

# Audit and Accountability Committee




## Post Solicitation Briefing for Affordable Homeownership Housing Development Funding

Date: December 6, 2021

Presented by: Veronica R. Soto, Director, NHSD

# Solicitation Overview



HOME Investment Partnerships Program (HOME) and Community Development Block Grant (CDBG) funds are set aside for affordable single-family homeownership housing activities. The activity is designed to provide gap funding subsidies for both new construction and rehabilitation/preservation of affordable housing units for low-income households at or below 80% AMI.



## Solicitation Type

- RFP



## Estimated Value

- \$2.47M HOME
- \$449k CDBG



## Affordability Period:

- 10 years

# Recommended Award

RFP for Homeownership Housing Development Gap Funding (21-096, 6100014384)  Score Summary *FINAL EVALUATION November 17, 2021	Maximum Points	Vendor A	Vendor B
A - Experience and Capacity	15	13.70	11.70
B - Project Readiness	20	19.80	14.80
C - Project Site Characteristics and Amenities	25	8.50	8.80
D - HUD Regulatory Conditions	5	4.80	3.50
E - Efficient Use of Funds	5	2.50	4.80
F - Underwriting	30	26.10	27.70
TOTAL SCORE	100	75.40	71.30
RANK BASED ON TOTAL SCORE		1	2

SBEDA Program – Waiver Approved

Local Preference Program – Not Applicable

Veteran Owned Small Business Preference – Not Applicable

# Recommended Award

Affordable Homeownership Housing Development			80% AMI Units	Affordability Period	Funding Request	Funding Recommendation	
Proposal	Score	Staff Ranking				HOME	CDBG
Vendor A	75.40	1	54	10 years	\$2,918,594	-	\$2,469,594
Vendor B	71.30	2	9	10 years	\$410,000	\$449,717*	-
Totals					\$3,328,594	\$449,717	\$2,469,594

\*Includes funding for City development fees

Proposals ranked on Experience/Capacity, Project readiness, Site characteristics and amenities, HUD regulatory conditions, Efficient use of funds and Underwriting

# Due Diligence

## Finance and Audit Departments – Due Diligence Results

Number of vendors notified:	2,876
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Number of vendors at pre-submittal conference:	2
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Number of responses received:	2
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Results of Minimum Requirements Review	No Material Findings
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Results of Due Diligence Review	No Material Findings
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## Post Solicitation Briefing for Affordable Rental Housing Development Funding

Date: December 6, 2021

Presented by: Veronica R. Soto, Director, NHSD

# Solicitation Overview



HOME and CDBG funds are set aside for gap financing of proposed affordable multi-family rental residential developments. These funds may be used for land acquisition, new construction, or rehabilitation of existing rental housing properties to create or preserve affordable rental housing units for low-income households at or below 60% AMI with a focus on proposals with units at or below 30% AMI.



## Solicitation Type

- RFP



## Estimated Value

- \$5.9M HOME
- \$213k CDBG



## Affordability Period:

- 5 – 20 years

# Recommended Award

RFP for Affordable Rental Housing Development Gap Funding (21-097, 6100014385)  Score Summary *FINAL EVALUATION November 17, 2021	Maximum Points	Vendor A	Vendor B	Vendor C	Vendor D	Vendor E	Vendor F	Vendor G
A - Experience and Capacity	15	15.00	14.30	12.20	8.20	14.30	9.50	9.20
B - Project Readiness	20	16.60	19.60	20.00	19.30	16.80	10.80	15.10
C - Project Site Characteristics and Amenities	25	19.70	15.30	14.40	16.20	10.70	13.50	12.70
D - HUD Regulatory Conditions	5	3.50	0.10	3.30	0.80	0.10	4.50	0.00
E - Efficient Use of Funds	5	4.50	4.50	3.60	2.90	4.50	1.60	3.60
F - Underwriting	30	25.90	26.80	26.60	27.90	26.80	23.80	21.50
TOTAL SCORE	100	85.20	80.60	80.10	75.30	73.20	63.70	62.10
RANK BASED ON TOTAL SCORE		1	2	3	4	5	6	7

SBEDA Program – Waiver Approved

Local Preference Program – Not Applicable

Veteran Owned Small Business Preference – Not Applicable



# Recommended Award

Affordable Rental Housing Development			Tax Credit Project	Funding Request	Funding Recommendation	
Proposal	Score	Staff Ranking			HOME	CDBG
Vendor A	85.20	1	4%	\$1,500,000	\$1,250,000	-
Vendor B	80.60	2	4%	\$1,500,000	\$1,250,000	-
Vendor C	80.10	3	9%	\$3,000,000	\$2,049,766	-
Vendor D	75.30	4	-	\$213,525	-	\$213,525
Vendor E	73.20	5	9%	\$1,350,000	\$1,350,000	-
Vendor F	63.70	6	-	\$417,408	-	-
Vendor G	62.10	7	4%	\$3,000,000	-	-
Totals				\$10,980,933	\$5,899,766	\$213,525

Proposals ranked on Experience/Capacity, Project readiness, Site characteristics and amenities, HUD regulatory conditions, Efficient use of funds and Underwriting

# Recommended Award - Unit Mix

Affordable Rental Housing Development			Unit Mix					
Proposal	Funding Recommendation	Affordability Period	80%	60% - 50%	50% - 30%	30%	Market	Total
Vendor A	\$1,250,000	20 years	0	229	0	41	0	270
Vendor B	\$1,250,000	20 years	0	275	0	49	0	324
Vendor C	\$2,049,766	20 years	0	40	32	8	12	92
Vendor D	\$213,525	5 years	8	16	0	8	0	32
Vendor E	\$1,350,000	20 years	0	30	24	6	0	60
<b>Total</b>	<b>\$6,113,291</b>		<b>8</b>	<b>590</b>	<b>56</b>	<b>112</b>	<b>12</b>	<b>778</b>

# Due Diligence

## Finance and Audit Departments – Due Diligence Results

Number of vendors notified:	2,876
Number of vendors at pre-submittal conference:	5
Number of responses received:	7
Results of Minimum Requirements Review	No Material Findings
Results of Due Diligence Review	No Material Findings

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