



Roanoke Valley-Alleghany

REGIONAL
commission

ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION

REQUEST FOR APPLICATIONS

FOR

ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION

HOUSING DEVELOPMENT PROGRAM

RFA # 2022-1

The Request for Applications (RFA) and related documents may be obtained during normal business hours from the Roanoke Valley-Alleghany Regional Commission (RVARC), 313 Luck Avenue, SW, Roanoke, VA 24016. This document may be viewed and/or downloaded from the RVARC website at <https://www.rvarc.org/purchasing>. If you have any problems accessing the documents, please call Bryan Hill at (540) 343-4417 or bhill@rvarc.org.

Applications must be received prior to 5:00 p.m., EST on Friday, March 18, 2022 to be considered.

Issue date of RFP: February 4, 2022

**ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION
HOUSING DEVELOPMENT PROGRAM**

RFA #: 2022-1

Issue Date: February 4, 2022

Revision Date: February 23, 2022

Issued By: Roanoke Valley-Alleghany Regional Commission (RVARC)
Attn: Bryan W. Hill, AICP, CZA, Grant Administrator
313 Luck Avenue, SW
Roanoke, VA 24016
E-mail: bhill@rvarc.org

Sealed proposals will be received **by or before 5:00 P.M. EST, Friday, March 18, 2022** for furnishing the services and/or items described herein. The time of receipt shall be determined by the digital clock on the RVARC Office Manager's telephone. **Applications submitted after the deadline will not be considered.**

Non- and For-Profit organizations and RVARC local governments interested in applying should send an email with an expression of intent to apply no later than Friday, February 18, 2022, with Applicant's contact name and email address to Bryan Hill at bhill@rvarc.org. Expression of intent to apply is non-binding but will allow RVARC to contact potential applicants should application requirements change.

All questions must be submitted **before 5:00 p.m. EST, Friday, February 25, 2022** to Bryan Hill at bhill@rvarc.org. No phone calls please. Responses to all questions will be posted to the Regional Commission's website at <https://www.rvarc.org/purchasing>. Additionally, and if necessary, an addendum will be issued and posted to the same place. If an addendum is issued, the due date will be extended by three (3) business days to allow applicants time to revise their applications.

If applications are mailed, send directly to the RVARC at the above listed address. If hand delivered, deliver to the same address. **Faxed or e-mailed applications will not be accepted.**

The RVARC reserves the right to cancel this RFA and/or reject any or all proposals and to waive any informalities in any proposal.

**ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION
REQUEST FOR PPLICATIONS (RFA) FOR
ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION
HOUSING DEVELOPMENT PROGRAM
RFA NO. 2022-1**

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ATTACHMENT #1: RVARC Housing Development Program Budget Template

ATTACHMENT #2: Virginia Housing Planning District Commission (PDC) Housing Development Handbook

**ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION
REQUEST FOR APPLICATIONS (RFA) FOR PARTNERS IN THE
ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION
HOUSING DEVELOPMENT PROGRAM
RFA No. 2021-1**

The Roanoke Valley-Alleghany Regional Commission (RVARC) is soliciting partnership applications from applicants seeking funding from the RVARC Housing Development Program. This grant funding provides for the actual production of new affordable and workforce housing units that can serve as a model for further development both within the Roanoke Valley-Alleghany Regional Commission service area (Planning District 5), as well as for other Planning Districts throughout Virginia. This includes rental and home-ownership units, new construction, acquisition/rehab/repair of existing vacant units, or adaptive reuse of existing structures to incorporate housing units.

Additionally, the funding seeks to increase the inventory of affordable housing units in underserved markets and among historically marginalized tenants and first-time homebuyers. The RVARC invites qualified vendors to submit proposals to perform a market rate housing demand analysis and development strategy.

Sealed proposals will be received **until 5:00 p.m., EST on March 18, 2022**. A full copy of the RFA may be obtained online at: <http://www.rvarc.org/purchasing>.

All inquiries for information should be directed to:

Roanoke Valley-Alleghany Regional Commission
Attn: Bryan W. Hill, AICP, CZA, Grant Administrator

Mailing Address

P.O. Box 2569
Roanoke, VA 24010

Street Address

313 Luck Avenue, SW
Roanoke, VA 24016

E-mail

bhill@rvarc.org

Applications must be mailed, or hand delivered to the name and address shown above and clearly marked with the notation: "**Application - Housing Development Program, RFA #2022-1**". Upon receipt, the opening time and date will be written on the front of the sealed envelope or package.

MBEIWBE Statement:

The Roanoke Valley-Alleghany Regional Commission is an Equal Opportunity Employer, Minority and Women owned firms are encouraged to submit RFAs.

Selection of a firm will be performed in accordance with the Virginia Public Procurement Act.

**ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION
REQUEST FOR APPLICATIONS (RFA) FOR
ROANOKE VALLEY-ALLEGHANY REGIONAL COMMISSION
HOUSING DEVELOPMENT PROGRAM
RFA NO. 2022-1**

PURPOSE OF THE FUNDING

The Roanoke Valley-Alleghany Regional Commission (RVARC) is soliciting partnership applications from applicants for RVARC's award of Virginia Housing Planning District Commission housing funds from its member localities and/or non-profit and for-profit affordable housing developers. Partners in this project include the RVARC, the Counties of Franklin and Roanoke (incorporating the Towns of Boones Mill, Rocky Mount, and Vinton respectively), the Cities of Roanoke and Salem, and Virginia Housing (VH), with funding support being provided by VH.

Additionally, the funding seeks to increase the inventory of affordable housing units in underserved markets and among historically marginalized tenants and first-time homebuyers.

Once development of units has been completed, they must remain affordable to individuals/ families whose incomes do not exceed 80% of Area Median Income (AMI) for a period of not less than 15 years. Mixed use developments created with this funding must set aside at least 60% of their square footage for housing. One hundred percent of funds from this grant must go towards costs directly associated with housing (i.e., commercial, and non-housing development components are not allowable expenses.)

ELIGIBLE APPLICANTS

The RVARC is seeking applicants for RVARC's award of Virginia Housing PDC housing funds from its member localities, and/or non-profit and for-profit affordable housing developers.

AWARDING AGENCY

Created in 1969, the Roanoke Valley-Alleghany Regional Commission (RVARC) is one of 21 Planning District Commissions in the Commonwealth of Virginia, created through the Regional Cooperation Act. RVARC is a political subdivision (a government agency) within the Commonwealth. Each member jurisdiction appoints one or more representative(s) from its governing body to serve on RVARC's board of 24 Commissioners. Only elected officials may be appointed, and the number of representatives per jurisdiction is population-based.

The RVARC is a 51-year-old Planning District Commission in the Commonwealth of Virginia. The RVARC staff currently consists of 12 full-time employees. The current staff have completed regional planning efforts from small community plans up to large-scale grant management. The RVARC staff manages consulting contracts for housing, transportation, and economic and community development.

The RVARC's community and economic development planning efforts cover a wide range of activities. Many of the projects pursued are regional in nature, while other projects are specific to individual localities. The RVARC is a designated Economic Development District by the U.S. Economic Development Administration and coordinates the ongoing efforts for the Comprehensive Economic Development Strategy. Additionally, the Commission is one of the Local Development Districts that work with the Appalachian Regional Commission on local and regional projects in Appalachia.

In terms of housing, RVARC staff provide technical assistance to localities applying for CDBG funding through the VA Department of Housing and Community Development. Currently, RVARC staff is supporting the City of Covington, Alleghany County, and the Town of Vinton in such efforts.

In 2020, RVARC staff obtained a Community Impact Grant from Virginia Housing to undertake a Regional Housing Market Study Analysis (completed in December 2020). Staff procured consultants to perform the study, convened a regional stakeholder group to advise in the process, and managed consultant activities.

The RVARC's successful application in 2021 to Virginia Housing's Planning District Commission Housing Development Program resulted in an award of \$2 million for affordable housing and related activities in the Roanoke Valley-Alleghany Region. The RVARC will set aside \$450,000 for recovery housing projects. In December 2021 the Roanoke Valley Collective Response, the Roanoke Valley's regional response to the addiction epidemic, was formalized as a program of the Regional Commission. This partnership builds upon the work the Collective Response has been doing as an all-volunteer collective since its inception in August 2018. The remaining balance (minus expenses of staff, consultants, and other overhead expenses) of approximately \$1.35 million will fund a variety of housing projects in response to successful applications.

SPECIFIC GOALS

Funds awarded through this solicitation of partners must contribute to the development of at least 20 units of housing affordable to individuals/families at or below 80% AMI by June 30, 2024. These 20 units must be developed in aggregate across all grantees funded through this procurement, not by each partner awarded funds. All projects awarded funds, whether owner-occupied or renter-occupied units, must be habitable by 6/30/2024. The goals of the RVARC during the administration of this grant are:

- Increase stock of affordable housing units in underserved areas of the region.
- Focus on first-time homebuyers.
- Integrate incomes and housing by providing mixed-use and/or mixed-income rental developments.
- Create a strategic process for identifying and investing in housing needs with a regional approach
- Support creative, collaborative projects that meet additional social needs as:
 - Accessibility
 - Aging in Place
 - Mixed housing/income neighborhoods
 - Recovery Housing
 - Universal Design

ELIGIBLE/INELIGIBLE ACTIVITIES AND REQUESTS

Units may be developed via the following ways:

- New unit construction
- Acquisition and rehabilitation of **existing vacant units**
- Adaptive re-use of existing structures

Ineligible activities are:

- The rehabilitation of existing affordable units.
- Affordable housing units already proffered to a locality through a formal zoning review process.

PRIORITY ACTIVITIES

The RVARC HDP will be structured and designed to address these priority housing activities:

1. Single-family homeownership opportunities
 - a. New construction
 - b. Rehabilitation of vacant single-family dwelling units
2. Multi-family rental opportunities
3. Revitalize commercial centers in neglected corridors
 - a. New development
 - b. Infill development
4. Mixed-use development opportunities

PROGRAM REQUIREMENTS

- Upon completion of units, they must remain affordable to families at 80% of Area Median Income (AMI) or less.

Locality	AMI	Number of Persons in Household			
		One	Two	Three	Four
Alleghany County	\$60,700	\$34,000	\$38,880	\$43,760	\$48,560
Botetourt County	\$78,400	\$43,920	\$50,240	\$56,480	\$62,720
Covington	\$60,700	\$34,000	\$38,880	\$43,760	\$48,560
Clifton Forge	\$60,700	\$34,000	\$38,880	\$43,760	\$48,560
Craig County	\$78,400	\$43,920	\$50,240	\$56,480	\$62,720
Franklin County	\$67,000	\$37,520	\$42,880	\$48,240	\$53,600
Rocky Mount	\$67,000	\$37,520	\$42,880	\$48,240	\$53,600
Roanoke City	\$78,400	\$43,920	\$50,240	\$56,480	\$62,720
Roanoke County	\$78,400	\$43,920	\$50,240	\$56,480	\$62,720
Salem	\$78,400	\$43,920	\$50,240	\$56,480	\$62,720
Vinton	\$78,400	\$43,920	\$50,240	\$56,480	\$62,720

Source: Virginia Housing Multifamily Tax Subsidy Program Income Limits, April 2021

- Mixed-use developments must have 60% of square footage devoted to housing; and 100% of homeownership and/or rental units devoted to housing.
- Mixed-use rental developments must have 50% at 80% AMI or less.
- Have sales price and income limits consistent with Virginia Housing limits.

Area	Maximum Gross Household Income		Sales Price
	2 or Fewer People	3 or More People	New & Existing Construction
Roanoke Valley-Alleghany Region	\$88,300	\$101,600	\$295,000

Source: Virginia Housing Income and Sales Price/Loan Limits, August 18, 2021

FUNDING PRIORITIES

The scoring of projects will prioritize: (1) geographic representation of all areas of the region, (2) projects that feature affordability levels at 80% AMI or below, (3) projects that provide homeownership opportunities, and (4) projects that serve special populations as seniors and individuals with disabilities.

AMOUNT OF FUNDS AVAILABLE

Approximately \$1.35 million is available for leveraging to produce new affordable housing. This represents a maximum allowable request of \$67,500 per unit (i.e., \$1,350,000/20 units minimum). Concurrent with this process, the RVARC will be seeking partners for recovery housing projects. Those project partners, however, are not being solicited through this RFA process. For more information on recovery housing projects, please contact Bryan Hill, Grant Administrator, at (540) 343-4417 or bhill@rvarc.org.

ELIGIBLE REQUESTS & BUDGET CATEGORIES

Funds awarded must result in the acquisition/rehab/repair, construction, or adaptive reuse of housing units affordable to individuals/families with incomes not exceeding 80% AMI. Allowable project costs are detailed in the attachments:

Attachment 1: RVARC Housing Development Program Budget Template; and

Attachment 2: Virginia Housing Planning District Commission (PDC) Housing Development Handbook.

ELIGIBLE HOUSING TYPES

Funding may be used for rental or homeownership for income-eligible households.

TENANT/HOMEOWNER CHARACTERISTICS

All tenants/homeowners must have incomes at or below 80% AMI. The funding has special emphasis on targeting residents of the Roanoke Valley-Alleghany Region earning less than the 80% AMI, or those described as belonging to specialized populations as described previously in **Funding Priorities**.

GEOGRAPHIC CONSIDERATIONS

Partners are being sought from applicants throughout the Roanoke Valley-Alleghany region. This will consist of projects to be located in the Cities of Covington, Roanoke and Salem; the Counties of Alleghany, Botetourt, Craig, Franklin, and Roanoke; or the Towns of Clifton Forge, Rocky Mount, and Vinton.

Geographic representation of funding across the region is important. The RVARC's goal will be not to fund two projects serving the same locality before all timely and eligible projects from other regional localities are considered.

APPLICATION FORMATTING REQUIREMENTS

- Font – Arial 11-point
- Spacing – single
- Binding – binder clip or a single staple in the upper left-hand corner
- There are no page limits. Applicants are expected to be thorough and concise.
- A Table of Contents is required.
- The Application must be paginated consecutively, and to include all attachments.
- Applications for multiple projects from the same Applicant are permitted but must be submitted separately.

SUBMISSION INSTRUCTIONS & DEADLINE

Four copies of the Application should be submitted. They may be hand-delivered to the RVARC offices at 313 Luck Avenue, SW, Roanoke, VA 24016, or mailed. **No faxed or emailed applications will be accepted.**

Applications must be received at RVARC by the deadline of 3/18/22 at 5:00 PM. Late applications will not be reviewed or considered for funding.

REQUIRED APPLICATION COMPONENTS

The following required elements will constitute your application. Please note the specific requirements and instructions as they apply to your status as either a Nongovernmental Organization (NGO) or RVARC Local Government (LG). Application elements required of applicants may vary slightly depending on the entity's status as an NGO or LG. Contained within the application elements are *Competitive Criteria* which will serve as determinants for scoring applications.

APPLICATION COMPONENTS FOR NONGOVERNMENTAL ORGANIZATIONS

COMPONENT 1: ORGANIZATIONAL CAPACITY AND EXPERIENCE

THRESHOLD REQUIREMENTS

1. Please describe your organization's mission and how it relates to producing an affordable housing development such as the one for which funding is requested.
 - 1A. Provide a board of directors list/governance structure with evidence that the board meets regularly in the form of annual meeting minutes from the most recent year available. Also include an IRS Determination Letter (non-profits only), as applicable. Label these items as **Appendix A**.
2. Describe your organization's financial management system. How do you manage project budgets and potential cost overruns? Provide a recent copy of your audits (including single audit consistent with federal requirements where applicable), labeled as **Appendix B**. Describe how your organization manages cashflow on a cost reimbursement project?
3. Describe the types of quality assurance activities your organization engages in to ensure (1) projects remain on-time and on-budget, and (2) that housing developments become assets in the communities in which they were are located.
4. Tell us about the tenants/homebuyers you serve, including income levels, age restrictions, residency (specific city/county) restrictions, etc. Please note: homeownership will be limited to first-time homebuyers within the marginalized populations described in this RFA.
 - A. Describe the types of activities used on previous affordable developments to identify and/or lease-up eligible tenants?
 - B. How did you gather feedback/information on housing needs and preferences from these groups?
 - C. If your project creates homeownership opportunities, what is your track record for serving households historically marginalized from home buying?
5. Please answer YES or NO to each question below. If you answer YES to any question, please attach an explanation as **Appendix C**.
 - A. Do you own real estate in Virginia?
 - B. Are you currently delinquent on any real estate taxes or delinquent on any mortgage?
 - C. Do you have any outstanding code violations on any of your real estate?
 - D. Have you filed for bankruptcy within the past 7 years?
 - E. Are you currently a party in any pending lawsuit?
 - F. Have you owned property foreclosed on for tax delinquency in the last 7 years?
 - G. Have you been prohibited from bidding in any tax foreclosed auctions?

COMPETITIVE CRITERIA

1. Please explain to the reviewers about other affordable housing projects that your organization/locality has produced by attaching your list of housing projects labeled as **Appendix D**. Please select an affordable housing development from the list to describe in more detail. The sample "development" should be like the one proposed in the current funding request, if possible. Describe for the reviewer the methods used to create community support for new projects. Please discuss the types of information gathering activities your organization/locality usually engages in before beginning development.
2. Please describe in which localities of the Roanoke Valley-Alleghany Region you have previously developed affordable housing.
3. If your organization/locality has no previous experience in housing development, please describe how this relates to your mission and the partners you will be working with to produce affordable housing.
 - 3A. Describe your previous experience interacting with RVARC LGs. Please include any relevant experience with rezonings, proffered conditions, easements, or other legislative actions.

COMPONENT 2: PROJECT SPECIFICS

THRESHOLD REQUIREMENTS

1. Do you have control/ownership of the site? Attach proof of site control/ownership, labeling it as **Appendix E**.
2. What period of affordability is associated with the proposed development?
Note: The RVARC will require restrictive covenants or a retention agreement to secure the period of affordability unless the Applicant can demonstrate one of its primary funding sources will enforce a period of affordability of:
 1. Fifteen (15) years for all rental projects
 2. Five (5) years for all homebuyer projects receiving \$0-\$40,000 in RVARC funds
 3. Ten (10) years for all homebuyer projects receiving \$40,000 or more
3. Briefly summarize your plan to gain public feedback about the project. Please describe any existing local community and government support for your project giving specific instances where support was demonstrated.

COMPETITIVE CRITERIA

1. Tell us all about the development you are proposing. Who will be the target population(s)? Are you proposing rental or homeownership, mixed income or affordable only? (If affordable, what AMI levels?) How many units will be produced and in what format – multi-family, single-family, one to four-unit buildings? What configuration of bedroom sizes do you anticipate? Is it acquisition/rehab/repair of vacant units new construction, or adaptive reuse?
2. Describe the process that reinforces the decisions you have made about the proposed development.
3. Describe if/how your project will (1) deliver deeper affordability levels, and (2) serve special populations (as defined previously in this RFA).
4. Virginia Housing (VH), RVARC's grantor for this program, expects that developments receiving the support described in this RFA will contribute to VH anticipated project outcomes, as described in the *Virginia Housing PDC Housing Development Handbook*, copy attached. Please address how your project will address VH's expected outcomes.
5. Where is the proposed affordable development going to be located?
6. If available, attach a site plan/map/schematic labeled Site Plan as **Appendix F**.
7. Describe the project status and the remaining steps outstanding before construction can commence, including an estimated completion date for each remaining step. Identify each funding source for the project and the status of each. Attach funding commitment letters from other sources as **Appendix G**.
8. When is the anticipated date that multi-family rental units will be ready for lease-up?
9. List the applicant organization's project development team in this affordable development. Please specify individuals' respective roles in an attachment labeled as **Appendix H**.
10. Please describe the affordable development's features: proximity to transit; walkability to grocery stores, medical, employment and recreational uses; energy efficiency; economical building techniques (e.g., manufactured/modular); and accessibility through universal design.

COMPONENT 3: BUDGET AND BUDGET NARRATIVE

COMPETITIVE CRITERIA

1. Please show the development's entire budget. This information goes in RFA *Attachment 1: RVARC Housing Development Program Budget Template* (Section 1, Column 1).
2. Please detail the funding sources supporting the various budget components including the current request in the *Budget Template* (Section 2, Columns 1&2).
3. Please develop a budget for the requested amount of RVARC Virginia Housing Funds by filling Section 1, Column 2 of the *Budget Template*. Items in your RVARC grant budget should be consistent with RFA *Attachment 2: Virginia Housing PDC Housing Development Program Handbook, 2.5 Eligible Expenses*, pages 10-11.
- 3A. For any costs that will utilize RVARC HDP funds, write a brief description to fully explain the budget item on Section 1, Column 3 of the *Budget Template*. Costs that are not well understood by reviewers will reduce your rankings and may be disallowed.

APPLICATION COMPONENTS FOR RVARC LOCAL GOVERNMENTS

COMPONENT 1: ORGANIZATIONAL CAPACITY AND EXPERIENCE

THRESHOLD REQUIREMENTS

1. Please briefly summarize any Board/Council actions relative to affordable housing in the last 12 months.
2. Describe the types of quality assurance activities your organization engages in to ensure (1) projects remain on-time and on-budget, and (2) that housing developments become assets in the communities in which they were are located.
3. Tell us about the tenants/homebuyers you serve, including income levels, age restrictions, residency (specific city/county) restrictions, etc. Please note: homeownership will be limited to first-time homebuyers within the marginalized populations described in this RFA.
 - A. Describe the types of activities used on previous affordable developments to identify and/or lease-up eligible tenants?
 - B. How did you gather feedback/information on housing needs and preferences from these groups?
 - C. If your project creates homeownership opportunities, what is your track record for serving households historically marginalized from home buying?

COMPETITIVE CRITERIA

1. Please explain to the reviewers about other affordable housing projects that your organization/locality has produced by attaching your list of housing projects labeled as **Appendix A**. Please select an affordable housing development from the list to describe in more detail. The sample "development" should be like the one proposed in the current funding request, if possible. Describe for the reviewer the methods used to create community support for new projects. Please discuss the types of information gathering activities your organization/locality usually engages in before beginning development.
2. If your organization/locality has no previous experience in housing development, please describe how this relates to your mission and the partners you will be working with to produce affordable housing.

COMPONENT 2: PROJECT SPECIFICS

THRESHOLD REQUIREMENTS

1. Do you have control/ownership of the site? Attach proof of site control/ownership, labeling it as **Appendix B**.
2. What period of affordability is associated with the proposed development?
Note: The RVARC will require restrictive covenants or a retention agreement to secure the period of affordability unless the Applicant can demonstrate one of its primary funding sources will enforce a period of affordability of:
 1. Fifteen (15) years for all rental projects
 2. Five (5) years for all homebuyer projects receiving \$0-\$40,000 in RVARC funds
 3. Ten (10) years for all homebuyer projects receiving \$40,000 or more
3. Briefly summarize your plan to gain public feedback about the project. Please describe any existing local community and government support for your project giving specific instances where support was demonstrated.

COMPETITIVE CRITERIA

1. Tell us all about the development you are proposing. Who will be the target population(s)? Are you proposing rental or homeownership, mixed income or affordable only? (If affordable, what AMI levels?) How many units will be produced and in what format – multi-family, single-family, one to four-unit buildings? What configuration of bedroom sizes do you anticipate? Is it acquisition/rehab/repair of vacant units new construction, or adaptive reuse?
2. Describe the process that reinforces the decisions you have made about the proposed development.
3. Describe if/how your project will (1) deliver deeper affordability levels, and (2) serve special populations (as defined previously in this RFA).
4. Virginia Housing (VH), RVARC's grantor for this program, expects that developments receiving the support described in this RFA will contribute to VH anticipated project outcomes, as described in the *Virginia Housing PDC Housing Development Handbook*, copy attached. Please address how your project will address VH's expected outcomes.
5. Where is the proposed affordable development going to be located?
6. If available, attach a site plan/map/schematic labeled Site Plan as **Appendix C**.

7. Describe the project status and the remaining steps outstanding before construction can commence, including an estimated completion date for each remaining step. Identify each funding source for the project and the status of each. Attach funding commitment letters from other sources as **Appendix D**.
8. When is the anticipated date that multi-family rental units will be ready for lease-up?
9. List the applicant organization's project development team in this affordable development. Please specify individuals' respective roles in an attachment labeled as **Appendix E**.
10. Please describe the affordable development's features: proximity to transit; walkability to grocery stores, medical, employment and recreational uses; energy efficiency; economical building techniques (e.g., manufactured/modular); and accessibility through universal design.

COMPONENT 3: BUDGET AND BUDGET NARRATIVE

THRESHOLD REQUIREMENTS AND COMPETITIVE CRITERIA

1. Please show the development's entire budget. This information goes in RFA *Attachment 1: RVARC Housing Development Program Budget Template* (Section 1, Column 1).
2. Please detail the funding sources supporting the various budget components including the current request in the *Budget Template* (Section 2, Columns 1&2).
3. Please develop a budget for the requested amount of RVARC Virginia Housing Funds by filling Section 1, Column 2 of the *Budget Template*. Items in your RVARC grant budget should be consistent with RFA *Attachment 2: Virginia Housing PDC Housing Development Program Handbook, 2.5 Eligible Expenses*, pages 10-11.
- 3A. For any costs that will utilize RVARC HDP funds, write a brief description to fully explain the budget item on Section 1, Column 3 of the *Budget Template*. Costs that are not well understood by reviewers will reduce your rankings and may be disallowed.

QUESTIONS ON THE RFA

Applicants should forward their questions about RFA requirements to Bryan Hill at bhill@rvarc.org. Answers to questions received will be posted on the Purchasing page of RVARC's website (<https://rvarc.org/purchasing/>) so that all potential applicants will be aware. **No questions will be accepted after 5:00 p.m., Friday, February 25, 2022.**

REVIEW PROCESS AND FUNDING DECISIONS

Applications will be reviewed by RVARC staff and a group of external stakeholders. Applications will be reviewed and scored based on the criteria described in the Required Application Components section and as discussed below.

RVARC staff will verify the presence of all required application components, consistency of format with instructions, and timely submission before they are formally reviewed.

A stakeholder group composed of individuals in the public and private sector who manage or have experience with housing development will assist staff in evaluating the applications for consistency with evaluation criteria that follow below. RVARC staff, although informed by evaluations from the stakeholder group, will select the partners and projects under this solicitation.

PROCESS FOR EVALUATION OF PROPOSALS

Applicants will be evaluated first on the previously described set of Threshold Requirements. **Projects that do not meet all Threshold Requirements will not be evaluated for project funding awards.** Applicants meeting all Threshold Requirements will be divided into groups based on the locality of the proposed project. Those grouped applicants will compete against each other based upon the Competitive Criteria.

Threshold Requirements include:

1. Applicant must have a demonstrated track record of completing similar projects on-time and on-budget.
2. Applicant's project development team discussion demonstrates that all the specialties needed to develop affordable housing are present in the project, with respective partner responsibilities well defined and inclusive of all roles necessary to accomplish the development.
3. Applicant has requested no more than \$67,500 per unit, and an aggregate total of \$1,350,000.
4. Applicant's proposal shows consistency with average housing development costs in the Roanoke Valley-Alleghany Region based on funding request and total development budget.

5. Applicant has site control of the project site either through an executed deed or an executed purchase and sale agreement.
6. Applicant's project has strong local government support.

Competitive Criteria include:

1. Location of the proposed project contributes to distribution of funding around the Roanoke Valley-Alleghany Region.
2. Projects that leverage other sources of funding and limit the amount requested through this grant--less than \$67,500 per unit or less than \$1,350,000 overall.
3. Completion by the required deadline of 6/30/2024 for habitable units.
4. Level of experience and past strength of applicant to complete similar projects on time and on budget.
5. Projects that can demonstrate they are serving special populations and improving housing choice among eligible tenants and first-time homebuyers.
6. Projects that serve levels of affordability at less than 80% AMI.

Tie-breaking Criteria: In the event that two or more applications have the same rank, the winner will be decided by the Applicant that provides the most comprehensive response on Required Application Element Component 2: Project Specifics, #10 (pages 6 and 8).

Awards will be based upon applications which are:

1. The highest ranked application for each locality grouping; **and**
2. Determined to be the best value to the RVARC; **and**
3. Determined to be in the best interest of the RVARC.

Awards will be made at the amount requested if the total of such requests from all selected applicants is \$1.35 million or less. If total requests exceed \$1.35 million, awards will be prorated. For example: if requests total \$3 million, each selected applicant would be awarded about 45% of funds requested.

If funds are left over after all selected applications have been funded, at RVARC's discretion, the remaining funds will be either: (1) held in contingency for unexpected cost increases among the winning applications or (2) distributed by a second RFA process. If a surplus remains, RVARC will describe its use in RVARC's announcement of winning applications.

The Grant Administrator will apprise the RVARC Board of Commissioners on successful applications and the amount to be awarded by each. Winning applicants will then receive a Letter of Intent (LOI) from RVARC including their award amount, instructions about the Grant Agreement, and any other requirements. Following information to the Commissioners and distribution of letters of intent to selected applicants, RVARC will publish the list of winning applications and awards on the Commission website at www.rvarc.org.

GRANT AGREEMENT CONCEPTS FOR SUCCESSFUL APPLICANTS

A Grant Agreement with RVARC will be the governing document for the winning Applicants. The Grant Agreement will include, but may not be limited to the following:

1. Agreement to uphold the principles of the program
2. Cost reimbursement on a quarterly basis: invoicing due dates & format to be provided
3. Reporting during the project development period to include periodic status updates on project activities and documentation of ongoing affordability
4. Adherence to Housing Quality Standards and expectations as articulated by HUD or Virginia Housing
5. An instrument under development now will be used to enforce the period of affordability and will be an addendum to the Agreement unless applicant provides documentation that another committed funding source has locked in a similar or longer period of affordability.
6. Equal housing opportunity/non-discrimination expectations
7. Expectation for prompt payment of the Applicants' subcontractors per Virginia law
8. Americans with Disability Act compliance
9. Compliance with relevant tax obligations
10. Provision of copies of annual audits
11. Evidence of current licensure among all applicable contractors, architects, engineers, or other professionally licensed individuals or firms.
12. Evidence of insurance coverage relevant to the housing development activity kept in force during the grant period
13. Access by RVARC and Virginia Housing (the funder) to project documents for monitoring purposes.
14. Requirements to reinvest program income into the project
15. And other relevant requirements from RVARC's prime agreement with Virginia Housing

SELECTION CRITERIA

Applications for each organizational category will be evaluated out of a possible 500 points, constituting 100% of the score.

Nongovernmental Organizations

1. Description of an affordable housing development, from the list created in Appendix D, and the methods used to create community support for new projects (25 points [5%]).
2. Localities of the Roanoke Valley-Alleghany Region that the Applicant previously developed affordable housing (25 points [5%]).
3. If your organization/locality has no previous experience in housing development, describe how this relates to your mission and the partners you will be working with to produce affordable housing (35 points [7%]).
4. Applicant's previous experience interacting with RVARC Local Governments with rezonings, proffered conditions, easements, or other legislative actions (25 points [5%]).
5. Description of the type of development the Applicant is proposing (25 points [5%]).
6. Description of the process that reinforces the decisions the Applicant has made about the proposed development (20 points [4%]).
7. Description of if/how the Applicant's project will (1) deliver deeper affordability levels, and (2) serve special populations (30 points [6%]).
8. Description of how the Applicant's project will address Virginia Housing's expected outcomes (35 points [7%]).
9. Description of where the proposed affordable development will be located (30 points [6%]).
10. A site plan/map/schematic labeled Site Plan, Appendix F (30 points [6%]).
11. Description of the project status and remaining steps outstanding before construction can commence, Appendix G (20 points [4%]).
12. The anticipated date that multi-family rental units will be ready for lease-up (20 points [4%]).
13. The Applicant's project development team in this affordable development, Appendix H (30 points [6%]).
14. Description of the affordable development's features: proximity to transit; walkability to grocery stores, medical, employment and recreational uses; energy efficiency; economical building techniques (20 points [4%]).
15. The development's budget (50 points [10%]).
16. Detail of the funding sources supporting the various budget components including the current request in the *Budget Template* (20 points [4%]).

17. A budget for the requested amount of RVARC Virginia Housing Funds (40 points [8%]).
18. A brief description explaining any costs that will utilize RVARC HDP funds (20 points [4%]).

Local Governments

1. Description of an affordable housing development, from the list created in Appendix A, and the methods used to create community support for new projects (30 points [6%]).
2. If your organization/locality has no previous experience in housing development, describe how this relates to your mission and the partners you will be working with to produce affordable housing (35 points [7%]).
3. Description of the type of development the Applicant is proposing (30 points [6%]).
4. Description of the process reinforcing the decisions the Applicant has made about the proposed development (20 points [4%]).
5. Description of if/how the Applicant's project will (1) deliver deeper affordability levels, and (2) serve special populations (40 points [8%]).
6. Description of how the Applicant's project will address Virginia Housing's expected outcomes (40 points [8%]).
7. Description of where the proposed affordable development will be located (35 points [7%]).
8. A site plan/map/schematic labeled Site Plan, Appendix C (35 points [7%]).
9. Description of the project status and remaining steps outstanding before construction can commence, Appendix D (25 points [5%]).
10. The anticipated date that multi-family rental units will be ready for lease-up (20 points [4%]).
11. The Applicant's project development team in this affordable development, Appendix E (30 points [6%]).
12. Description of the affordable development's features: proximity to transit; walkability to grocery stores, medical, employment and recreational uses; energy efficiency; economical building techniques (20 points [4%]).
13. The development's budget (50 points [10%]).
14. Detail of the funding sources supporting the various budget components including the current request in the *Budget Template* (20 points [4%]).
15. A budget for the requested amount of RVARC Virginia Housing Funds (40 points [8%]).
16. A brief description explaining any costs that will utilize RVARC HDP funds (30 points [6%]).

The Roanoke Valley-Alleghany Regional Commission reserves the right to:

- 1) Reject any and all applications.
- 2) Waive informalities in any application.
- 3) Award any whole or part of a application.
- 4) Award to the Applicant whose application(s) is/are at the sole discretion of the RVARC determined to be in the best interest of the RVARC.
- 5) Award to the Applicant(s) that present(s) the best value to RVARC as determined by RVARC.