



**COMMUNITY, HOUSING AND HUMAN SERVICES DEPARTMENT**  
 DAWN KINDER, DIRECTOR  
 808 W. SPOKANE FALLS BLVD  
 SPOKANE, WA 99201  
 509.625.6055  
 FAX 509.625.6315

## Community, Housing & Human Services Department

# MULTIFAMILY HOUSING PROGRAM FALL 2016 REQUEST FOR PROPOSALS (RFP)

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### CONTACT INFORMATION

Contact the following City of Spokane staff with any questions related to this RFP.  
 Paul Trautman, [ptrautman@spokanecity.org](mailto:ptrautman@spokanecity.org), (509) 625-6329  
 Melora Sharts, [msharts@spokanecity.org](mailto:msharts@spokanecity.org), (509) 625-6840 (after 7/20)  
 Community, Housing and Human Services (CHHS) Department  
 808 W. Spokane Falls Blvd, Spokane, WA 99201

### RFP SCHEDULE

|               |   |
|---------------|---|
| June 29, 2016 | RFP availability on the City of Spokane website <a href="https://my.spokanecity.org/chhs/funding-opportunities/multifamily-housing/">https://my.spokanecity.org/chhs/funding-opportunities/multifamily-housing/</a> and by email distribution to the CHHS Department Interested Parties List. |
| July 13, 2016 | Open house for property at 2413 E 7 <sup>th</sup> Ave. from 9-10 a.m.   |

|   |   |
|---|---|
| August 23, 2016   | <b>RFP Proposals are Due @ 5 p.m. in the CHHS office</b>                                  |
| August - October  | Staff review of applications, review and recommendations by Affordable Housing Committee. |
| November 2016   | CHHS Board meeting to review projects with advisory vote for City Council                 |
| 2017  | As projects are fully funded and documented, City Council votes on approval of projects   |
| <i>The City of Spokane reserves the right to revise the above schedule. Changes to this schedule will be posted on the CHHS Department website <a href="https://my.spokanecity.org/chhs/funding-opportunities/multifamily-housing/">https://my.spokanecity.org/chhs/funding-opportunities/multifamily-housing/</a>.</i> |   |

For the Multifamily Housing Program application materials, download them from the CHHS website or contact the CHHS Department. These include:

- Multifamily Housing Program Description
- Combined Funder Application (Word)
- Combined Funder Application Forms (Excel)
- City of Spokane Addendum (Word) – Read before completing application

**If you intend to submit an application, you are encouraged to contact Department staff to discuss your project as soon as possible.**

## ABOUT THE FUNDING

The **HOME Investment Partnerships Program, 24 CFR Part 92 ("HOME" – Catalog of Federal Domestic Assistance No. 14.239)** was created under Title 11 of the National Affordable Housing Act of 1990 and funds became available in 1992. The purpose of HOME is to expand the supply of permanent affordable housing for low-income and very low-income families and individuals. The City's Multifamily Housing Program makes loans to the owners of rental properties within the City limits, who agree to rent to low-income households at affordable rents for a number of years. HOME funds are used for the acquisition, rehabilitation, and/or construction of affordable rental properties. HOME funds cannot be used for building operations or tenant services. Over the last 21 years, about \$19 million in HOME funds and \$782,000 in other locally-administered funds have supported the development of projects with over 2,400 units of permanent and transitional housing, including almost 1,200 that are affordable to very low-income households.

## ELIGIBLE ACTIVITIES

Eligible projects must (1) increase the supply of rental housing affordable to low-income households, or (2) preserve existing affordable housing that is likely to be lost, when economically feasible. All units funded with HOME in the City's Multifamily Housing Program must benefit households with incomes at or below 50% of the Spokane area median income and the property must be located within the Spokane City limits. The affordability requirements remain on the property for 5 to 30 years. Rehabilitated housing must meet the City's "minimum Multi-Family Housing Rehabilitation Standard for HOME-Funded Properties. See the Multifamily Housing Program Description ("Program Description") and application materials for detailed information on eligible properties and costs.

## ELIGIBLE APPLICANTS

The following types of organizations are eligible to apply for funds:

- Nonprofit organizations;

- For-profit entities; and
- Housing authorities.

Applicants must be experienced in developing, owning, and managing rental housing projects that are similar to what they are proposing. A number of factors are considered, which are described in the Program Description.

Federal regulations require that at least 15% of the annual HOME allocation to the City be set aside for housing projects that are owned, sponsored, or developed by **Community Housing Development Organizations (CHDOs)**. A **CHDO** is a nonprofit organization that meets a variety of criteria outlined in the HOME regulations. HUD has specific requirements for CHDOs to qualify as the owner, sponsor, or developer. See the "Regulatory Guidelines for HOME Funds" in the Program Description for information on CHDOs. While the City has met the minimum CHDO set aside requirement for 2016, CHDOs are encouraged to apply.

## FUNDING PRIORITIES

The Multifamily Housing Program has distinct funding priorities, which must be consistent with the requirements of the federal funds and local plans and priorities. The review of projects includes factors, such as experience and capacity of the project team, the proposed project, alignment with the goals, objectives, strategies, and priorities of the program, and financial factors.

Projects must meet at least one of these Multifamily Housing Program priorities:

- housing units affordable to households with incomes at or below 30% of Area Median Income ("AMI");
- housing units that are affordable to households with incomes at or below 50% AMI and are located within a Target Investment Area and/or in areas designated as Centers and Corridors in the City's Comprehensive Land Use Plan;
- housing units with three or more bedrooms that are affordable to large families with incomes at or below 50% AMI; and/or
- housing units that provide Permanent Supportive Housing for chronically homeless.

Preference may be given to projects located in the Target Investment Areas that support the above priorities. This preference will apply only for applications that meet minimum eligibility, risk assessment, and underwriting requirements. There is more information on these priorities in the Program Description.

Residents of HOME-assisted units must meet the income eligibility requirements of the Program and incomes must be periodically verified to ensure ongoing compliance. The Program serves only households with incomes at or below 50% of the Spokane area median family income. See the HUD Income Limits section for the current Spokane area income limits.

## FUNDS AND CITY PROPERTY AVAILABLE

About **\$1,000,000** in HOME funds will be available for projects in this funding notice. The City must reserve funds for projects owned, sponsored, or developed by Community Housing Development Organizations ("CHDOs"), a designation for non-profits specializing in housing development that meet specific HOME requirements. The City has met its CHDO obligation, but encourages CHDOs to apply for non-reserved funds. The amount available may change, depending upon loan payoffs and/or funds recovered from projects that do not move forward.

The maximum amount of HOME funds available for a project depends upon the number and size of HOME units in the project and the affordability level that is committed. The minimum loan amount is \$75,000.

**Loan Limits for Units Affordable to Households  
at or below 50% and 30% of Area Median Income (AMI)**

| Unit size          | Units affordable to households ≤ 50% of AMI | Units affordable to households ≤ 30% of AMI |
|--------------------|---|---|
| 0-1 bedroom        | \$10,000 per unit                           | \$30,000 per unit                           |
| 2 bedrooms         | \$10,000 per unit                           | \$60,000 per unit                           |
| 3 or more bedrooms | \$75,000 per unit                           | \$100,000 per unit                          |
| 4 or more bedrooms | \$100,000                                   | \$120,000                                   |

This funding round also includes an opportunity for developers to propose affordable housing on a property owned by the City of Spokane (City) at 2413 E 7th Ave (APN 35214.0410). The City will make a loan under this program for development of rental housing on the lot. See the RFP Schedule for information on the open house and the Program Description for other information.

**HOW TO ACCESS AND SUBMIT AN APPLICATION**

Applications will be available beginning Wednesday, June 29, 2016. You may download it from the Community, Housing and Human Services department website <https://my.spokanecity.org/chhs/funding-opportunities/multifamily-housing/>, request it by email from [spokanechhs@spokanecity.org](mailto:spokanechhs@spokanecity.org), or call 509.625.6325 to request a copy by mail or to have it emailed. The application includes Word documents and Excel spreadsheets. Please read the instructions in the City Addendum before completing the application.

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**Application submission deadline is Tuesday, August 23, 2016 at 5:00 P.M.**

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All applications are due to the Community, Housing and Human Services Department by Tuesday, August 23, 2016 at 5:00 P.M. Deliver a printed copy and an electronic copy of the application to:  
 City of Spokane  
 Community, Housing & Human Services Department  
 808 West Spokane Falls Blvd., Rm. 650  
 Spokane, WA 99203-3339

You must still deliver the full application to the address shown above. Applications submitted after 5:00 P.M. on 8/23/16 will not be considered for funding. The City of Spokane reserves the right to waive minor administrative irregularities.

Organizations mailing proposals should allow normal mail delivery time to ensure timely receipt of their Proposals. Agencies assume the risk for their chosen method of delivery. The City assumes no responsibility for delays caused by any delivery service.

Applications are considered complete if they meet the following criteria:

- Application is submitted by the application submission deadline,
- All required application questions/sections are complete,
- Required attachments are submitted with the application packet,
- Application is signed and dated by the person authorized to legally bind the organization to

- a contractual relationship with the City of Spokane, and
- The application fee of 0.5% is paid.

## ASSISTANCE WITH THE APPLICATION

Individual technical assistance is available upon request. See the contact information at the beginning of this notice. Staff can clarify information or direct you to informational sources, but will not assist with preparation of your application or any of its attachments.

## APPLICATION REVIEW

This is a competitive application process for limited funding; therefore, applications that meet all criteria are not guaranteed an award of funds and successful applications may be funded for less than the amount requested.

Premature commitment or expenditure of funds for proposed activities is **prohibited**. Project costs will not be eligible for reimbursement if they have been committed or spent prior to Environmental Clearance completed by CHHS staff. Some costs that are not site-limiting may be reimbursable. See the Program Description for additional information.

All applications are reviewed and summarized by staff for further review by the Affordable Housing Committee and the CHHS Board. The process and selection factors are detailed in the Program Description. The CHHS Department sends letters of funding allocations to applicants. These letters contain conditions for the allocation, which must be met before the loan is documented, including funding from other sources. The allocation is conditioned upon the approval of the City Council. Selection by the AH Committee and the CHHS Board does not guarantee approval by the City Council. When the project is ready to proceed and has commitments for all funding, the CHHS Department sends the City's project documentation to the City Council for its consideration. At a public hearing, the Spokane City Council considers the recommended project. The Spokane City Council has the final authority for allocation of the funds. After City Council approval, the funding documentation is signed by the Mayor or his/her designee. The deed of trust and covenant agreement are recorded with the County and remain in place according to their terms.

## HUD INCOME LIMITS AND RENTS

The Spokane Area Median Family Income ("AMI") is determined periodically by the U.S. Department of Housing and Urban Development ("HUD") on the basis of state and local earnings data and is published for cities and counties. The AMI for Spokane County effective June 1, 2016 for the HOME program is \$64,500 for a four-person household. Under the City's Multifamily Housing Program, all HOME-assisted units must be rented to households with incomes at or below 50% of AMI.

### 2016 HOME Area Median Family Income

| NUMBER IN HOUSEHOLD | EXTREMELY LOW INCOME (BELOW 30% AMI) | VERY LOW INCOME (50% AMI) |
|---------------------|--------------------------------------|---------------------------|
| 1                   | \$13,200                             | \$21,950                  |
| 2                   | \$15,050                             | \$25,050                  |

|   |          |          |
|---|----------|----------|
| 3 | \$16,950 | \$28,200 |
| 4 | \$18,800 | \$31,300 |
| 5 | \$20,350 | \$33,850 |
| 6 | \$21,850 | \$36,350 |
| 7 | \$23,350 | \$38,850 |

### 2016 HOME Rents

|                        | SRO   | Efficiency | 1-bedroom | 2-bedroom | 3-bedroom | 4-bedroom | 5-bedroom | 6-bedroom |
|------------------------|-------|------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Fair Market Rent (FMR) | \$366 | \$488      | \$589     | \$789     | \$1,143   | \$1,263   | \$1,452   | \$1,642   |
| 30% of 50% Rent        |       | \$488      | \$589     | \$726     | \$838     | \$936     | \$1,032   | \$1,128   |
| 30% of 30% Rent        |       | \$330      | \$353     | \$423     | \$489     | \$546     | \$602     | \$657     |

**AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION:** The City of Spokane is committed to providing equal access to its facilities, programs, and services for persons with disabilities. Individuals requesting reasonable accommodations or further information may call, write, or email Christine Cavanaugh at [ccavanaugh@spokanecity.org](mailto:ccavanaugh@spokanecity.org), 808 West Spokane Falls Boulevard, Spokane, Washington, 99201; or (509) 625-6383. Persons who are deaf or hard of hearing may contact Ms. Cavanaugh at (509) 625-6383 through the Washington Relay Service at 7-1-1. Please contact the City forty-eight (48) hours before the meeting date.

**EQUAL CREDIT OPPORTUNITY ACT INFORMATION:** The federal Equal Credit Opportunity Act (ECOA), 15 U.S.C. 1691 et seq., prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex or marital status, or age (provided the applicant has the capacity to contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is the Consumer Response Center, Federal Trade Commission, 600 Pennsylvania Ave, NW, Washington, D.C. 20580. For information regarding the ECOA, see [http://www.justice.gov/crt/about/hce/housing\\_ecoa.php](http://www.justice.gov/crt/about/hce/housing_ecoa.php).

**EQUAL HOUSING OPPORTUNITY INFORMATION:** The City is pledged to the letter and spirit of U.S. policy for the achievement of equal housing opportunity throughout the Nation. The City encourages and supports an affirmative advertising and marketing program in which there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, or national origin.

**WASHINGTON LAW AGAINST DISCRIMINATION INFORMATION:** We do business in accordance with the Washington Law Against Discrimination, RCW 49.60, which prohibits discrimination on the bases of race, color, creed, national origin, disability, HIV/Aids and Hepatitis C status, use of guide dog or service animal, sex, marital status, age (employment only), families with children (housing only), sexual orientation/gender identity, and honorably discharged veteran or military status.