height, setback, and design and is found in [Section 33.24\(14\) Madison General Ordinance](#).

### *Wingra Creek BUILD Plan*

The Wingra Creek Market Study and Conceptual Redevelopment Plan Summary Report (adopted March 2006). [Wingra Market Study and Conceptual Redevelopment Plan Summary Report](#).

### *Bay Creek Neighborhood Plan*

The Bay Creek Neighborhood Plan was adopted in June, 1991.  
[Bay Creek Neighborhood Plan](#)

## **Metropolitan Unified Fiber Network (MUFN)**

The Property is located adjacent to the Metropolitan Unified Fiber Network ("MUFN"), a collaborative metro fiber-optic network serving education, health, government and non-profit organization anchor institutions in the Madison, Middleton, and Monona area. It unifies existing telecom resources to facility enhanced internet, point-to-point connectivity, and application sharing. <https://mufn.org/>

## **1.7 Initial and Ongoing Project Requirements; Period of Affordability**

Applicants awarded financial support under this RFP will be required to enter into a Land Use Restriction Agreement (LURA) with permanent affordability, to be recorded in first position following the first mortgage for the duration of the period of affordability, unless otherwise deemed acceptable by the City.

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, a standardized example of which is available on the RFP Website. Requirements related to this RFP will be reflected in a project-specific Loan Agreement. The City additionally reserves the right to schedule site visits to verify compliance with the terms of the City agreement.

## **1.8 City of Madison Community Development Authority - Voucher Program**

Applicants offered financial support under this RFP are encouraged to apply for Project Based Vouchers (PBVs) under the Family Unification Program (FUP). FUP PBVs and Housing



Choice Vouchers (HCVs) are administered by the City of Madison Community Development Authority (CDA).

### **Family Unification Program (FUP)**

The Family Unification Program (FUP) is a program of the U.S. Department of Housing and Urban Development (HUD) under which HCVs are provided to families and youth who lack adequate housing. Eligible youth between the ages of 18 and 24 who have left foster care, or will leave foster care within a period of 90 days, may be eligible for a FUP voucher. The CDA administers FUP to youth in partnership with the Dane County Department of Human Services (DCDHS) and the Workforce Development Board of South Central Wisconsin (WDBSCW), which are responsible for referring eligible youth households to CDA for determination of eligibility.

Eligible youth are, in general, able to utilize FUP benefits for a period of no more than 36 months. Under the Consolidated Appropriations Act of 2021, however, amended FUP guidelines provide an extension of up to 24 additional months of Program eligibility (60 month total duration), should certain requirements be met.

The 24-month extension of FUP voucher assistance is allowable and anticipated if:

- The youth household is participating in a Family Self-Sufficiency (FSS) program under Section 23 of the U.S. Housing Act, or an MTW self-sufficiency program,
- The youth household is unable to enroll in FSS but are otherwise engaged in education, workforce development, or employment activities for at least 9 of the 12-months immediately preceding extension, or
- The youth household otherwise meets a statutory exception, such as:
  - Youth responsible for the care of a dependent child or in the care of an incapacitated person;
  - Youth regularly and actively participating in a drug addiction or alcohol treatment and rehabilitation program; or
  - Youth incapable of complying with the requirement to participate in an FSS program or engage in education, workforce development, or employment activities, as applicable, due to a documented medical condition.

Questions on FUP PBVs and the CDA's voucher programs may be directed to Larry Kilmer, 608-266-4675 (Ext. 0) or email [Lkilmer@cityofmadison.com](mailto:Lkilmer@cityofmadison.com).

## **1.9 Supportive Services**

Supportive services may be available to eligible youth who have exited the foster care system and meet qualifying criteria for extended care and/or Independent Living Program participation. The Dane County Department of Human Services (DCDHS) provides services to youth in extended care and supervised independent living. The Workforce Development Board of South Central Wisconsin (WDBSCW) provides services to eligible youth seeking independent living services after leaving out-of-home care.

When youth participate in extended care/Supervised Independent Living, the Dane County Department of Human Services (DCDHS) provides case management and supports youth as they learn to live independently. When youth transition out of Supervised Independent Living, their primary referral for resources is through the Workforce Development Board of South Central Wisconsin's (WDBSCW) Independent Living Program, which offers light case management and resources. Case managers with DCDHS and the WDBSCW work collectively with youth as they transition between programs. Read below to learn more about how these programs work.

### **Extended Care/Supervised Independent Living**

Extended care or Supervised Independent Living (SIL) is available to a youth who is a full-time student of a secondary school or its vocational or technical equivalent, for which they have an Individualized Education Plan. This is implemented either by an extended court order or through a voluntary transition-to-independence agreement. If a youth elects to stay in out-of-home care and into a transition-to-independent-living agreement, youth must continue to be a full-time student under an individualized education program until the person reaches the age of 21, is granted a high school or equivalent diploma, or terminates the agreement, whichever occurs first. Youth in extended care or SIL are provided case management and other services, including housing assistance, through the DCDHS.

### **Independent Living Services – Workforce Development Board of South Central Wisconsin (WDBSCW)**

Individuals who were in out-of-home care after age 16 and have turned 18, or who have exited extended care, may be eligible for Independent Living program services through the WDBSCW. This is a voluntary, youth-led program. Supportive services may include help with housing navigation, basic necessities, professional mentorships, community connections and referrals, education including access to the BrighterStar scholarship and career assistance. These services are available to eligible youth until the age of 23, based on need and availability.

### **Service Coordination**

Due to the varying and complex needs of the target population, funding will be contingent upon demonstrating a partnership agreement with a support service partner who will have a significant on-site presence to provide service navigation and other activities to support youth tenants. The CDD is seeking proposals that have an identified service provider who will work collaboratively with DCDHS and the WDBSCW to support youth as they transition through supervised independent living and beyond.

## 1.10 Requirements and Preferences

### A. Requirements

The CDD maintains the following conditions of eligibility:

#### **Project Affordability Requirements**

1. Applicants must have ownership interest in the development and meet the following income and rent restrictions.
  - At least eight (8) of the total proposed units must be designated as supportive housing units for the identified target population.
    - Proposals must ensure adequate supportive services are available and sufficiently financially supported.
2. Proposals awarded City funds through this RFP must commit to permanent affordability, to be secured by a Land Use Restriction Agreement (LURA).
3. Proposals awarded City funds will be expected to take full advantage of other significant sources of affordable housing financing, including but not limited to Low-Income Housing Tax Credits (LIHTC), Federal Home Loan Bank's Affordable Housing Program, Dane Workforce Housing Fund, Dane County Affordable Housing Development Fund, and/or other available federal, state and local funds.
  - Proposals that choose to seek tax credits should apply under the WHEDA Supportive Housing set-aside.
    - If seeking WHEDA tax credits, proposals must demonstrate ability to achieve a reasonably competitive score under the current QAP.
  - Proposals not seeking WHEDA tax credits must demonstrate sufficient financial feasibility to ensure project viability.
4. Proposals must leverage the use of all available financial resources including deferment of the maximum feasible amount of developer fee. Less than maximum deferment may be acceptable if a portion of the developer fee is made available, through an executed MOU, to a supportive service provider.
5. Proposals must agree to record and reflect the City's loan in the senior-most position (after the first mortgage) ahead of any other junior and soft debts that may be secured by the applicant, unless otherwise authorized by the City.
6. For proposals that apply for and secure Project-Based Vouchers, PBVs shall be placed on units set-aside for the target population (i.e. previously identified and eligible youth households).

#### **Site & Design Requirements**

1. Proposals must meet or exceed building code standards by incorporating Universal Design components to the greatest extent feasible into the first floor units, offices, common areas, community spaces, patios, etc. as well as by incorporating universal design in at least half of the total units by meeting or exceeding building code for Type A units.
2. Proposals must provide a non-smoking environment throughout the property.
3. Proposals must include in-unit internet service at low or no cost to residents.

4. Proposals must include in-unit laundry.
5. Proposals must include space in the development devoted to the provision of support services.
6. Proposals must include common spaces to help foster community-building, peer support, etc.
7. Proposals must respond to the safety and vulnerabilities of the target population with its design and layout.
8. The **selected** proposal will be required to submit an [Initial Application](#) to Focus on Energy's [New Construction Energy Design Assistance](#) program and meet the requirements outlined in Section D below.

### **Property Management Requirements**

1. Proposals must include the demonstrated commitment of a Property Manager to utilize flexible Tenant Selection Plan and Affirmative Marketing Plan Best Practices that refrain from presenting unreasonable barriers to access, especially for the supportive housing set-aside. Due to characteristics of the target population, Property Management will need to utilize a low-barrier approach to units under the supportive housing set-aside. Proposals must present a Tenant Selection Plan (TSP) that is consistent with the CDD's TSP Best Practices outlined in [Attachment B-1](#).
2. Proposals must present an Affirmative Marketing Plan (AMP) that is consistent with the CDD's AMP Best Practices outlined in [Attachment B-2](#).
3. Rent increases for lease renewals will be limited to no more than 2% per year. Security deposits may not exceed one month's rent. See sample Loan Agreement for details.

### **Support Service Requirements**

Successful proposals must include integrated supportive housing units, with supportive services, targeted to youth exiting the foster care system. Proposals must be inclusive to individuals who face common obstacles to obtaining housing (e.g. negative rental histories and/or evictions, poor credit, criminal conviction records, etc.). 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.

1. Proposals must commit to offering on-site service coordination. Proposals should explain how the property will be staffed, and what services may be provided on-site and with what frequency. In addition, proposals should describe how referrals will be made to services the on-site provider is unable to provide (e.g., mental health, employment, urgent needs, financial literacy, child care, etc.).
2. Proposals must make a meaningful financial contribution toward 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) should reflect the needs of the target population(s). The CDD's preference is that such a contribution be made via allocation of a percentage of the developer fee, in addition to above- and/or below-the-line operating expenses.

3. Supportive service providers are adequately compensated for providing dedicated services via a percentage of the developer fee in addition to above and/or below the line operating expenses.
4. Development, property management and the supportive services teams will be expected to engage in a pre-lease up coordination process starting at least six months before the projected issuance of a Certificate of Occupancy.

### ***B. Preferences***

In addition to the conditions of eligibility listed above, preference will be given to:

#### **Applicant Preferences**

1. Proposals from a non-profit entity that assumes the roles of both Developer and Owner, or a partnership in which the non-profit has a majority ownership interest in the property and a General Partner Purchase Option, Right of First Refusal, or a controlling interest in the ownership entity.
2. Proposals that align with the City's Racial Equity and Social Justice Initiative (RESJI) by providing partnership opportunities to BIPOC developers or co-developers that have at least a 24% stake in all aspects of the development, including but not limited to, ownership, cash flow, and voting rights (memorialized in organizational documents), and opportunities for ACRE students and graduates.

#### **Project Affordability Preferences**

1. Proposals which create additional units of affordable housing, beyond those designated for youth, for households with incomes at or below 60% AMI.
2. Proposals that model initial rents for 50% and 60% units at the lowest feasible level, e.g., a maximum of 90% of projected LIHTC rents.

#### **Site & Design Preferences**

1. Proposals that include common space amenities and other building features designed to support the target population.
2. Proposals that demonstrate a commitment to incorporating extraordinary energy efficiency, renewable and/or sustainable building design techniques that contribute to the [City's goal](#) to achieve 100% renewable energy and zero-net carbon emissions by 2030, as described in Section D. below.
3. Proposals that go above and beyond WHEDA's Universal Design requirements by incorporating Universal Design to the greatest extent feasible into the first floor units, offices, common areas, community spaces, patios, etc. and in at least half of the total units.

### ***C. Integrated Supportive Housing Units Preference***

Preference will be given to proposals that also incorporate the following approaches to supportive service partnerships:

1. Proposals that leverage additional and adequate non-City funded supportive service dollars.
2. Demonstrate extensive consultation and coordination of the collaborative partnership between the development, property management and supportive services teams. This includes, for example, developing a supportive services plan that describes, in detail, the design of services to be made available to the target population(s); planning for a unit mix that will best accommodate the targeted population(s); designing the building to best serve the target population(s); having a detailed pre- and post-initial lease up referral processes designed to screen-in prospective tenants from these target population(s) as well as coordinate with all relevant community partners (e.g., CDA, DCHA, VASH, CE, etc.); and utilizing alternative, flexible tenant screening criteria for prospective tenants who are connected, and/or will have improved access, to supportive services.

***D. Commitment to Energy Efficiency, Renewable Energy and Sustainable Design Preference***

The CDD seeks proposals that embrace the City's commitment to incorporating extraordinary energy efficiency, renewable and/or sustainable building design techniques that contribute to the [City's goal](#) to achieve 100% renewable energy and net-zero carbon emissions by 2030. Preference will be given to proposals that demonstrate how the development will be designed and operated to contribute to these goals, while also taking advantage of available expertise and resources.

**1. Energy Efficiency.**

- a. Focus on Energy's [New Construction Energy Design Assistance Program](#) provides a no-cost energy analysis based on building characteristics, implementation cost, payback periods and annual energy cost savings. Additionally, Focus on Energy provides *financial incentives* for design professionals and building owners to help offset the incremental costs of the installed energy efficiency measures.
- b. Focus on Energy's [Multifamily Program](#) provides a no-cost energy analysis provided by advisors who will assess the existing equipment and systems of buildings with at least four units. Focus on Energy staff will make recommendations for each property based on the energy efficiency goals of the applicant.

To address the requirements outlined in this RFP, the **project selected for award** will be required to:

- i. Submit an initial application for Focus on Energy's New Construction Energy Design Assistance program.
- ii. Complete the process for obtaining the Whole Building Analysis Results Report document and Bundle Requirements before a commitment letter will be provided.
- iii. Select a Bundle for implementation which incorporates a minimum of 20% of projected Energy Use Intensity (EUI) savings calculated over the baseline energy code.

To address the preferences for energy efficiency outlined in this RFP, applicants are encouraged to incorporate the highest Bundle level feasible. Applicants are also encouraged to seek to achieve LEED®, Energy Star, Passive House, or a similar certification that requires developments to directly address the net carbon impact of a building.

## 2. **Renewable Energy.**

Applicants are encouraged to explore implementing any **Renewable Energy** options and incentives that may be feasible. Applicants will be required to incorporate a minimum of 30 kW solar array unless deemed physically infeasible. Preference will be given to proposals that incorporate additional renewable energy features.

- a. Focus on Energy's Renewable Energy offerings provide incentives for cost-effective renewable energy projects (e.g., solar photovoltaics (PV), solar thermal, biogas, biomass and wind). The Focus on Energy Renewable Energy Incentive application may be accessed [here](#). Contact Scott Bloedorn at [scott.bloedorn@focusonenergy.com](mailto:scott.bloedorn@focusonenergy.com) or (608) 230-7017 with questions or to discuss program details.
- b. Additional funding for solar PV may be available through the [MadiSun](#) program.

## 3. **Sustainable Design.**

The American Institute of Architects (AIA) offers a [Framework for Design Excellence](#). This Framework organizes design elements and strategies into a top 10 "Best Practices" approach to design for equitable communities, optimize site potential, optimize energy use, protect and conserve water, optimize building space and material use, enhance indoor environmental quality (IEQ) and optimize operational & maintenance practices.

Preference will be given to proposals that incorporate sustainable design techniques described in the [AIA's Framework for Design Excellence](#), including but not limited to:

- a. Building techniques that substantially reduce energy and water consumption on site
- b. A rainwater reclamation or gray water system to minimize water consumption on site
- c. Sourcing a significant amount of building materials from renewable sources

To help evaluate and measure the expected energy reduction and cost savings associated with this design framework, applicants and their architects are encouraged to consult this Framework during the early design phases.

Applicants will be expected to provide more detailed responses regarding their proposals to meet these preferences through the Supplemental Application Materials described in Section 2.2. Proposals that commit to energy efficiency, renewable and/or sustainable building design techniques will become project requirements via the City's term sheet. As such, the City expects the majority of these measures will be incorporated in the final design and implemented during the building's construction as an "above the line" item.

### 1.11 Review of Proposals and Scoring Criteria

City staff will review and evaluate proposals based on the following criteria:

Scoring Criteria	Points Available
<p><b>1. OVERALL QUALITY &amp; RESPONSIVENESS</b> Development proposal vision and goals, concept and plan. Level of responsiveness and extent to which proposal addresses overall City goals, objectives and preferences as described in this RFP.</p>	<b>25 points</b>
<p><b>2. DEVELOPMENT CONCEPT, PLANNING &amp; ZONING AND SUSTAINABILITY</b> Conformance with adopted plans; permissive zoning or likelihood of project re-zoning, securing City approvals; strength of development concept and site plan; responsiveness to goals of adopted neighborhood plans; anticipated market demand; readiness to proceed. Demonstrated commitment to energy efficiency, renewable energy and/or sustainable building design; presentation of proposal at Development Assistance Team and response to concerns/issues raised.</p>	<b>20 points</b>
<p><b>3. FINANCIAL FEASIBILITY &amp; LEVERAGE</b> Development budget workbook details reasonable sources and uses of funds, including sound costs projections. Operating budget details reasonable costs and cash flow over the period of affordability. Financial structure leverages all available financial resources (including reasonably maximizing the deferred developer fee). Proposal demonstrates financial feasibility, including reasonable assumptions and projections. WHEDA self-score appears to be accurate, reasonable and competitive.</p>	<b>15 Points</b>
<p><b>4. CAPACITY, EXPERIENCE AND QUALIFICATIONS: DEVELOPER</b> Demonstrated organizational and financial capacity to produce a high-quality product – based on successful history of developing affordable housing. Diversity of the development team. Level of non-profit ownership and control. Opportunities for ACRE students and/or graduates. Performance on past CDD-assisted projects.</p>	<b>15 points</b>
<p><b>5. CAPACITY, EXPERIENCE AND QUALIFICATIONS: SERVICE PROVIDER</b> Upfront partnership approach between developer, supportive service provider(s) and property management team for supportive housing units. Demonstrated capacity of Service Provider to coordinate adequate, effective, and quality supportive services for target population. Demonstrated commitment of Property Manager to utilize flexible Tenant Selection Plan and Affirmative Marketing Plan Best Practices that refrain from presenting unreasonable barriers to access, especially for the target population(s).</p>	<b>15 points</b>
<p><b>6. CAPACITY, EXPERIENCE AND QUALIFICATIONS: PROPERTY MANAGER</b> Upfront partnership approach between developer, supportive service provider(s) and property management team for supportive housing units. Demonstrated capacity of Service Provider to coordinate adequate, effective, and quality supportive services for target population. Demonstrated commitment of Property Manager to utilize flexible Tenant Selection Plan and Affirmative Marketing Plan Best Practices that refrain from presenting unreasonable barriers to access, especially for the target population.</p>	<b>10 points</b>
<b>Total Points Available</b>	<b>100 points</b>

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. This review team will formulate recommendations to select a development proposal and specify a funding commitment. Development teams will also be required to



present to a neighborhood meeting, which will be convened by CDD. Moreover, development teams will be required to present to the City's Community Development Block Grant (CDBG) Committee. The City's review team will present its final recommendation to the CDBG Committee and the recommendations will also be reviewed by the City's Finance Committee before receiving final action by the Common Council.

## SECTION 2: PROPOSAL SUBMISSION REQUIREMENTS

Applicants must engage in the Pre- and Post-Application Processes pertaining to land use entitlements and neighborhood engagement described below.

### 2.1 Pre-Application Process

Applicants are strongly encouraged to make the following Pre-Application contacts as soon as feasible in advance of the RFP Application deadline, and are required to do so by **June 16, 2023**.

1. **Contact CDD.** Applicants are required to contact CDD staff to convey the applicant's intent to apply and discuss how the City might best support the proposed development. To schedule an initial meeting, please contact John Vogt (Community Development Specialist) at [jvogt@cityofmadison.com](mailto:jvogt@cityofmadison.com) and include Park Street RFP in the e-mail subject line. Joint pre-application meetings with PD, Zoning, and CDD staff will be scheduled whenever feasible. When scheduling the pre-application meeting, please provide the following information: proposed number of stories, proposed number of housing units, and square feet of commercial space for a mixed-use building, if applicable or available.
2. **Contact Planning.** Applicants are required to contact and meet with the Planning Division (PD) to discuss the site, zoning and the land use approval process. Contact Kevin Firchow (Principal Planner in the City's Planning Division) at [kfirchow@cityofmadison.com](mailto:kfirchow@cityofmadison.com) and cc: John Vogt.
3. **Contact Zoning.** Applicants are required to obtain confirmation of permissive zoning or zoning status and entitlement process from zoning staff via the pre-application meeting, if direct communications have not already occurred. Contact Assistant Zoning Administrator Jenny Kirchgatter at [jkirchgatter@cityofmadison.com](mailto:jkirchgatter@cityofmadison.com).
4. **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 in advance of the Supplemental Application deadline of **August 4<sup>th</sup>**.

Earlier appointments are strongly encouraged. Contact both Christopher Wells ([cwells@cityofmadison.com](mailto:cwells@cityofmadison.com)) and Colin Punt ([cpunt@cityofmadison.com](mailto:cpunt@cityofmadison.com)) to schedule an appointment. DAT meetings occur on Thursdays at 10:00 a.m. Appointments are reserved

on a first-come first-served 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 may be asked to respond to concerns identified at DAT in their Supplemental Application response described in Section 2.2 below. A follow-up DAT meeting may be recommended before Land Use Application submittal.

## 2.2 Post-Application Process

1. **Supplemental Application Materials.** Applicants will be required to submit a Supplemental Application to address items that are not likely to be known at the time of initial application. Applicants should anticipate Supplemental Application questions to be sent the week of **August 4<sup>th</sup>**. Responses will be due by **August 14<sup>th</sup>**.
2. **Staff Consultation.** Consultation meetings between the development team and City staff will be scheduled between **August 14<sup>th</sup> and August 25<sup>th</sup>**. Applicants may be asked to discuss their answers in the Supplemental Application Materials.
2. **Neighborhood Informational Meeting.** Applicants will be expected to present their proposed projects at a neighborhood meeting to be scheduled on or about **September 14<sup>th</sup>**. The CDD will help coordinate this informational meeting with the Bay Creek Neighborhood Association.
3. **Applicant Presentations to CDBG Committee.** Applicants should be prepared to address the following, at a minimum, during their presentations to the CDBG Committee on **September 7<sup>th</sup>**:
  - a. Introduce the Development Team ***including Property Management and Supportive Service Partner(s)***; related property management and supportive service strategies; and describe the Tenant Selection Plan for the general tenant population as well as for the supportive service units.
  - b. Provide an overview of the project with an emphasis on the elements that clearly address the proposal's responsiveness to the goals, objectives and preferences in the RFP, with special emphasis on:
    - i. Unit mix, incomes and rents, as well as long-term affordability;
    - ii. Ownership structure, especially non-profit and/or BIPOC partnerships;
    - iii. Integrated Supportive Housing and Supportive Service Partnership;
    - iv. Coordination with Property Management and Supportive Services on tenant selection process; and
    - v. Energy Efficiency, Renewable Energy and Sustainable Design Plans.
  - c. Address any outstanding concerns identified via the DAT review, at the neighborhood meetings, etc.

A PowerPoint presentation, while not required, is strongly encouraged for the Staff Team presentation as well as to the CDBG Committee. Attendance at the **September 7<sup>th</sup>** CDBG Committee is required.

5. **Focus on Energy.** A project **selected for an award** through this RFP will be required to submit an [Initial Application](#) to Focus on Energy's [New Construction Energy Design Assistance](#) program and commit to a bundle prior to receiving a commitment of funding. Contact Focus on Energy's Dorene Schink at [dorene.schink@focusonenergy.com](mailto:dorene.schink@focusonenergy.com) or (608) 709-1395 with questions or to discuss program details and how Focus on Energy might best support the proposed development. ***Please note, submitting an Initial Application to Focus on Energy's New Construction Energy Design Assistance program is not required unless the project has been selected for award.***

The City reserves the right to waive formal pre-application meetings for projects deemed to have made sufficient communication with DPCED staff in advance of submitting an application.

### 2.3 Response Format

1. Proposals and all required additional documentation must be submitted electronically to [CDDapplications@cityofmadison.com](mailto:CDDapplications@cityofmadison.com). Proposals must utilize the application materials provided. Please submit one combined PDF of all application materials, if possible. Extraneous spacer pages are not necessary. 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 most 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, submitted and labelled in the following order.

1. RFP Application Form and Budget Workbook  
Available on the [Community Development Division Funding Opportunities Website](#).

2. Development Team's Experience & Capacity

Include an attachment addressing the following. Please limit this response to no more than 10 pages. Attachments or documents not specifically required should not be submitted (e.g., project profiles):

- a. Experience developing multifamily housing for low- and moderate-income households, including:
  - i. If the proposed project anticipates using LIHTC as a funding source, address experience obtaining and utilizing LIHTC, including number of projects, number of units and location of LIHTC and/or affordable housing units your organization has developed;

- ii. Experience obtaining and utilizing federal, state, city and other financing resources, including number of projects, number of units and location of projects with federal LIHTC, HOME, CDBG, or Section 108 funds.
- b. Experience with participating in public/private joint ventures.
- c. Years in existence and staff qualifications (briefly).
- d. Financial capacity of the organization to secure financing and complete the proposed project.
- e. Developer's experience with, including number of projects, number of units and location of projects developed with integrated support housing units.
- f. Proposed property management entity or partner's experience including number of projects, number of units and location of projects managed. Be sure to address the property management entity's performance record and approach with integrated support services as well as with inclusive and culturally sensitive property management and marketing practices.
- g. Experience of the proposed property management entity working with Project-Based Vouchers (PBV), Housing First principals and/or low-barrier approaches to management.
- h. List of any architectural awards, service awards, or green building certifications that your organization has received.
- i. Project Organizational Chart, including all partnerships and ownership interest percentages.

3. Additional Application Materials

- a. Letter(s) from Supportive Service Provider(s) detailing the type and level of services they intend to provide and affirming that the level of services that will be made available are adequate for the number of supportive housing units and target population.
- b. A preliminary site plan and drawings, if available.

If a preliminary site plan is not available at the time of application, submittal will be required the week prior to the final available DAT on **August 4, 2023**.

4. 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).

John Vogt, Community Development Specialist  
City of Madison Community Development Division  
Phone: 608-267-0742 – *Please send an e-mail.*  
Email: [jvogt@cityofmadison.com](mailto:jvogt@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 will be required to attend pre-application and/or pre-award meetings, make oral presentations and site visits. 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** – State clearly on the attached “Designation of Confidential and Proprietary Information” form (RFP Attachment D) any information to be considered confidential or proprietary.

**SECTION 3** – Separate any information to be considered confidential or proprietary from the rest of the proposal. Co-mingling of confidential/proprietary and other information is not acceptable.

**SECTION 4** – Note that 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 §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**

Requirements related to this RFP will be reflected in a project-specific Loan Agreement. 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 proposer's 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. Proposers are responsible for reviewing this information on the [CDD Funding Process website](#) prior to submission of their bid

### **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, also referred to as the staff team, 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 errors 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

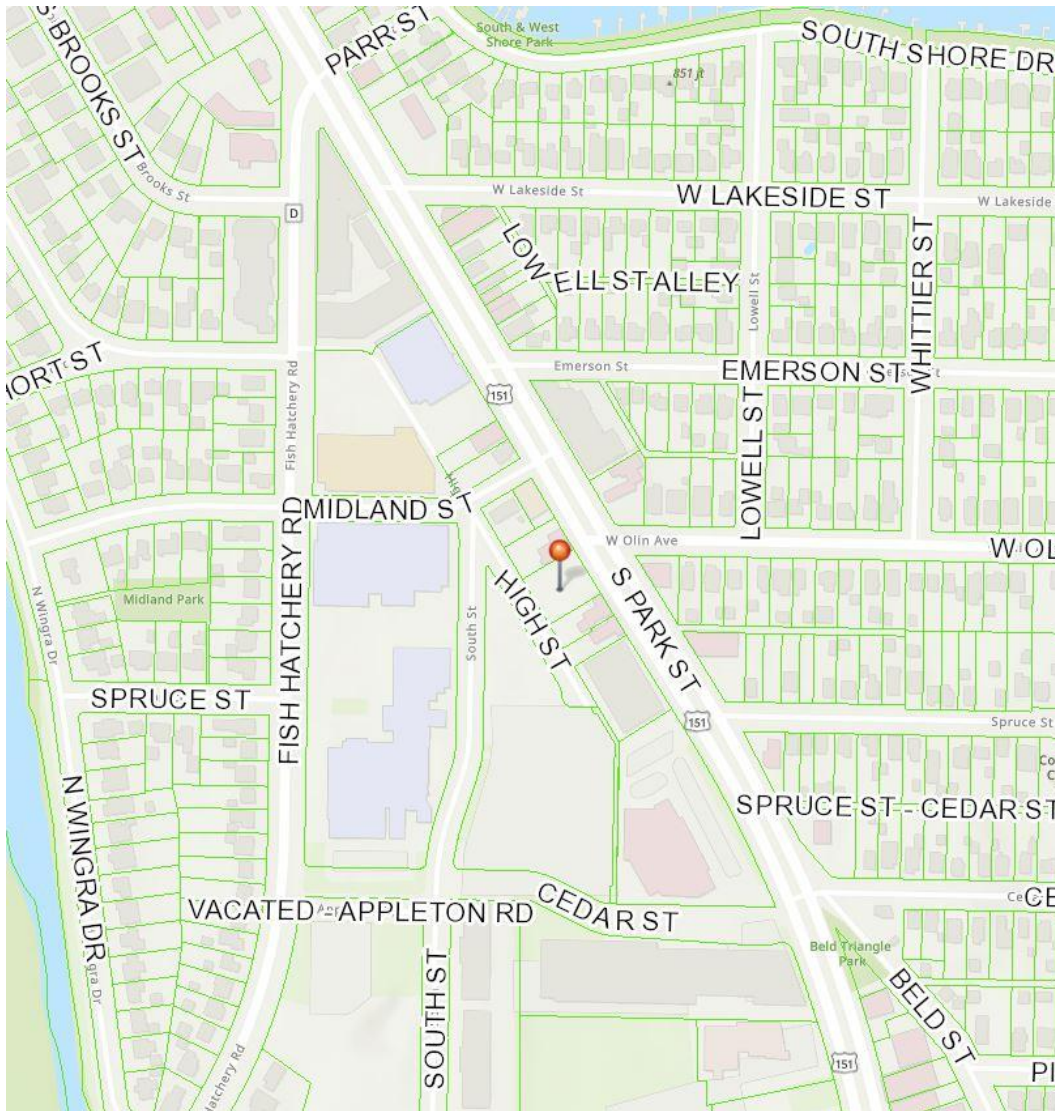
Proposers may not contact members of the Selection Committee at any time during the evaluation process, except at the City of Madison CDD's request, or as instructed in Section 3.1 above.

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 proposal.

## ATTACHMENT A PROPERTY LOCATION AND DETAILS

**Property Location** (identified by map pin):



**Property Details:**

[Property Details for 1202 S. Park Street](#) (City Assessors Office).

## ATTACHMENT B-1 TENANT SELECTION PLAN

### City of Madison Tenant Selection Plan Best Practices

Updated 6/1/2022

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. In addition to requirements, the City is deeply committed to removing barriers to housing stability for residents and potential residents. The City encourages developers and property managers to embrace that affordable housing programs are intended to and often alleviate conditions that may have previously led to adverse tenant credit histories, rental histories, and/or criminal backgrounds for some households. Access to and stability in affordable housing creates conditions where prior “deficiencies” in rental housing applications are not a primary predictor of future tenancy outcomes, though only when these issues do not raise insurmountable barriers to accessing affordable housing opportunities in the first place.

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. Applicants should not be denied for not meeting minimum income requirements if applicant can demonstrate paying an approximately equivalent rent to income ratio for 2 years.
- **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, and direct applicants where to receive a copy of the report.
- Landlord or **housing history**, including prior eviction judgments.
- **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 creditor and is current on the repayment arrangement

### **Security Deposits**

The project should not implement a security deposit that puts an undue financial burden on applicants or creates a financial impediment to accessing housing. Housing providers should consider whether existing security deposit policies create a barrier to entry for low-income households and those requiring supportive services. Security deposits for prospective residents should be reasonable, and the City has a preference for security deposit policies that incorporate some or all of the following:

- A maximum security deposit equal to one-half month's rent, as a standard;
- For tenants with conditional credit, limited rental histories, or other limiting factors: a security deposit equal to one-half month's rent with a cosigner, or a deposit equal to one month's rent;
- A set amount applied equally to all applicants that approximate one-half month's rent and one month's rent for standard and conditionally approved applicants, respectively (e.g. a \$500 standard security deposit and a \$1,000 security deposit for conditionally-approved applications);
- For units and/or tenants with rental payments guaranteed through an operating subsidy (e.g. Housing Choice Vouchers, VASH Vouchers, or Project-Based Vouchers): the lower or standard security deposit amount should be imposed, regardless of credit history

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 listing notifications 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

### 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 §.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 §. 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: \_\_\_\_\_

## ATTACHMENT D

### FEDERAL FUNDING REQUIREMENTS AND RESOURCES

#### A. Federal General Cross-Cutting Requirements

Proposals awarded federal funds will be required projects to meet these national, state and local regulatory requirements, where applicable:

1. Minimize negative environmental impacts, and comply with environmental review requirements under [24 CFR Part 58](#). Applicants must consult with CDD staff at the time of application to determine if a Phase 1 and Phase 2 Environmental Site Assessment will be required as well as language that must be included in any offer to purchase real property prior to acquisition or any choice limiting actions. The property must pass an environmental review, conducted by CDD, prior to receiving a formal commitment of federal funding. Activities neither exempt nor categorically excluded under [24 CFR Part 58](#) will require an environmental assessment, conducted by CDD, with a Finding of No Significant Impact prior to commitment of federal funding.
2. Affirmatively further fair housing, housing diversity, and housing choices.
3. Take affirmative steps to contract and/or ensure subcontracting with minority, women, and disadvantaged business enterprises (M/W/DBEs) consistent with [2 CFR Part 200.321](#).
4. Comply with the goals and requirements of the [City's Section 3 Program](#), which seeks to extend employment, training and contracting opportunities to low- and moderate-income people and businesses.
5. Promote affirmative action, non-discrimination and equal opportunity for all citizens.
6. Comply with physical accessibility standards.
7. Comply with Federal Fair Labor Standards (e.g., [Davis-Bacon Prevailing Wages](#)), if required.
8. Reduce lead paint hazards using certified inspectors, supervisors, workers and companies, as well as established lead safe work practices when required. All properties built prior to 1978 must undergo lead assessments.
9. Reduce hazards caused by asbestos and asbestos-containing materials, and/or remove asbestos and asbestos-containing materials, using certified asbestos abatement supervision and certified asbestos worker.
10. Minimize both the direct and indirect displacement of persons and/or businesses. Where applicable, the CDD will adhere to the State of Wisconsin Relocation Rights and Uniform Relocation Act procedures consistent with [49 CFR Part 24](#). Applicants must consult with CDD staff about relocation requirements for any occupied properties.
11. Design program operations to safeguard vulnerable populations, including, but not limited to, young children, youth, elderly, and people with disabilities.
12. Adhere to the constitutional and regulatory provisions of separation of church and state, and avoidance of public funding of inherently religious activities.
13. Notice regarding lobbying ordinance: A person or entity seeking approval of a development with more than 40,000 gross square feet of non-residential space, or a residential development with more than 10 dwelling units, or that is seeking assistance from the City of more than \$10,000 (this includes grants, loans, TIF, or similar assistance), is likely subject to Madison's lobbying ordinance, MGO sec. 2.40. That person or entity is required to register and report lobbying activities involving City officials. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000. Applicants may find more information on registering on the [City Clerk's website](#).



## B. Federal HOME and CDBG Requirements

Proposals awarded **HOME Investment Partnerships Program (HOME) or Community Development Block Grant (CDBG)** funds must comply with all the relevant funding source requirements. HOME-funded projects must comply with the regulations at [24 CFR Part 92](#), as amended. CDBG-funded projects must comply with the regulations at [24 CFR Part 570](#), as amended.

These federal requirements include, but are not limited to, the following:

1. Acquisition, construction, and/or rehab of rental housing using HOME or CDBG funds must maintain rents at or below specified HOME rent levels during the Period of Affordability.
2. All units in a rental project must serve households with incomes at or below 60% of Area Median Income (AMI) during the Period of Affordability.
3. In developments with five or more HOME-assisted units, at least 20% of HOME units must be designated as Low HOME rent units, where rent is restricted to the Low HOME rent limit published by HUD annually.
4. Housing must meet the all applicable City minimum housing standards and building codes. Rehabilitation projects assisted with HOME funds must also meet the [Community Development Division's Rehabilitation Standards](#).
5. HOME projects require a minimum of 25% matching funds from non-federal sources. Forms of eligible match are defined under [24 CFR 92.220](#).
6. HOME-funded projects will be subject to a Period of Affordability (POA) reflected in the HOME Land Use Restriction Agreement (LURA), the length of which is based upon the amount of HOME funds invested in the property and the use of those funds. The AHF POA will be reflected in the LURA recorded in first position ahead of the first mortgage, and will have a minimum compliance period to maintain affordability of 40 years.

Applicants may request a sample HOME Loan Agreement for more detailed information.

## C. Federal Funding Links and Resources:

[2022 HOME Rent & Income Limits](#) (City Resource): This document provides the current rent and income limits for projects seeking HOME funds.

[Community Housing Development Organization \(CHDO\) Application](#) (City Resource): An application for housing developers interested in renewing or applying for status as a certified CHDO with the City of Madison.

[24 CFR Part 92](#) (Federal Resource): Electronic Code of Federal Regulations for the HOME Investment Partnerships Program [24 CFR Part 570](#) (Federal Resource): Electronic Code of Federal Regulations for the Community Development Block Grants program.

[2 CFR Part 200.302 \(Financial Management\)](#) (Federal Resource): Part of the Electronic Code of Federal Regulations, it details uniform administrative requirements, cost principles and audit requirements for federal awards.

[2 CFR Part 200.303 \(Internal Controls\)](#) (Federal Resource): Part of the Electronic Code of Federal Regulations, it details uniform administrative requirements, cost principals and audit requirements for federal awards.