



## Community, Housing, and Human Services Department (CHHS)

# 2020 HOME MULTIFAMILY HOUSING PROGRAM REQUEST FOR PROPOSALS (RFP)

### CONTACT INFORMATION

Contact the RFP Coordinator with questions or to schedule a pre-application meeting to discuss your project.

Physical & Mailing Address: City of Spokane  
(*mail your application here*) Community, Housing, and Human Services Department  
808 W. Spokane Falls Blvd #650  
Spokane, WA 99201

RFP Coordinator: Paul Trautman, Program Manager  
(*email your application here*) [ptrautman@spokanecity.org](mailto:ptrautman@spokanecity.org) or (509) 625-6325

**This RFP offers approximately \$2,250,000 HOME funds available to all applicants.**

Download the Funding Request for Proposals, questions, & Excel spreadsheets at:  
<https://my.spokanecity.org/chhs/funding-opportunities/multifamily-housing>

### TIMELINE

July 2020	Multifamily Housing Program NOFA Released.
<b>July 9, 2020 at 10:00 AM</b>	<b>WebEx Q&amp;A Workshop</b> *Direct your browser to this WebEx Meeting Room: <a href="https://spokanecity.webex.com/join/ptrautman">https://spokanecity.webex.com/join/ptrautman</a> *Or email <a href="mailto:ptrautman@spokanecity.org">ptrautman@spokanecity.org</a> for invitation *Or Join By Phone: 1 (408) 418-9388 Access Code: 967 978 288
<b>October 1, 2020 at 5:00 PM</b>	<b>Applications are due via email to CHHS.</b> <b>Late submittals will not be accepted.</b>
October 2020 (approximate)	Applications reviewed.
November 2020 (approximate)	Funding recommendations to CHHS Board.

*The City reserves the right to revise the above schedule. Changes to this schedule will be posted at*  
<https://my.spokanecity.org/chhs/funding-opportunities/>



## INTRODUCTION

The federal government, via the US Department of Housing and Urban Development (HUD), provides HOME funds to communities who will create affordable housing for lower-income families. The City of Spokane's Multifamily Housing Program loans HOME funds to for-profit and nonprofit housing developers who will acquire, rehabilitate, and/or construct rental housing within the City of Spokane that is affordable to households at or below 60% of Area Median Income (AMI). Housing developers must apply for HOME funding and that application must include at least one HOME-assisted unit that meets at least one of the Funding Priorities described later in this RFP.

This program provides HOME funds as "gap financing" which is the gap between total development costs and owner's funds plus available financing. Owner funds must equal at least 10% of total development costs or 10% of appraised value, whichever is less. Owner's funds can include cash, land value, granted funds, tax credits, or other cash-like contributions. The amount of HOME gap financing cannot exceed the Maximum HOME Funds described later in this RFP. CHHS will underwrite all applications to assess project feasibility, reasonableness, capacity, and financing among other criteria. HOME funding awards are made by a citizen board and City Council.

A HOME-funded project must provide a certain number of HOME-assisted rental units that are subject to HOME Affordability Requirements. These requirements include a maximum monthly rent and maximum tenant income for a Period of Affordability. HOME loans are either partially repaid or fully forgiven depending on the extent of HOME Affordability Requirements selected.

Projects can offer all or a portion of project's housing units as HOME units. The number of HOME units depends upon both the amount of HOME funds provided and proportion of HOME funds to total project funds. HOME units can be "fixed" as specific units or "float" between all project units, provided that HOME units are comparable in size and amenity to other project units.

Please study the full RFP to improve your opportunity to succeed in this funding competition.

Notable **new items** in this RFP include:

- The maximum HOME funding limits are increased (see Appendix, Table 1)
- HOME financing is now available for 60% AMI units

## FUNDING PRIORITIES

A successful applicant must propose at least one HOME unit that meets at least one of the following Multifamily Housing Program Funding Priorities. Projects providing senior and/or disabled rental housing are encouraged.

- Housing units affordable to households with incomes at or below 30% of Area Median Income<sup>1</sup> ("AMI")
- Housing units that are affordable to households with incomes at or below 50% AMI and are located within a Target Investment Area (<https://my.spokanecity.org/economicdevelopment/target-areas/>) and/or City- designated Center and Corridor (<https://my.spokanecity.org/business/planning/centers-and-corridors/>)
- Housing units with three or more bedrooms that are affordable to large families with incomes at or below 50% AMI

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<sup>1</sup> Projects should not commit more than one half of all project units to 30% AMI affordability to preserve sustainable project cash flow throughout the Period of Affordability without reliance on operating cost subsidies.

## FUNDING AVAILABLE

This RFP offers approximately **\$2,500,000** HOME funds to all applicants. No funds are reserved for CHHS-certified Community Housing Development Organizations (CHDO), which is a nonprofit with on-staff capacity to own, sponsor, and/or develop affordable rental housing. This RFP offers HOME funds (CFDA 14.239, 24 CFR Part 92) that CHHS may combine with Community Development Block Grant (CDBG) funds (CFDA 14.218, 24 CFR Part 570), if available and appropriate.

Applicants must request at least \$75,000. Applicants should not request more HOME funds than are necessary to complete the project. Requested HOME funds cannot exceed the Maximum HOME Funds (See Appendix, Table 1), which is a maximum HOME loan amount for each HOME unit based upon bedroom size and 30%, 50% or 60% AMI affordability. The largest HOME loan and loan forgiveness amounts are available to HOME units with large bedroom sizes and HOME units serving 30% AMI renters.

## THE HOME LOAN

HOME loans are offered as a deferred payment loan accruing 3% interest, and compounding monthly. Projects can repay debt at any time although repayment during the HUD Period of Affordability shall not extinguish Housing Affordability Requirements. Loans cannot be sold, leased, or transferred without prior written consent. LIHTC projects should request preapproval for any planned ownership transfer. HOME loan balances may be partially repaid or fully forgiven over the Period of Affordability.

These loans are partially repaid:

HOME funds attributed to 60% AMI and 50% AMI units have one-half of the loan repaid and one-half of the loan eligible for forgiveness. For the repaid portion, interest accrues at 3% interest compounding monthly (approximately 3.4% APR) where payments can be deferred for 1 year from loan closing followed by monthly payments fully amortized over the remaining 5 to 20 year HUD Period of Affordability. For the forgiveness portion, payments are deferred with 3% interest compounding monthly over the 5 to 20 year HUD Period of Affordability which is followed by forgiveness of principal and accrued interest as “negative amortization” over the 10-year City Period of Affordability, provided full compliance with HOME Affordability requirements.

These loans can be fully forgiven:

HOME funds attributed to 30% AMI units have deferred payments with 3% interest compounding monthly during the 5 to 20 year HUD Period of Affordability which is followed by forgiveness of principal and accrued interest as “negative amortization” over the 10-year City Period of Affordability, provided full compliance with HOME Affordability requirements.

Loan forgiveness may require payment of State Prevailing Wages and forgiven principal may be IRS taxable.

## HOME AFFORDABILITY REQUIREMENTS

The application must designate one or more HOME units in the project. HOME units must have an identified bedroom size and maximum 60%, 50%, or 30% AMI restriction with corresponding maximum HOME rent to be maintained over the Period of Affordability. HOME maximum incomes and rents are found in Appendix, Table 3 and are revised by HUD once annually. A HOME unit will have a maximum tenant income and HOME rent.

The maximum tenant income is the gross income of all adult occupants of a HOME unit. A project owner or manager must document tenant eligible to occupy a HOME unit by collecting 2 months tenant income documentation showing initial gross household income at or below the 60%, 50%, or 30% AMI designation for each HOME unit.

The maximum HOME rent is a gross rent that includes all utilities for a HOME unit of a specific bedroom size (1-bedroom, 2-bedroom, etc.). Any tenant-paid gas, electric, and/or municipal utility expense must be deducted from that maximum HOME rent. The amount of the tenant-paid utility deduction is either the estimated cost using the HUD Utility Schedule Model (<https://tools.huduser.gov/husm/uam.html>) or actual cost as documented by the project and approved by CHHS. Note that units receiving federal or state Project-Based Rent Assistance are allowed to collect the maximum rent allowed by that program without regard to maximum HOME rent.

A HOME-assisted unit must be rented to a tenant with gross annual income not exceeding the maximum tenant income at a rent not exceeding the maximum HOME rent. For a 60% HOME unit, tenant income cannot exceed the 60% AMI gross annual income at initial occupancy and rent cannot exceed the “30 of 60” maximum HOME rent less any tenant-paid utilities. For a 50% HOME unit, tenant income cannot exceed the 50% AMI gross annual income at initial occupancy and rent cannot exceed the “30 of 50” maximum HOME rent less any tenant-paid utilities. For a 30% HOME unit, tenant income cannot exceed 30% AMI gross annual income at initial occupancy and rent cannot exceed the “30 of 30” maximum HOME rent less any tenant paid utilities. Over time, tenants of HOME units can have incomes that increase above the designated 60%, 50%, or 30% AMI without triggering HOME noncompliance provided that the next vacant HOME-eligible unit is made available to a qualified tenant at the original maximum tenant income and maximum HOME rent.

Single Room Occupancy (SRO), Group Home, and Transitional Housing are special housing types. An SRO is an independent living unit that contains only a kitchen, only a bathroom, or neither a kitchen nor bathroom. SRO maximum HOME rent is 75% of Fair Market Rent for an Efficiency (studio) unit. A Group Home is typically housing designated for 2 or more elderly or disabled occupants who have a private space and share common facilities. Group HOME rent is Fair Market Rent divided equitably among occupants but each occupant individually income qualifies as a 1-person household. Transitional Housing is housing plus tenant transitional services with a specified tenant transitional occupancy period.

## **PERIOD OF AFFORDABILITY**

HOME units must comply with HOME affordability requirements for a Period of Affordability. The Period of Affordability begins at Project Completion and consists of a HUD period followed by a City period (see Appendix, Table 2). The HUD Period of Affordability is 20 years for newly constructed projects and 5 to 15 years for acquired/rehabilitated projects based on the amount of HOME funds divided by the number of HOME units. Note that HOME funds used in conjunction with an FHA-insured mortgage will have a HUD Period of Affordability equal to the term of the FHA-insured mortgage. During the HUD Period of Affordability, no additional HOME funds can be contributed to the project and loan repayment shall not extinguish HOME affordability requirements. The City Period of Affordability extends 10 years beyond the applicable HUD Period of Affordability. During the City Period of Affordability, loan balances may be eligible for forgiveness and loan repayment can extinguish HOME affordability requirements.

## **ELIGIBLE APPLICANTS**

Eligible applicants include individuals, for-profit organizations, nonprofit organizations, housing authorities, and Faith Based Organization where explicitly religious activities are excluded from the project. The applicant must demonstrate development team experience and financial viability as housing developer, owner, and property manager in compliance with federal and local requirements. Nonprofits receiving more than \$750,000 in federal funds in its fiscal year must provide its most recent financial audit.

## **ELIGIBLE ACTIVITIES & EXPENSES**

Eligible projects increase the supply of affordable rental housing by constructing new housing; acquiring existing housing to preserve and extend quality affordable housing; and/or rehabilitating housing to improve and extend quality affordable housing. HOME units will remain affordable for the Period of Affordability. At least one HOME unit must meet at least one of the Multifamily Housing Program Funding Priorities. This RFP provides HOME funds for HOME units at the 60% AMI Affordability Requirement although, at minimum, at least 20% of HOME units must meet the 50% AMI or 30% AMI Affordability Requirement. This RFP prioritizes HOME units at the 30% AMI Affordability Requirements.

Eligible expenses are both hard and soft costs related to rental housing acquisition, rehabilitation, and/or new construction. This includes costs for work on the project site, necessary utility connections, and professional services incurred 12 or fewer months prior to the HOME loan.

Note these special considerations if your projects involves housing acquisition and/or rehabilitation.

- The Uniform Relocation Act (URA) may cause additional project costs and obligations. Seller and existing tenants must receive specific notices. Existing tenants cannot incur rent increases that exceeds 30% of gross household income for one year following Project Completion. Existing tenants over 80% AMI may be “Displaced” with payments as dictated by URA.
- Projects with 26 or more total units must have a current Capital Needs Assessment (CNA) that assesses the remaining useful life of all major systems. All repairs recommended during the HUD Period of Affordability must be completed as part of this project or completed over time using adequately funded (excluding HOME funds) replacement reserves.
- CHHS Multifamily Housing Rehabilitation property standards must be met.
- Projects constructed before 1978 must undergo a certified Lead Inspection and Risk Assessment. Lead-based paint repairs must be performed by specially certified workers followed by Clearance testing.

## **NOT-ELIGIBLE EXPENSES, HOUSING TYPES, ACTIVITIES, & TENANTS**

Not-eligible expenses include offsite improvement, operations, furnishings, non-housing (commercial or principal place of worship) improvements, delinquent fees, services, and refinancing permanent debt. CHHS may reject expenses incurred prior to HOME funding commitment.

Not-eligible housing types include dormitory, shelter, nursing home, halfway house, and housing where participation in tenant services is mandatory.

Not-eligible activities include excess HOME subsidy and premature onsite work. No more than one-half of all units in a project should be committed as 30% HOME units to preserve project financial viability. Total project financing cannot exceed total project costs. CHHS cannot commit or expend HOME funds to a project that proceeds with onsite work or site limiting activity prior to a CHHS-completed NEPA environmental review.

Not-eligible tenants include over income, student, and related party occupants. Occupants over 80% AMI are not eligible to occupy a HOME unit. Student households under age 24 are not eligible unless the student is independently eligible or a member of an income eligible household or a veteran, married, or has a dependent child. Family, agents, and employees (excluding any onsite manager) of the project’s owner or consultant pose a conflict of interest and are not-eligible tenants.

## SUBMITTING THE FUNDING APPLICATION

Applicants must complete the HOME funding application found at <https://my.spokanecity.org/chhs/funding-opportunities>. Site control (ownership, purchase agreement, etc.) of all project sites is required at time of application. Any funding allocation may be reversed if site control is lost. Applicants can submit more than one application but should prioritize among its applications in case all applications are not funded. There is a nonrefundable application fee of 0.5% of requested HOME funds for each application submitted. Less experienced applicants are encouraged to collaborate with experienced partners or consultants although all development expertise should not come from consultants.

A complete application includes:

- A HOME-eligible project with HOME-eligible expenses
- A HOME funding request for at least \$75,000 but not exceeding the Maximum HOME Funds
- Evidence of site control for all project property locations
- A development budget demonstrating full project funding and at least 10% owner's contribution
- An operating proforma demonstrating a financially viable project for the Period of Affordability
- All questions and forms are complete
- Paid application fee of 0.5% of requested HOME funds

Applications are due by the RFP deadline shown above. Email one electronic copy with electronic signatures to the "RFP Coordinator" at [ptrautman@spokanecity.org](mailto:ptrautman@spokanecity.org). This emailed application is not guaranteed as received by the RFP deadline unless acknowledged by a CHHS emailed reply. Note that email attachments are limited to 10 MB. Separately, submit one printed copy and check with application fee by mail to the CHHS address shown on page 1 above. Faxed applications are not accepted.

## PROJECT SELECTION

This is a competitive application process. CHHS underwrites complete applications and considers the following.

- Developer is Capable: demonstrated relevant experience including public funding; adequate financial capacity including owner's equity investment in the project and/or leverage of other project funds; demonstrated financial stability including no unresolved bankruptcy; identified any plan to change ownership; and consideration of applicable federal requirements.
- Manager is Capable: demonstrated relevant experience including federal compliance; understanding leasing and monitoring requirements; complete operating budget including onsite and off-site management costs; and written management and tenant selection plan(s).
- Project Development is Reasonable: Development costs are complete, necessary, and reasonable; project budget shows total funding equals total uses, includes reasonable HOME funding, includes other financing where financially feasible, and identifies owner's equity of at least 10% of the lesser of total development costs or appraised value; proposed costs are HOME-eligible; development timeline shows timely financing, construction start within 6 months of full funding, reasonable construction period, timely HOME draws, and full occupancy within 6 months of project completion; HOME unit rents are within the maximum HOME rents; HOME units are proportionate to HOME funds requested and comparable to other project units; adequate reserves are planned and funded; cash flow is dedicated to preserving quality and viable housing; and project cash flow is sufficient to sustain the project

throughout the period of affordability without unreasonable return to the owner. Note that CHHS may require documents for other financing and construction contracts. CHHS may require a project to provide a third-party cost analysis.

- Fees are Reasonable: Management fees are less than 10% of effective gross income. Developer fees are reflective of work undertaken, paid at project completion, and less than 15% of total development costs excluding reserves.
- Housing Plan is Reasonable: Housing demand is demonstrated and vacant unit absorption rate is reasonable; location is desirable with access to public transit, jobs, and services; any tenant-population restriction is reasonable and supported; any rent or operating subsidy is committed and not required beyond the term of a written agreement; and services and services provider are adequate, appropriate, and committed.
- Project is Compelling: serves high-need renter population; location benefits low-income renters; creates large number of affordable housing units; and/or significant leverage of equity or other funding.

A citizen board makes funding recommendations, CHHS provides a letter describing funding conditions, and City Council awards HOME loan contracts. A HOME commitment may be revoked and/or expenses declared not-eligible if onsite work or project expenses occur prior to City Council award and CHHS notice to proceed.

## **THE HOME DEVELOPMENT PROCESS**

Projects receiving HOME funds will proceed through these development process steps.

- Funding Commitment and Loan Documentation: The borrower must have an active DUNS number and SAM.gov account. HOME funds are Committed after CHHS completes a NEPA environmental review, City Council awards the loan contract, and all project financing is closed. The borrower must pay a HOME loan documents preparation fee estimated at \$4,000 which is an eligible project expense. HOME loan documents include a Covenant Agreement recorded in a lien position superior to all financial liens; Deed of Trust recorded in a lien position superior to any loan to/from the owner or developer; loan agreement; Promissory Note(s), and perhaps a lenders priority agreement. Once the loan is executed, the project shall deliver all HOME units for the Period of Affordability.
- HOME Disbursements: CHHS disburses HOME funds to reimburse planned and eligible project costs. Progress and final inspections must be performed. CHHS may reduce the HOME loan or require additional property improvements if project savings or new project funding is later identified. Developer fee and 10% retainage will be held until project Completion.
- Project Completion: A project is Complete when construction is completed, all funds are disbursed, federal compliance requirements (including prevailing wage documentation) are satisfied, property standards are met, building permits are final, CHHS approves the project, owner accepts the work, and CHHS completes the project in HUD IDIS. The Period of Affordability begins at Project Completion.
- Affordable Housing Delivery: HOME units must be occupied by renters who are at/below the applicable HOME maximum tenant income and rent within 6 months of project Completion or an enhanced marketing plan is required. HOME units not occupied by eligible tenants at eligible rents within 18 months of project Completion are in default and incur severe penalties.



The project follow written tenant selection procedures including maintaining an applicant wait list and leasing vacant HOME units to the first HOME-eligible renter in chronological order of application. Leases must be between the HOME unit occupant and project owner, must be offered for 12-months (except for transitional housing or by mutual agreement of the occupant and owner), and cannot contain HUD prohibited lease terms at 24, CFR 92.253. Projects may not terminate or not renew a lease except for serious or repeated violations of the lease or law. Lease termination and rent increases are subject to advance written notice. Tenants cannot be required to participate in services except for bona fide Transitional housing.

## PERIOD OF AFFORDABILITY ANNUAL MONITORING

CHHS annually monitors HOME Affordability requirements throughout the Period of Affordability. Monitoring includes project's submitting annual documentation of tenant income, unit rent, project financial, and hazard insurance documentation plus periodic onsite inspection and tenant income verification.

In the first project year, the project will verify tenant income eligibility by providing 2 months of household income documentation for each HOME unit. The project will again verify tenant income eligibility when leasing HOME units to new tenants as well as every 6<sup>th</sup> project year. In intervening years, the project will provide an Occupancy Summary listing current HOME unit tenant incomes and rents taken from tenant self-certifications.

Every 3 years, CHHS will physically inspect HOME-assisted units for compliance with Housing Quality Standards or HUD's modified UPCS property standard (HUD has not yet published this modified UPCS standard). The City will distribute HUD-updated HOME maximum income and rent limits once yearly.

## OTHER FEDERAL REQUIREMENTS

HOME funds impose these government-wide regulations that commonly impact projects.

**Prevailing Wages:** HOME projects can be subject to State and/or Federal (Davis-Bacon) prevailing wages.

- State prevailing wages apply when a project receives any federal, state, or local government grant. Any project expected to receive any HOME funding forgiveness (a grant) is subject to state prevailing wages. All contractors and subcontractors must file a Statement of Intent and Affidavit of Wages Paid with LNI. All construction workers must be paid at least the state Residential Prevailing Wage, except that projects having more than 4 stories or any commercial component must pay Commercial Prevailing Wages.
- Federal (Davis-Bacon) wages apply if a project includes 12 or more HOME units (CDBG funds trigger Davis-Bacon at 8 or more units in project). All contractors and subcontractors must submit weekly certified payrolls for CHHS review and approval. All construction workers must be paid at least the federal residential prevailing wage, except that projects having more than 4 stories or notable commercial component must pay Commercial prevailing wages. Construction work in the right-of-way is typically at the Heavy and Highway prevailing wage.
- If both State and Federal prevailing wage are triggered then projects must pay the higher of these two wages and submit paperwork required by each.

**Construction Bidding:** Projects are expected to competitively procure construction contracts and/or subcontracts for cost-effective construction. Projects will invite at least 3 Minority or Women Owned Businesses (M/WBE) and Section 3 Business Concerns to submit bids. An M/WBE business is at least 51% owned



by a woman(en) who is actively involved in day-to-day management. A Section 3 Business Concern is at least 51% low-income owned, at least 30% of employees are low income, or at least 25% of work is subcontracted to businesses meeting the previous criteria. CHHS can provide a list of M/WBE and Section 3 businesses. Projects cannot employ contractors identified as “debarred” on the website SAM.gov.

**CHDO:** A portion of HOME funds is reserved for projects owned, sponsored, or developed by Community Housing Development Organizations (CHDO), a CHHS-certified nonprofit having on-staff capacity to own, sponsor, and/or develop affordable rental housing. A CHDO must separately apply to the City for recertification prior to receiving any HOME funding. Only a CHDO can receive CHDO set-aside funds, although a CHDO can also compete for the balance of available HOME funds.

**Handicap Accessibility:** HOME projects must increase housing accessibility per federal Fair Housing Act and Section 504, as follows.

Newly constructed housing having 4 or more units in a building must meet Fair Housing requirements of an accessible route to and through all housing units on the ground floor and common spaces as well as any elevator-served housing unit and common area. Newly constructed housing having 5 or more units must also meet Section 504 requirements of all common areas fully accessible, all ground floor dwelling units ADA Type B “visit-able”, at least 5% of total dwelling units ADA Type A fully handicap accessible, and at least 2% of total dwelling units accessible/adaptable to the hearing or vision impaired. These ADA specifications will be replaced by UFAS requirements, when updated by HUD in 2019 or later. Multistory townhouses without an elevator are not subject to these requirements.

Rehabilitated projects having 15 or more units must meet Section 504 requirements of increasing accessibility within the planned scope of work except that substantial rehabilitation projects where project costs exceed 75% of after-rehab project value must meet the Section 504 new construction standards.

**Fair Housing:** Projects are subject to both state and federal Fair Housing laws. Projects shall not refuse to offer, rent, or otherwise deny housing to any person because of sex, marital status, race, creed, color, national origin, religion, disability, sexual orientation/gender identity, families with children, presence of any sensory, mental or physical disability, use of a trained dog guide or service animal by a disabled person, honorably discharged veteran, or military status. Projects shall not refuse to accept rent assistance certificates or vouchers.

**Affirmative Marketing:** Projects must make special outreach by advertising vacancies to persons who are not likely to apply for housing without special outreach. Special outreach includes advertising vacancies with the Spokane Housing Authority, displaying the Equal Housing Opportunity logo in advertising, and displaying the Fair Housing poster. Projects with 5 or more units will submit a HUD 932-2a affirmative marketing plan available at <http://portal.hud.gov/hudportal/documents/huddoc?id=935-2a.pdf>.

**Lead-Based Paint:** Housing constructed before 1978 must complete certified paint inspections and provide certain HUD/EPA tenant notice and disclosure. Maintenance or repair that disturbs known/suspected lead paint must use Safe Work Practices.

**Uniform Relocation Act (URA):** Seller and existing tenants must receive specific notices. Existing tenants cannot incur rent increases that exceeds 30% of gross household income for one year following Project Completion. Existing tenants over 80% AMI or otherwise deemed ineligible to remain in the project may be “Displaced” with tenant relocation payments dictated by URA. URA may also require temporary tenant relocation at project expense during intrusive rehabilitation. The project will pay all URA expenses.

**National Environmental Policy Act (NEPA):** CHHS will perform NEPA environmental review assessing project impact upon certain federal environmental laws. NEPA review must be complete prior to HOME funds Commitment and/or starting onsite work or CHHS must withdraw all HOME funding.

## **GENERAL INFORMATION**

### **PROPRIETARY INFORMATION / PUBLIC DISCLOSURE**

Materials submitted in response to this competitive process shall become the property of the City. All requests for information should be directed to the RFP Coordinator

All applications received shall remain confidential until the award of contract recommendation has been filed with the City Clerk for City Council action. Thereafter, the Applications shall be deemed public records as defined in RCW 42.17.250 to 42.17.340, "Public Records."

Any information in the application that the applicant desires to claim as proprietary and exempt from disclosure under the provisions of state law shall be clearly designated. Each page claimed to be exempt from disclosure must be clearly identified by the word "Confidential" printed on it. Marking the entire application exempt from disclosure will not be honored.

The City will consider an applicant's request for exemption from disclosure; however, the City will make a decision predicated upon state law and regulations. If any information is marked as proprietary in the application, it will not be made available until the affected applicant has been given an opportunity to seek a court injunction against the requested disclosure.

### **REVISIONS TO THE RFP**

In the event it becomes necessary to revise any part of this RFP, addenda will be posted on the Community, Housing, and Human Services Department website. Applicants are encouraged to monitor the website for any changes and/or notifications. Also, the City reserves the right to cancel or to reissue this RFP in whole or in part prior to final contract award.

### **RESPONSIVENESS**

All applications will be reviewed by the RFP Coordinator or designee to determine compliance with administrative requirements and instructions specified in this RFP. The applicant is specifically notified that failure to comply with any part of the RFP may result in rejection of the application as non-responsive. The City reserves the right at its sole discretion to waive minor administrative irregularities.

### **MINORITY & WOMEN-OWNED BUSINESS PARTICIPATION**

The City encourages participation in all of its contracts by firms certified by the Washington State Office of Minority and Women's Business Enterprises (OMWBE). Applicants may contact OMWBE at (360) 753-9693 to obtain information on certified firms.

### **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 Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or [msteinolfson@spokanecity.org](mailto:msteinolfson@spokanecity.org). Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

## **MOST FAVORABLE TERMS**

The City reserves the right to make an award without further discussion of the application submitted. Therefore, the application should be submitted initially on the most favorable terms which the Applicant can propose. There will be no best and final offer procedure. The City does reserve the right to contact an applicant for clarification of its application. The City reserves the right at its sole discretion to reject any and all applications received without penalty and to not issue awards as a result of this RFP.

## **AGREEMENT TERMS**

### **CITY OF SPOKANE BUSINESS LICENSE**

Persons / firms doing business in the City or with the City must have a valid City of Spokane business license. Questions may be directed to the Taxes and Licenses Division at (509) 625-6070.

### **ANTI-KICKBACK**

No officer or employee of the City of Spokane, having the power or duty to perform an official act or action related to contracts resulting from this RFP shall have or acquire any interest in the contract, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in the contract.

### **ASSIGNMENT**

Applicant shall not assign, transfer or subcontract its interest, in whole or in part, without the written consent of the authorizing official for the City of Spokane.

### **NON-WAIVER**

No delay or waiver, by either party, to exercise any contractual right shall be considered as a waiver of such right or any other right.

### **SEVERABILITY**

In the event any provision of a resulting contract should become invalid, the rest of the contract shall remain in full force and effect.

### **DISPUTES**

Any contract resulting from this RFP shall be performed under the laws of Washington State. Any litigation to enforce said contract or any of its provisions shall be brought in Spokane County, Washington.

### **NONDISCRIMINATION**

No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities.

### **LIABILITY**

The applicant will be considered an independent contractor and the Agency, its officers, employees, agents or subcontractors shall not be considered to be employees or agents of the City. The Agency shall defend, indemnify and hold harmless the City from all loss, liability, damage, death or injury to any person or property arising from the performance or omission of the Agency, its agents or employees, arising directly or indirectly, as a consequence of this contract.

**INTERNAL AUDITING CONTROL**

The applicant shall establish and maintain a system of internal accounting control which complies with applicable generally accepted accounting principles and governmental accounting and financial reporting standards. A copy of the applicant's most recent audited financial statement shall be kept on file in the Community, Housing, and Human Services Department. The City has the right to supervise and audit the finances of the Agency to ensure that actual expenditures remain consistent with the spirit and intent of any contract resulting from this RFP. The City of Spokane and/or its funding agencies and auditors may inspect and audit all records and other materials and the Agency shall make such available upon request.

**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 basis 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.

## APPENDIX

**Table 1 – Maximum HOME Funds**

	30% AMI	50% AMI	60% AMI
0 Bdrm Unit	\$44,000	\$17,000	\$8,000
1 Bdrm Unit	\$61,000	\$22,000	\$10,000
2 Bdrm Unit	\$88,000	\$33,000	\$13,000
3 Bdrm Unit	\$143,000	\$88,000	\$57,000
4 Bdrm Unit	\$176,000	\$110,000	\$72,000

**Table 2 – Period of Affordability**

Project Type	HOME \$ per HOME Unit	HUD Period of Affordability	City Period of Affordability
Acquisition and/or Rehabilitation	< \$15,000	5 years	Add 10 years
	\$15,000 to \$40,000	10 years	
	> \$40,000	15 years	
New Construction	Any Dollar Amount	20 years	Add 10 years

**Table 3 – HOME Income/Rent Table**

### HOME Rent and Income Limits

SOURCE: HUD  
MSA: Spokane, WA  
EFFECTIVE: July 1, 2020  
2020 HUD MEDIAN INCOME: \$77,400



City of Spokane  
Community, Housing, and  
Human Services Department  
808 W. Spokane Falls Blvd.  
Spokane, WA 99201-3339  
(509) 625-6325

	2020 INCOME LIMITS								
	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON <sup>▲</sup>	9 PERSON <sup>▲</sup>
MEDIAN FAMILY INCOME (100% AMI)	54,200	62,000	69,700	77,400	83,600	89,800	96,000	102,200	108,400
LOW-INCOME (80% AMI)	43,350	49,550	55,750	61,900	66,900	71,850	76,800	81,750	86,660
High-HOME Income (60% AMI)	32,520	37,200	41,820	46,440	50,160	53,880	57,600	61,320	65,000
VERY LOW-INCOME (50% AMI)	27,100	31,000	34,850	38,700	41,800	44,900	48,000	51,100	54,200
EXTREMELY LOW-INCOME*(30% AMI)	16,250	18,600	20,900	23,200	25,100	26,950	28,800	30,650	32,500

	2020 HOME PROGRAM RENTS							
	SRO <sup>§</sup>	EFFICIENCY	1 BEDROOM	2 BEDROOM	3 BEDROOM	4 BEDROOM	5 BEDROOM	6 BEDROOM
FAIR MARKET RENT (FMR)	448	597	696	910	1,305	1,551	1,784	2,016
30 OF 60 RENT		◆597	◆696	◆910	1,208	1,347	1,487	1,625
30 OF 50 RENT		◆597	◆696	871	1,006	1,122	1,238	1,354
30 OF 30 RENT		406	436	523	604	674	743	813

AMI – Area Median Income

<sup>▲</sup>Calculate AMI for >8-person household by adding 8% for each member over 4-person AMI and round to nearest \$50 (i.e., 9-person is 140% of 4-person AMI)

\*Spokane CHHS does not adopt less restrictive 2014 Appropriations Act poverty guidelines that restricts 30% AMI household access to limited resources.

<sup>§</sup>HOME rent for an SRO is 75% of the Efficiency Fair Market Rent (FMR).

◆HOME regulation requires that HOME rent cannot exceed FMR. Therefore, this rent is capped at FMR.



Revised 6/2020

## City of Spokane Housing Investment Incentives and Assistance

Contact Teri Stripes, City of Spokane Planning and Economic Development, 509.625.6597, [tstipes@spokanecity.org](mailto:tstipes@spokanecity.org) for a consultation and customized package for your development project.



### Urban Utility Installation

New or up-sized utility connections can save between \$10,000 and \$40,000 in reimbursements from the City. [More info.](#)



### Multi-Family Tax Exemption

A 25-unit project can net approximately \$320,000 in property tax savings over 8 years or \$490,000 over 12 years. [More info.](#)



### Historic Preservation

\$500,000 in improvements to a historic structure can net \$68,000 savings in property taxes over 10 years. [More info.](#)



### GFC Fee Waivers

Many types of projects can save between \$1,200 and \$50,000 in water connection costs and between \$2,400 and \$99,000 in sewer costs. [More info.](#)



### Commercial Rate Clarification

A 10-unit commercial to residential conversion project can net approx. \$6,400 in annual utility rate savings. [More info.](#)



### Single Family Tax Exemption

When you decide to make home improvements through remodeling and additions, there is a three-year property exemption program available. [More info.](#)



### Opportunity Zones

Opportunity Zones (OZ's) are a new community development program established by Congress in the Tax Cut and Jobs Act of 2017 to encourage long-term investments in low-income and urban communities nationwide. [More info.](#)

Contact Teri Stripes, City of Spokane Planning and Economic Development, 509.625.6597, [tstipes@spokanecity.org](mailto:tstipes@spokanecity.org) for a consultation and customized package for your development project.