

Request for Proposals (RFP) **Development Services**

The Boise City Housing Authority is inviting qualified housing developers to submit an application for Development Services for affordable multifamily housing units at 3119 West Moore Street, Boise, Idaho 83702, to serve low to moderate income families.

APPLICATION SUBMISSION DEADLINE: WEDNESDAY, JANUARY 29, 2020 4:00 PM, MST
SUBMITTALS MUST BE HAND DELIVERED TO:

BOISE CITY HOUSING AUTHORITY
ATT: DEANNA WATSON
1001 SOUTH ORCHARD STREET
BOISE, IDAHO 83705

The Boise City/Ada County Housing Authorities are quasi-public entities who have a mission to enhance our community by providing safe and affordable housing and fostering self-sufficiency and stability for people in need. Through an array of programs and services, we provide affordable housing-related assistance to over 2,600 individuals and families every month, serving people with low and moderate incomes throughout our city and county.

For over fifty (50) years, our agency has been providing housing options to those who find affordable housing a challenge. Through a variety of programs and funding sources, we serve people who need affordable housing assistance.

The Authorities own and manage four hundred thirty-four (434) units of housing throughout the valley. The developments include Franklin Plaza (67), Capitol Plaza (93), Hobbler Place (21) single family homes, five duplexes, Shoreline Plaza (80) and four other developments consisting of (163) units of housing. We also own and maintain the Allumbaugh House, a detoxification and sub-acute mental health crises center, in Boise which also has a vacant one acre site attached to the center.

THE SITE: The Boise City Housing Authority is inviting qualified housing developers to submit an application for the development of the Moore Street site more particularly known as:

- 3099 West Moore Street
- 3101 West Moore Street
- 3113 West Moore Street
- 3119 West Moore Street

The property consists of approximately 2.97 acres of vacant land and is currently zoned R-2 Medium Density Residential and has an existing Conditional Use Permit that is valid until October 18, 2020 for fifty (50) units of affordable family housing.

The site has an irrigation ditch that flows through the center of the site which serves the adjacent neighborhood. In addition, there is an existing power line that also is located through the center of the site that will need to be re-located. There are existing soils conditions that will need to be addressed during the development phase.

We received an updated Broker's Price Opinion (BPO) in April, 2019 stating a site value of \$1,250,000.00. The Housing Authority owns the aforementioned site above and has free and clear title without any encumbrances or liens.

HISTORY: Affordable Housing Solutions Inc., a non-profit affiliate of the Boise City Housing Authority, has submitted two separate applications to the Idaho Housing and Finance Association for Low-Income Housing Tax Credits (LIHTC) and was not successful in receiving a reservation for these federal resources. The city of Boise and the Capitol City Development Corporation (CCDC) did reserve funding for this site based on the application for tax credits and the affordable housing commitment.

The site is located in an Urban Renewal District as designated by the Capitol City Development Corporation (CCDC) and qualifies for funding. Boise City Housing Authority has owned the site for over fifteen (15) years and has invested considerable funds in a variety of pre-development expenses.

REQUIREMENTS AND DOCUMENT SUBMISSION CRITERIA

CO-OWNERSHIP: The Boise City Housing Authority will require that the applicant/developer enter into a co-ownership of the proposed housing development. The Housing Authority will want a majority interest in the ownership of the development. An agreement for a First Right of Refusal to buy out the ownership interest of the developer and the stated buyout price will be negotiated after the selection and acceptance of a suitable proposal.

The Housing Authority will be the designated Property Management Company to manage and monitor the development upon completion and to be compensated for administrative and management fees. A property management agreement and plan will be consummated prior to ground breaking and construction.

The Housing Authority anticipates taking an active role in the development design, the construction phase of development and construction draws and the financing structuring.

The applicant/developer will be required to make a formal presentation to the Board of Commissioners and will be provided with advance notice of a time and place.

FINANCIAL PROFORMA: The Boise City Housing Authority will require the applicant/developer to submit a detailed financial plan based on a multifamily affordable housing rental development for families to include the following items:

- A detailed financial spreadsheet/proforma on revenues and operating expenses for the development based on a specific rent structure that will provide the maximum affordability. The Housing Authority is requiring affordable units based on the 120% Area Median Income and Rent for Ada County and will require that the development accept vouchers. Some market rate rental units may be necessary to provide financial feasibility. Bringing the maximum affordability based on a broad range of affordable rents is a high priority and will be an important consideration in the selection criteria percent scoring.
- The financial spreadsheet/proforma should provide a thirty (30) year projection of revenues and expenses with a positive net cash flow.

RENT STRUCTURE:

- A detailed rent structure spreadsheet based on unit size and number of units is required and any ancillary income projections. The Housing Authority wants to maximize the number of affordable housing units but also recognizes the need for some market rate units based on financial feasibility.

LETTERS OF INTEREST/FUNDING SOURCES:

- Letters of Interest (LOI) from local financial institutions will be required and must provide details of the financing terms, rates and fees which should be incorporated into the financial spreadsheet/proforma to validate the required Debt Service Coverage.
- The applicant/developer will be required to list out all sources of funding for construction and permanent financing and disclose any gap financing that may be needed.
- The Housing Authority may have the ability to provide bond financing but this is an inactive program at this time.

CASH FLOW ANALYSIS/FEE SPLIT:

- There should be a proposed developer fee and annual cash flow split between the applicant/developer and the Housing Authority.
- A cash flow analysis will be required that details the repayment of loans, any soft funding repayment, deferred developer fees and partnership/ownership cash payments.

TIME LINE:

- The documentation must provide a detailed time line from pre-development, due diligence, construction and lease-up to conversion to permanent financing.

CONSTRUCTION COST BREAKDOWN:

- A line item construction cost breakdown disclosing all costs associated with the construction, financing, architecture and engineering and all other associated costs for development and financing.

PREVIOUS EXPERIENCE:

The applicant/developer will need to provide documentation/narrative on their background, experience and previous developments completed that related to housing and note the type of housing and any Federal requirements, laws and regulations that were attached to the developments. Examples would be HUD, Federal Home Loan Bank, city, state or other federal programs, Davis Bacon, Section 3 and other federal requirements.

DEVELOPMENT TEAM QUALIFICATIONS: The Boise City Housing Authority will provide the applicant/developer the current Conditional Use Permit and the proposed initial design plans and renderings as provided by Glancey Rockwell Architects now in place. These documents will be provided as described in the List of Documents Attached. The applicant/developer may propose their own concept and design for the site if necessary.

Documentation and resumes on all key team members should be included in the application submission. Those key members would include the following:

- General Contractor
- Architect
- Engineers
- Attorney
- Other consultants or key players that would be providing a professional service.

The Housing Authority worked closely with the architects of Glancey Rockwell Architects and members of Hedrick Construction Inc. in designing and providing cost estimates for our applications to Idaho Housing and Finance Association for federal resources. The applicant/developer is free to develop their own team members.

SELECTION POINTS:

The Housing Authority will utilize the attached Selection Points document to rank each application and a heavy emphasis has been placed on the category of maximum affordability for the development.

APPLICATION DOCUMENTS REQUIREMENTS:

All application documents must be in hard copy form and placed in a three ring binder with two copies for review and a thumb drive attached. The submission format or application index will be listed along with other documents as disclosed below.

LIST OF ATTACHED DOCUMENTS:

- Application Index Format
- LIHTC (Tax Credit Application) – This document has been included as an attachment and can provide information on estimated development costs for on-site and off-site improvements. The application also provides unit sizes and rent structuring for affordability requirements under the Tax Credit Program.
- Copy of the Original Conditional Use Permit Letter
- Copy of the Conditional Use Permit Letter Extension
- Site Plan
- Building Elevations
- Floor Plan Designs
- Site Map
- Lot Photos
- The list of attached documents shown above, are provided for informational purposes only.

SELECTION CRITERIA SCHEDULE:

The following is a schedule to finalizing a decision on all applications submitted for Development Services.

- Application Submission Deadline: January 29, 2020 by 4:00 PM MST
- Staff Review of All Applications Completed By: February 19, 2020
- Special Board Meeting and Developer Presentation: March 4, 2020
- Board Meeting for Final Approval: March 11, 2020
- Consummation of Developer Agreement April 8, 2020
- Ground Breaking June 17, 2020 estimated

DISCLAIMER: The Housing Authority reserves the right to determine which proposals have met the requirements of this application. In addition, the Housing Authority may reject, in whole or in part, any and all proposals, waive minor irregularities in proposals, allow for correction of minor irregularities and negotiate with all responsible parties; efforts in any matter deemed necessary to serve the best interest of the Housing Authority.

The Housing Authority reserves the right to reject any and all proposals when such rejection is in the best interest of the Housing Authority, to reject any proposal by a developer that has previously failed to perform properly or complete on-time contracts of a similar nature, and to reject the proposal of a developer who is not in the sole opinion of the Housing Authority able to perform to the sole satisfaction of the Housing Authority.

The Housing Authority also reserves the right to waive any informalities and technicalities in the preliminary award of Housing Authority funds. The Housing Authority reserves the right however, to award the funds in accordance with its best interest and will not be required to accept the lowest construction cost proposed.

APPLICATION QUESTIONS DURING THE PROCESS:

If the applicant has questions on the process, document requirements or other related issues to the submission of the application and prior to the submission deadline of January 29, 2020, those questions must be submitted as an e-mail request to Deanna Watson at dwatson@bcacha.org. The question and the answer to this question will be posted on our website under the "Request for Developer Services" noted as Q & A. So all interested parties will have access to the same information at the same time.