



Housing Forward Rental RFP Workshop

February 7, 2022

Welcome!

- ▶ Agenda for this afternoon:
 - ▶ City Staff Introductions
 - ▶ Overview of RFP
 - ▶ Questions from Participants

AHI - Housing Forward Rental RFP

Increase the **quantity** of safe, quality,
affordable rental housing

throughout the City

particularly in locations that are well
served by **transit** and are proximate to
places of **employment, schools, parks,**
health care & other basic amenities

RFP Objectives

- ▶ Improve and expand housing choices available to residents in Madison by supporting proposals from qualified developers that seek to:
 - ▶ Preserve, improve and expand the supply of affordable housing for renters.

RFP Objectives

1. Increase the supply of safe, quality, affordable rental housing that ensures long-term affordability and sustainability. *NEW CONSTRUCTION*
2. Preserve existing income- and rent-restricted rental housing to ensure long-term affordability and sustainability. *PRESERVATION*
3. Improve the existing rental housing stock in targeted neighborhoods through acquisition/rehab to ensure long-term affordability and sustainability. *REHAB*

Goals of RFP

- ▶ Achieve a wider dispersion of affordable rental housing throughout the city and discourage the development of additional income- and rent-restricted units in areas with high concentrations of assisted housing.
- ▶ Ensure affordable rental housing is available to families and households with greatest need - and that housing created through this process will maintain long-term affordability.
- ▶ Embrace the City's commitment and goal to achieve 100% renewable energy and zero-net carbon emissions by 2030.

Pre-Application Requirements

- ▶ All interested applicants must reach out to Matt no later than February 9 to coordinate a pre-application meeting to discuss proposal
- ▶ All new construction development proposals (or any that involve major rehab with additions) and proposals that involve a change in land use must also meet with Planning
 - ▶ Include Kevin Firchow on correspondence when requesting pre-application meeting
- ▶ All applicants must contact the district's alder to discuss the proposed project, identify and address concerns (New construction must also discuss with Neighborhood Association)
 - ▶ New alder districts as of 1/1/2022

Requirements & Preferences

▶ Requirements:

- ▶ Applications must meet all eligibility criteria outlined in the RFP
- ▶ Applicants accepting federal funds must meet all federal requirements either at time of application or prior to a commitment of funds
- ▶ Proposals that do not meet these threshold criteria will be disqualified and deemed ineligible for funding

▶ Preferences:

- ▶ Applicants strongly encouraged to meet as many of the RFP's preferences as feasible to ensure a competitive application
- ▶ Preferences align with Citywide priorities, consistent with other funding awards and future awards
 - ▶ Sustainability, access to core transit, marketing to vulnerable populations, etc.
- ▶ Proposals that commit to more preferences typically score better through competitive analysis. Applicants are strongly encouraged to consider all City preferences when applying.

Application Preferences

- ▶ Projects that are shovel-ready (construction within 6 months of commitment)
 - ▶ Exception for non-profit “Targeted Geography” applications
- ▶ Small scale, infill “missing middle” development types
 - ▶ Approx. 4-40 units of housing consistent with Imagine Madison GFLU, heights, and densities
- ▶ Serve populations requiring ongoing case management or supportive services that can leverage non-City resources to fund those services
- ▶ Commitment to Energy Efficiency
- ▶ Commitment to Universal Design

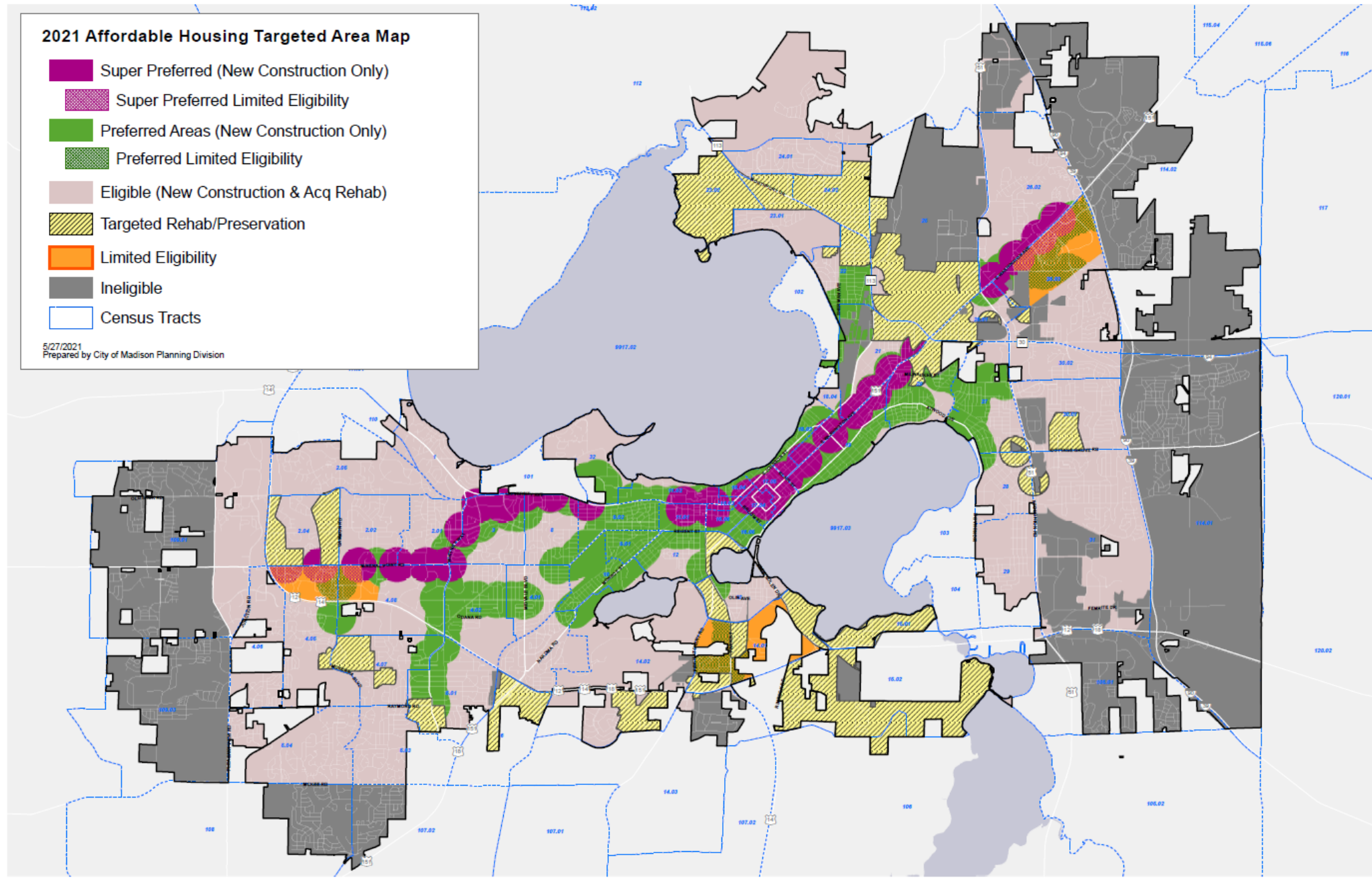
Housing Development: Highlights

- ▶ Applicants may be nonprofit or for-profit entities, housing cooperatives and other ownership structures considered
- ▶ New construction preferenced in areas along E-W BRT route (Super Preferred Area)
 - ▶ Acceptable in areas with exceptional access to transit not served by E-W BRT (Preferred Area)
 - ▶ Allowable in other areas otherwise “eligible” on AH-TA Map. Strong future transit connections and neighborhood engagement preferred.
- ▶ Rehabilitation allowable citywide, preferred in Targeted Rehab Areas
- ▶ Proposals must embrace City’s commitment to net-zero emissions by 2030 by:
 - ▶ Coordinating with Focus on Energy, and/or
 - ▶ Incorporating sustainable design techniques outlined in AIA Framework for Design Excellence, and/or
 - ▶ Implement renewable energy options into the development

2021 Affordable Housing Targeted Area Map

- Super Preferred (New Construction Only)
- Super Preferred Limited Eligibility
- Preferred Areas (New Construction Only)
- Preferred Limited Eligibility
- Eligible (New Construction & Acq Rehab)
- Targeted Rehab/Preservation
- Limited Eligibility
- Ineligible
- Census Tracts

5/27/2021
Prepared by City of Madison Planning Division



Housing Development: Key Changes

In 2020 RFP

- ▶ Rental developments must commit to 40 year period of affordability
- ▶ New preference for smaller scale infill developments that address shortage of “missing middle” housing
 - ▶ Four to Forty units, consistent with Imagine Madison GFLU and/or Neighborhood Plans
- ▶ New construction proposals must submit plans to Development Assistance Team and hold a neighborhood meeting as part of pre- or post-application process

Housing Development: Key Changes

In 2022 RFP

- ▶ For-profit developers eligible for funding
- ▶ “License to Hunt”/Targeted Geography rental development applications will be accepted from nonprofit agencies
 - ▶ Areas of interest to the City
 - ▶ Increasing AH opportunity through agency/neighborhood capacity
- ▶ New financing option: Waiver of shared appreciation in LTD Note for commitment to permanent affordability evidenced by a LURA
- ▶ Increase in anticipated award per unit (\$85,000 - \$110,000 per HOME unit or equivalent) dependent upon demonstrated gap & underwriting
 - ▶ Also reflecting goals, objectives, and preferences of the RFP

RFP Timeline

Contact Matt for Pre-App Meeting no later than February 9

Applications Due March 2nd

Supplemental Questions, Post-App Meeting If Needed

CDBG Committee Presentations May 5th

CDBG Committee Funding Recommendations June 2nd

Questions?