**Thurston County Public Health and Social Services**

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**Request for Information (RFI):**

**Affordable Housing New Construction and Preservation Funding Schedule 2025-2027**

February 2024

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# Overview

The Regional Housing Council (RHC) is requesting information about planned affordable housing projects from qualified agencies. Projects will be reviewed and considered for placement into a 36-month (three (3) year) affordable housing capital projects funding schedule (Affordable Housing Capital Pipeline). Through this Request for Information (RFI), the RHC intends to identify projects for placement onto the Affordable Housing Capital Pipeline (Pipeline) for the years 2025, 2026 and 2027.

The Pipeline provides the RHC with the ability to establish a schedule of planned new construction and preservation projects for affordable housing in the community and provide agencies facilitating these projects with a greater level of financial confidence necessary to move forward in securing other resources.

Agencies that have a project placed on the Pipeline will receive a “letter of preliminary commitment”. However, agencies will be required to submit a full project application during the year in which their project is scheduled for funding. To receive a funding award, applicants will need to demonstrate the proposed project remains feasible, meets funding eligibility requirements, and can be completed in a timely manner.

**Objectives**

The RHC has implemented the Pipeline to meet the following objectives:

* Prioritize new construction and preservation projects serving households with incomes in the range of 0% - 60% of Area Median Income (AMI);
* Provide agencies with greater financial confidence necessary to identify and leverage additional funding for affordable housing capital projects;
* Provide Thurston County and partner jurisdictions with a schedule of planned projects over a 36-month timeframe;
* Organize and prioritize capital projects to allow Thurston County and the service system to better align agency capital projects with affordable housing inventory needs.

**Funding Availability**

Potential funding sources that will comprise the resources available to Pipeline projects, include but are not limited to:

* Federal HOME Investment Partnership Program (HOME)
* Thurston County and City of Olympia local Home Fund (1/10th of 1% sales and use tax revenue)
* SHB 1406 revenue (state sales tax revenue pooled from Lacey, Olympia, Tumwater, Yelm and Thurston County)
* Local document recording fee revenue (SHB 5386 (formerly SHB 2060 and SHB 2163))

In total, the Regional Housing Council estimates that these funds will result in an estimated $6-8 million annually in funds for affordable housing capital projects. The actual amount available is subject to federal funding and sales tax collections. The Thurston Affordable Housing Advisory Board (TAHAB) anticipates allocating resources for the years 2025, 2026 and 2027 as follows:

* Up to 60% of annually anticipated funds will be conditionally awarded to projects that are placed onto the Pipeline through this RFI.
* At least 20% of anticipated funds will be held for projects that are not already on the Pipeline. This funding will be awarded through an annual Request for Proposal process issued the year in which the funds are available.
* 20% of annually anticipated funds will be placed into an Opportunity Fund which will be available for projects that primarily are categorized as an emergency or emerging and unexpected nature. Funds uses include acquisition of property, purchase of a manufactured home community by its residents, emergency repairs/rehabilitation to an existing project, or a funding match for a 4% Low Income Housing Tax Credit project, for example. The Opportunity Fund will be available on a rolling basis and will have its own application process.

Projects placed on the Pipeline will receive a preliminary funding commitment in an estimated amount. This amount is an estimate and subject to change based on funding availability and the demonstrated need of the project at the time of full application, which will be submitted via the Request for Proposals process occurring in the given year for which the project was placed onto the affordable housing capital pipeline.

Projects on the Pipeline will be asked to provide an annual confirmation that they intend to submit an application for funding in the year they were selected for the Pipeline. Projects that are unable or not ready to proceed during their Pipeline year, may either be switched to another year or dropped from the Pipeline, at the discretion of the TAHAB.

**RFI Response Timeline**

With input from members of the TAHAB, Thurston County has worked to develop the 36-month Affordable Housing Capital Pipeline and process for participation. The application to respond to this RFI is available in Appendix B.

Questions regarding this Request for Information should be directed to: Alex Persse, alex.persse@co.thurston.wa.us no later than March 22, 2024. All submission materials must be received by **Friday, April 5, 2024 by 12:00 p.m**. Materials received after this time will not be considered for placement onto the Pipeline. Materials should be delivered by e-mail to Alex Persse at alex.persse@co.thurston.wa.us. Applicants will receive an e-mail response confirming their submission. Hard copy submissions will not be accepted at this time.

# Agency Eligibility for Pipeline Consideration

Agencies which wish to be considered for placement onto the Affordable Housing Capital Pipeline must meet the basic criteria defined by the Washington State Housing Trust Fund Section 105:

Section 105 Eligibility Applicant

Organizations that may receive assistance under this chapter are local governments, local housing authorities, behavioral health organizations established under chapter 71.24, nonprofit community or neighborhood-based organizations, federally recognized Indian tribes in the state of Washington, and regional or state-wide nonprofit housing assistance organizations.  Eligibility for assistance under this chapter also requires compliance with the revenue and taxation laws, as applicable to the recipient, at the time the grant is made.

In addition, agencies must meet the following criteria:

1. Propose an affordable housing capital project in Thurston County focusing on the population making between 0% - 80% of Area Median Income.
2. Use funding to develop/support permanent affordable housing. Permanent housing means either ownership or rental housing. The tenant household must be offered at least a one-year lease.
3. Demonstrate that upon completion the project will cash flow, covering ongoing operations and maintenance expenses without the need for additional Regional Housing Council funding. Operations and maintenance do not include any services that may be provided to residences in addition to housing.

Agencies can submit multiple projects for consideration but must complete a separate application for each project.

# Importance to the Community

The Regional Housing Council (RHC), with input from the TAHAB, has determined not to establish specific funding priorities for projects considered for placement onto the Pipeline. Rather, the RHC seeks to support a number of eligible affordable housing projects offering a variety of housing types to a variety of target populations that meet the needs of low-income and vulnerable Thurston County households.

Project proposals will be considered within the following categories:

* Construction and acquisition of rental housing targeting populations with annual incomes of 80% or less Area Median Incomes
* Homeownership programs that support households with annual incomes of 80% or less of Area Median Income
* Preservation of affordable housing targeting populations with annual incomes of 80% or less Area Median Income.

# RFI Schedule

RFI key dates:

|  |  |
| --- | --- |
| February 23, 2024 | RFI made available |
| March 3, 2021 | Virtual Bidder’s Conference, 2pm via Zoom. <https://us06web.zoom.us/j/89138700371> |
| March 22, 2021 | Last day to ask questions to County staff about RFI |
| April 5, 2024 | Deadline for project submission(s) (all material) |
| April 22, 2024 | Project review and scoring completed by TAHAB |
| April 25, 2024 | TAHAB makes Pipeline placement recommendations |
| May 8, 2024 | Regional Housing Council approves Pipeline placement recommendations |

# RFI Related Questions / Clarifications / Submission

All ***questions*** related to this RFI and ***final submission materials*** should be submitted by e-mail no later than March 22, 2024 and directed to Alex Persse at alex.persse@co.thurston.wa.us.

A complete application submission will include answers to the above response components, an estimated development budget, and a projected operating pro forma statement, if applicable.

# Liabilities of Thurston County

This RFI is a request for information about potential affordable housing projects and no contractual obligation on behalf of Thurston County whatsoever shall arise from the RFI process.  Projects selected for placement in the funding schedule are subject to all rules and requirements associated with the funding source, which may include but is not limited to, project eligibility, underwriting and subsidy layering, environmental review, market analysis, cost reasonableness, cost allocation, and agency capacity review as well as affordability periods and recapture provisions. Projects placed in the Pipeline will not be awarded funds through a contract until it’s demonstrated via a response to an RFP in the year development is anticipated to occur that the project has its financing sources in place and will be underway within 12 months.

This RFI does not commit Thurston County to pay any cost incurred in the preparation or submission of any response to the RFI.

# Appendix A: Scoring Criteria

Thurston County staff will review applications to ensure minimum eligibility requirements are met. This will include a threshold review to ensure applications specify and include the minimum criteria listed under Agency Eligibility for Funding Schedule Consideration. The Thurston Affordable Housing Advisory Board will review applications and provide funding recommendations to the Regional Housing Council (RHC). The RHC will make a final determination of projects placed onto the Affordable Housing Capital Pipeline.

|  |  |  |
| --- | --- | --- |
| **Criteria #** | **Criteria** | **Points** |
| **1** | **Importance to the Community.** The project meets a need in the community. | 25 |
| **2** | **Project Design**. Clearly defined scope, goals, outcomes/performance measures, and plan for long-term financial sustainability | 15 |
| **3** | **Cost Effectiveness.** The total project cost is appropriate for the expected impact.  | 15 |
| **4** | **Partnerships and Collaborations**. Project formally collaborates with partner organizations to maximize impacts. | 5 |
| **5** | **Project Supports Vulnerable and Historically Disadvantaged Populations and Organization has Demonstrated Commitment to Equity**.  Project is accessible to persons with disabilities. Agency is actively engaging in processes aimed to reduce racial disparity in rental housing and homeownership. Agencies are providing training to ensure culturally competent services are provided to vulnerable and historically disadvantaged populations. Applicant agency is a by and for/culturally specific organization that serves and are substantially governed by marginalized populations including LGBTQIA and/or has senior leadership positions filled by persons who self-identify as Black, Indigenous, or Person of Color (BIPOC).  | 20 |
| **6** | **Financial Capacity and Project Sustainability.** Organization has the financial capacity and processes in place to successfully manage capital project financing requirements and the organization has demonstrated the project’s operations will be financially sustainable.  | 10 |
| **7** | **Responsive Application.** All relevant questions answered and information is responsive to the questions asked. | 5 |
| **8** | **Staff Capacity**. Evidence of qualified staff and capacity to manage project | 10 |
| **9** | **Timeliness.** Ready to begin project within 12 months of funding commitment and reasonable expectation to complete project within 36 months of funding commitment. | 10 |
|  | **Total Maximum Score**  | **115** |

# Appendix B: RFI Application

# Response Components

Thurston County is requesting information about planned affordable housing projects for consideration of placement into the Affordable Housing Pipeline. For placement consideration into 2025, 2026, or 2027 spots on the Pipeline, agencies must submit ALL the following information in the order outlined below. Responses with missing or incomplete information will not be considered for placement.

1. **Agency Information**

|  |  |
| --- | --- |
| 1. Name of the primary agency |  |
| 2. Contact for agency *(Name / Job Title / Email / Phone)* |  |
| 3. Name of the developer, if different than primary applicant |  |
| 4. Contact for developer*(Name / Job Title / Email / Phone)* |  |
| 5. Name of the operator, if different than primary applicant |  |
| 6. Contact for operator*(Name / Job Title / Email / Phone)* |  |

1. **Agency Qualifications**

If the applicant agency will not serve as the developer, answer each prompt in this section (Agency Qualifications) for both the proposed developer and the applying agency.

|  |  |
| --- | --- |
| 7. Include a statement of agency qualification based on Section 105 of the Washington State Housing Trust Fund. |  |
| 8. Include a statement of developer qualification based on Section 105 of the Washington State Housing Trust Fund. |  |
| 9. *Agency - Experience*Provide examples of up to three new construction or preservation projects completed since 2014 which provide housing to households with income levels at or below 80% of Area Median income and indicate if government funding was utilized. For agencies that are new to affordable housing development, provide a statement of why you seek to undertake development and how you will obtain the necessary capacity to successfully complete the proposed project. Include information about how qualified staff will be identified to manage the project.  |  |
| 10. *Developer - Experience*Provide examples of up to three new construction or preservation projects completed since 2014 which provide housing to households with income levels at or below 80% of Area Median income and indicate if government funding was utilized. For developers that are new to affordable housing development, provide a statement of why you seek to undertake development and how you will obtain the necessary capacity to successfully complete the proposed project. Include information about how qualified staff will be identified to manage the project.  |  |
| 11. *Operator – Experience*Describe the operator’s experience managing affordable housing that is comparable to the proposed project. This should include both experience in property management and service delivery as well as experience in maintaining financial sustainability. |  |
| 12. List any other partner agencies in this project, if applicable. Briefly describe their roles. |  |
| 13. Is your agency or any partner organization a By and For organization? If so, please list the agency and what population they serve. |  |
| 14. Describe how your agency is actively engaging and promoting processes intended to reduce racial disparity in rental housing and homeownership. Some examples of engagement may be providing training to employees to ensure culturally competent services are provided to vulnerable and historically disadvantaged populations; and/or employing people who are overly represented in the homeless crisis response system, such as those who self-identify as Black, Indigenous, or Person of Color (BIPOC), in senior leadership and other positions of power.  |  |
| 15. Describe how the proposed project will be accessible to persons experiencing a disability. |  |

1. **Project Details**

Use the following template to provide information for the project being proposed. Do not leave any fields blank. Fields correlating with information that is unknown should be completed by writing “to be determined” for the answer.

|  |  |
| --- | --- |
| 16. Project Name |  |
| 17. Provide a brief description of the proposed project including the project type and the anticipated area median income of the population served. |  |
| 18. Provide a statement of how the project will benefit the community. |  |
| 19. Provide an estimated timeline for the project. Include the approximate dates the project anticipates receiving other financing awards, date the project will break ground, duration of development or preservation period, date of project completion and the anticipated period of time in months between when the project is completed and when it will be fully leased or purchased.  |  |
| 20. *Requested Pipeline Placement*Indicate (Yes or No) whether your proposed project would accept a Pipeline placement for each available year. If a year is preferred, please indicate. If you indicate No, please provide a brief description why you’ve indicated this. | 2025:2026:2027:  |
| 21. *Location of Project* City/Jurisdiction: Address (if known):Zoning (if available): |  |
| 22. Is your organization a Community Housing Development Organization (CHDO)? (yes/no) |  |
| 23. *Current status of land*A – AcquiredI - Identified but not acquired. (estimate timeframe for acquiring land)U – Unknown (describe plan to identify and acquire land) |  |
| 24. *Current status of proposed project*C - ConceptD - Design/planningP - PermittingS - Shovel readyO - Other (provide details) |  |
| 25. *Primary type of project*M - Multi-Family RentalOH - Oxford HousingPSH - Permanent Supportive HousingS – Single Room OccupancySFO - Single Family (Ownership)SFR – Single Family (Rental)HO – HomeownershipR/P – Rehabilitation or PreservationO – Other (describe) |  |
| 26. Square footage of property |  |
| 27. Square footage of buildings |  |
| 28. Proposed number of total units  |  |
| 29. Estimated breakdown of proposed number of units by bedroom size |  |
| 30. Anticipated average development cost per unit |  |
| 31. Estimated development budget. Please attach budget as a separate document. |  |
| 32. Funding Request from the RHC.If a minimum award is required to secure leveraged funds, indicate the minimum funding amount required.  |  |
| 33. Do you have a projected Operating Pro Forma Statement? If so, please provide with submission of proposal. |  |
| 34. *Funding Sources- Development* List anticipated funding sources for development and the status of securing funds. Be sure to indicate whether the project will seek funding sources such as the Housing Trust Fund, Low Income Housing Tax Credits, or housing vouchers.  |  |
| 35. *Funding Sources - Operations* List anticipated funding sources for operations and the status of securing funds. Describe how operating funds will be sufficient for ongoing operations and maintenance.  |  |
| 36. *Target population of project* Will this project intentionally support vulnerable and historically disadvantaged populations? If so, describe the population(s) and how they will be supported. If the project is permanent supportive housing does it meet the state definition (RCW 36.70A.030(31)) of such? |  |
| 37. Intent of funding. Select all that apply.S – SeedB – Bridge (pre development)P – Primary (acquisition, construction or preservation)H- Homebuyer Assistance O - Other (provide details) |  |
| 38. List any services to be made available to target population. |  |
| 39. Will Coordinated Entry be used to fill units (yes/no)? If you indicate ‘no’ please provide a brief explanation of how units will be filled. |  |