

ADDENDUM NO. 1

SUBJECT: Addendum Number 1 to RFP for General Project Based Vouchers issued August 28, 2023

DATE: September 7, 2023

This addendum is issued to furnish information that is supplemental to, will clarify, or modify the above-referenced solicitation.

Clarifying Questions and Responses

Question 1: Section e.4. (p.6) Format and Contents: Debarment or Other Disqualifications: Does the County have a specific form for this required disclosure?

Response 1: No, the Commission does not have a form for this disclosure.

Question 2: Section C Application Requirements, #2: Requests certification not on GSA list. Does the County have a specific form this required certification?

Response 2: No, the Commission does not have a specific form for this certification.

Question 3: Section C Application Requirements, #3: Requests statement that property meets HUD environmental Regulations. What is the County looking for here? Is the County expecting the applicants to have already completed NEPA review?

Response 3: The Commission is seeking information as to where the project is in the NEPA process. The NEPA review does not need to be complete at time of application, however additional points will be awarded to those projects that have either begun or completed the NEPA process.

Question 4: Exhibit C, 5c. NEPA - Will partial points be awarded if NEPA is underway but will not yet complete by PBV application?

Response 4: Yes

Question 5: #12b: Requests disclosure of any conflict of interest. Does the County have a specific form for this required disclosure?

Response 5: No, the Commission does not have a specific form for this disclosure.

Question 6: Is this a second RFP with 100 more PBV's separate and apart from the 120 PBV's RFP with a deadline 11 days earlier?

Response 6: Yes. The first RFP, released July 10, 2023, was seeking PBV proposals specifically for permanent supportive housing units. The RFP released on August 28, 2023 is seeking proposals for PBVs to serve general populations, not strictly PSH or homeless-dedicated units.

Question 7: Is there a definition of cost-effective noted in Exhibit C Evaluation Criteria item 2c?

Response 7. Cost-effective construction is an approach to affordable housing design and construction that causes construction to take place “as efficiently and cost-effectively as the market allows.” (California Tax Credit Allocation Committee, et al, <https://www.treasurer.ca.gov/ctcac/multistate-housing-costs.pdf>, Construction Costs of Affordable Housing, 2019, page 3)

Question 8. Exhibit C, 2c. Cost Effective Construction. Can you explain how cost-effective construction will be evaluated? What documentation and benchmarks is County looking for?

Response 8. The Commission will be looking at over-all per-unit cost for construction compared to standard industry per-unit cost for affordable housing. This will be shown in the proforma. No other benchmark documentation is required.

Question 9. Exhibit C, 5a. Project Readiness. Units ready for occupancy within 18 months of signing AHAP. - AHAP is usually signed at construction loan closing. Construction is usually completed right around 17-18 months. If you claim these 10 points, what happens if construction is delayed due to weather or supply delays and units are ready after 18 months?

Response 9. If a project is delayed for reasons outside of the developer’s control, the developer should contact the Housing Authority to request an extension of time. The Housing Authority retains the right to re-evaluate the selection of the proposal if a reasonable amount of progress has not been achieved within the allotted time outlined within a letter of commitment or AHAP.

Question 10. Can you confirm the definitions of “new construction” and “substantial rehabilitation”?

Response 10. Definitions below:

New Construction: Newly constructed housing are housing units that do not exist on the proposal selection date and are developed after the date of selection pursuant to an Agreement between the PHA and owner for use under the project-based voucher program. (U.S. Department of Housing and Urban Development, HUD Form 52530A Housing Assistance Payment Contract New Construction or Rehabilitation, Part 2 of HAP Contract, page 2)

Substantial Rehabilitation (HUD Definition): HUD considers substantial rehabilitation of HUD-assisted multifamily rental housing to occur under one of the following circumstances: 1) when the required repairs, replacements, and improvements involve the replacement of two or more major building components, or 2) the costs of the rehabilitation exceed the greater of 15 percent (exclusive of any soft costs) of the property's replacement cost (fair market value) after completion of all required repairs, replacements, and improvements; or \$6,500 per dwelling unit (adjusted by HUD's authorized high cost percentage); or 20% of the mortgage proceeds applied to rehabilitation expenses. (HUD & FHA Glossary, <https://hud221d4.loan/glossary/substantial-renovation/>, 2023, paragraph 2)

Question 11. Exhibit C evaluation Criteria item 7a indicates “within reasonable travelling distance” is there a definition of what this means?

Response 11. According to the Sonoma County Transit Authority, the average weekday Sonoma County-generated trip is less than 6.9 miles in length. The Commission is utilizing this as a reasonable travelling distance. (Sonoma County Transit Authority, https://scta.ca.gov/wp-content/uploads/2020/02/Sonoma_TBS_2-7-2020_web.pdf, 2020, page 173)

Question 12. The admin plan and the application indicate that the number of PBVs can go above 25% if there are families receiving services. Can you clarify what this means? Is this any type of service? Is this all of the existing families in the project or a specific amount?

Response 12. The proposed number of units to be project-based may not exceed the greater of 25 units or 25% of the total units in the project except in the case of a housing project for seniors or persons with disabilities or families that are receiving supportive services.

For dwelling units that are designated for families requiring supportive services, the supportive services offered must be clearly identified and reasonably available to assisted residents for a period of no less than one year beginning the first day of each resident's tenancy. PBV assisted residents are not required to participate in supportive services.

Supportive services should be designed to help the recipient live in the community as independently as possible and be tailored to meet the needs of the residents occupying such housing. Such supportive services may include (but are not limited to):

- meal service adequate to meet nutritional need;
- housekeeping aid;
- personal assistance;
- transportation services;
- health-related services;
- case management;
- child care;
- educational and employment services;
- job training;
- counseling; or
- other services designed to help the recipient live in the community as independently as possible.

Question 13. Can you advise what AMI's are acceptable for the new General vouchers.

Response 13. Up to 50% of the AMI will be acceptable for Project Based Vouchers awarded through this RFP.

Question 14. If we can apply PBVs to higher AMI's (45% - 50%) would you recommend applying for all PBVs in one of the RFP applications? Can we submit for 6 units with the PSH RFP and then apply for the non-PSH units in the general RFP? Or would we need to apply for the general PBV and include all 6 PSH units and the non-PSH units?

Response 14. It is strictly an applicant's decision whether to apply to the RFP for PSH PBV, to the RFP for General PBV or to apply to both. An applicant may apply to both RFPs if they intend to serve different populations.

Question 15. With 30 PSH units, would you recommend applying for the first RFP due Sept 18th or the second RFP due Sept 29? The RFP's are very similar but I noticed in the second RFP, more points are awarded if 10% or more of the units are homeless-dedicated and referred from the Sonoma County Coordinated Entry System. Where would we be most competitive?

Response 15. It is strictly an applicant's decision whether to apply to the RFP for PSH PBV, to the RFP for General PBV or to apply to both. It is for the applicant to determine where they might be more competitive.

Question 16. Are we required to apply for PBVs for PSH units only in the first RFP (due Sept 18th)?

Response 16. Only permanent supportive housing units are eligible under the RFP for PSH PBV released on July 10, 2023.

Question 17. We are looking to apply for PBVs for a project which is in the City of Santa Rosa. The RFP says that for units within the City of Santa Rosa only new-construction homeless dedicated units are eligible. The project will have both homeless dedicated units as well as general units. Our plan had been to apply for 25% of the general units in addition to the homeless-dedicated units. Will that be eligible?

Response 17. The Commission will only award new-construction, homeless dedicated PBV units within the City of Santa Rosa. Any general units within the City of Santa Rosa are ineligible for PBVs through this RFP.

Question 18. to get the points for providing homeless dedicated units, I just wanted confirmation that is based on 10% of the PBV units, not based on 10% of the total units.

Response 18. The points for providing homeless dedicated units are based on 10% of the total PBV units, not total units in the project.

All other terms and conditions of RFP for General Project Based Vouchers issued August 28, 2023, remain unchanged.