



REQUEST FOR
PROPOSALS:
AFFORDABLE RENTAL
HOUSING DEVELOPMENT

RFP-2223-62 AMERICAN RECOVERY PLAN
PROGRAM--AFFORDABLE RENTAL
HOUSING DEVELOPMENT

The City of Norman is using Coronavirus State and Local Fiscal Recovery Funds (SLFRF) to provide an assistance package to mitigate barriers to rental housing development that result in long-term affordable rents for the target market.

**FOR QUESTIONS OR MORE
INFORMATION:**

Lisa Krieg
CDBG/Grants Manager
405-366-5464
AffordableHousingRFP@normanok.gov

Information at:
<https://www.normanok.gov/your-government/departments/planning-and-community-development/grant-programs/affordable-housing>

PROPOSAL SUBMISSION

Via Email to:
AffordableHousingRFP@normanok.gov
Proposals submitted electronically must be in PDF format, and sent either as an email attachment or via a Dropbox link.

Copies of validly submitted proposals may also be sent in person at:
Office of CDBG/Grants Manager
225 N. Webster
Norman, OK 73069

The proposal shall be only signed by an official who can legally bind the organization.

**Proposals must be received by 2:00 pm on
Friday, June 23, 2023,**

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City of Norman Request for Proposals

Published in the Norman Transcript on May 10, 2023

Notice is given that the City of Norman, American Recovery Plan Program will receive proposals from qualified non-profit 501(c)(3) and for-profit multifamily rental development enterprises to construct affordable rental housing until Friday, June 23, 2023. The proposal package for RFP 2223-62 may be obtained by contacting Lisa Krieg CDBG/Grants Manager, at AffordableHousingRFP@NormanOK.gov or normanok.gov.

Introduction

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program's final rule allows investment of these dollars to boost the supply of affordable housing. An eligible use includes developing, repairing, and operating affordable housing, services, or programs to increase long-term housing security.

According to the city of Norman's Homelessness Gaps Analysis for the Norman/ Cleveland County Continuum of Care, one key priority area for action includes opportunities for safe and affordable housing. A significant portion of lower-income rental households are experiencing a housing cost burden greater than 30% of income, and lower-income renters are also experiencing overcrowding and substandard housing conditions. The disparity between income and affordable housing has created a cost burden for a significant portion of the population, impacting all household types. Nearly a third of the overall population of Cleveland County experiences a cost burden for housing, making this population vulnerable to homelessness.

Research shows that common causes of homelessness include the lack of affordable housing, economic insecurity, unemployment or inadequate wages, and mental or physical health conditions. Other causes can be health crises, substance use, or domestic violence. For those living paycheck-to-paycheck, a few reduced working hours, a costly medical bill, or an unexpected family emergency can be enough to result in a housing crisis. Older adults are struggling to find affordable housing, even when they may be receiving Social Security or other mainstream benefits.

The City of Norman's Consolidated Plan 2020-2024 identifies the community's most significant housing needs, including lower-income renters and lower-income homeowner populations. A substantial portion of lower-income rental households are experiencing housing cost burdens greater than 30% of income. Many lower-income renters are also experiencing overcrowding and living in substandard housing. Likewise, some lower-income homebuyers have a housing cost burden greater than 30% of income, and some between 50-80% AMI also live in substandard housing. These cost burdens fuel the community's need for new affordable housing options.

Based on the city's needs and discussions among community leaders, the city is issuing a request for proposals for an affordable housing rental development.

This RFP seeks a qualified housing development entity to design, construct, finance, own, and manage a new affordable housing development; provide property management and other associated tasks that ensure the successful completion of the City of Norman's affordable housing goals.

The successful Proposer will leverage the city's development assistance package with Oklahoma Housing Finance Agency's Section 42 Low-Income Housing Tax Credits, Multifamily Bonds, and/or other financial resources, has a successful history of developing, operating, and managing low-income housing tax credit developments in Oklahoma, and demonstrates sensitivity to quality land use planning, housing development design, accessibility, and architecture.

Project Overview

The City of Norman is seeking proposals from experienced, low-income housing tax credit developers to construct and manage a new affordable housing development located on the corner of Imhoff and Oakhurst. Additional information about the property may be found [here](https://property.spatalest.com/ok/cleveland/#/property/154565) on the Cleveland County Assessor's website [https://property.spatalest.com/ok/cleveland/#/property/154565]. The project aims to address the current affordable housing shortage in our community, provide safe and comfortable living spaces, and enhance the quality of life for our residents. The expected outcome is the addition of a minimum of 75 affordable rental units emphasizing one-bedroom units for low-income rent-burdened family households experiencing overcrowding and substandard housing conditions.

The city offers an assistance package to mitigate barriers to affordable housing development. As part of its assistance package, the city working with the selected proposer, will facilitate the rezoning of the site (rezoning fees to be paid by the City) for the proposed development.

The development site on which affordable housing will be constructed is 5 acres, more or less. A gravity sewer main runs along the property line's north edge and partially down the east edge. Water is located at Oakhurst near the NW corner of the property and all along Imhoff. City sanitation services are available.

A Phase I Environmental Assessment on the proposed site has been completed. The report (Section 6.4) indicates that a small portion of the property is identified as Riverine Habitat R4SBC and must be considered in the Site Design. Copies of the report may be found [here](https://www.normanok.gov/your-government/departments/planning-and-community-development/grant-programs/affordable-housing) [https://www.normanok.gov/your-government/departments/planning-and-community-development/grant-programs/affordable-housing].

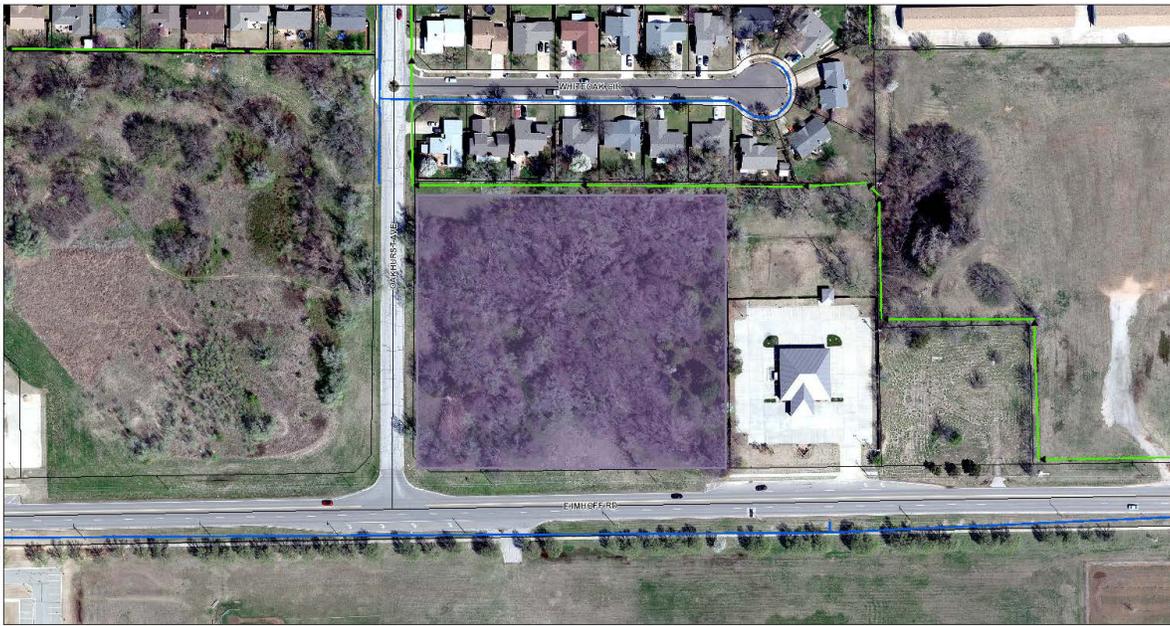
Figure 1: Map of Subject Property.



City of Norman, Interactive Map
The City of Norman assumes no responsibility of errors or omissions in the information presented.

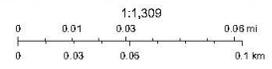
Figure 2: Map of Utility Lines

RFP 2223 62 Utilities Location



4/26/2023, 9:27:44 AM

- Override 1
- OU
- Streets
- Centerline Labels (10,000+)
- Green: Band_2
- Blue: Band_3
- Red: Band_1
- WMains
- Park
- Gravity Main
- Lake Thunderbird AerialPhoto2021
- Parcel
- Railroad



City of Norman, GIS Services Division

City of Norman, Interactive Map
The City of Norman assumes no responsibility of errors or omissions in the information presented.

Scope of Work

The affordable housing development will provide one, two, and three-bedroom affordable rental units on the subject property. The selected developer will be responsible for the affordable housing development's financing, design, construction, ownership, and property management. Any SLFRF funding received must be expended by September 2026.

The **project scope** includes:

- Working with the city staff for land transfer and zoning.
- Applying for and receiving Oklahoma Housing Finance Agency's Section 42 Low-Income Housing Tax Credits in 2024.
- Design and construction of the affordable housing development.
- Providing city staff with the project site plan for rezoning before September 1, 2023.
- Implementation of property management and maintenance.
- Compliance with all local, state, and federal rules and regulations.

Project requirements. All proposals must meet the following minimum requirements:

1. The project must have at least 75 total units.
2. At least 10% of the housing must be affordable to households earning at or below 30% of the area median income (AMI) for the City of Norman.
3. The development must be accessible and inclusive of community space, playgrounds, or green spaces.
4. The Building Facades are at least 60% brick or stone (man-made or natural). The remaining percentage shall be comprised of Cement type boards.
5. Each unit must be equipped with washer and dryer hookups.
6. Each unit shall be equipped with a garbage disposal and dishwasher.
7. Each bedroom and living area shall have a ceiling fan/light combination.
8. The development must comply with all federal, state, and local laws and regulations, including zoning and land use restrictions.
9. The project must secure an OHFA 2024 Tax Credit Allocation.
10. The developer must agree to waive your right to request a qualified contract as defined in Section 42 (h)(6)(F) of the Internal Revenue Code.
11. The project owner must agree to repay any loaned funds to the City at the time the project becomes non-compliant, including if such project ceases to satisfy the requirements to be a qualified low-income housing project (as defined in section 42(g) of the Internal Revenue Code) or a qualified residential rental project (as defined in section 142(d) of the Internal Revenue Code), or if the project fails to comply with any of the requirements of the extended low-income housing commitment that are described in section 42(h)(6)(B)(i)-(iv) of the Internal Revenue Code
12. The affordability period for the property must be for a term of not less than 20 years after the assisted units are available for occupancy.
13. All units constructed at ground level must incorporate the City's visitability requirements. These requirements can be found on the City's website at <https://www.normanok.gov/your-government/departments/planning-and-community-development/development-services>

Deliverables expected of the developer:

1. Secure OHFA tax credit allocation in 2024;
2. Complete construction and lease-up by 2026; and
3. Provide and maintain a safe, affordable place to live.

City of Norman Assistance Package

The city intends to act as a catalyst to increase access to housing, create a sustainable community, and promote neighborhood revitalization. As such, it has acquired approximately five (5) acres mol for affordable housing investment, conducted preliminary work to lay the ground for development, and dedicated funds for housing investment to help with costs. City staff will work with a selected affordable housing developer to expedite land use approvals necessary to accomplish the project timely.

The city must recover the funding investment for the land and is willing to use “soft” terms for land acquisition, as detailed below. Proposer will include the price and terms paid to the City of Norman for the property within their proposal.

Proposers may choose one or more of the following incentive items:

Land Acquisition and Financing. It is up to the proposer to consider whether purchasing the land or leasing the site offers the best chance of securing a tax credit allocation or bond financing. Regardless, a deed restriction to ensure affordability will be filed. The city can provide low-interest financing for the purchase price of the land of \$525,000.

The City is willing to finance the land acquisition and offer other direct financial assistance, as needed. If necessary, the City can provide low-interest permanent mortgage financing (for the property acquisition) and long-term, low-interest permanent financing. Final transfer and financing terms are subject to negotiation with the selected proposer. For ease of preparing the projected costs of the project, proposers may use the following loan terms to prepare their financing submissions:

Loan term: 20 years minimum

Loan rate: 3% fixed simple interest rate

If the proposer is requesting a long-term loan, the development must meet the following requirements to satisfy the City’s obligations under federal regulations governing the use of SLFRF funds:

1. The loan term must be a minimum period of 20 years.
2. If receiving LIHTC financing, the project owners of the property must waive their right to request a qualified contract as defined in Section 42(h)(6)(F) of the Internal Revenue Code and repay any loaned funds to the City if the property becomes non-compliant.

Proposers are encouraged to leverage the City’s assistance in their cost and project proposals to cater to the project requirements and priorities. The city will not penalize or negatively score proposals that utilize these incentives.

Project-based Rental Assistance: Through its local partner, the Norman Public Housing Authority (OK-139), a total of 10 units occupied by 30% AMI income-qualified households are eligible to receive project-based rental assistance for the development's affordability period. Indicate the number of units and proposed rents in your proposal’s unit mix spreadsheet. Copies of the current Norman Housing Authority’s Fair Market Rent rates may be found at <https://www.normanok.gov/your-government/departments/planning-and-community-development/grant-programs/affordable-housing>.

Zoning: Once the City of Norman has selected a Developer and approved the final site plan, the city will facilitate the site's rezoning (Planned Unit Development), including paying all fees associated with the rezoning request

Proposal Submission Instructions

The proposer must respond to all information requested in the “Proposal Contents and Format” section clearly and concisely. Proposals will be evaluated for completeness, including all information and forms this Request for Proposals requires. The city may request additional information and conduct interviews after reviewing each proposal.

Before submitting the proposals, the proposer shall:

1. Carefully examine the Request for Proposals Contents, Project Submission Requirements, and all required forms.
2. Fully inform yourself of the existing conditions and limitations;
3. Include sufficient information to cover all items required in the proposal's specifications.

Pre-Proposal Conference

A pre-proposal conference will be held virtually on **Monday, May 22, 2023, at 3:00 PM CDT** via Zoom. Proposers can ask questions related to the information contained within this solicitation. While not mandatory, proposers are encouraged to attend. Proposers are encouraged to submit questions via email to the email address above before the event, but questions will also be taken during the meeting. Those seeking to attend the pre-proposal conference shall notify the City by email at AffordableHousingRFP@normanok.gov by **5:00 PM on May 19, 2023**. Those who notified the city will be sent a link to the Zoom meeting on the morning of May 22nd with the call information.

A document containing the questions asked and answered during the meeting will be made available on the City’s website shortly after the Zoom meeting. Once available, that information will be posted at: <https://www.normanok.gov/your-government/departments/planning-and-community-development/grant-programs/affordable-housing>

After the Pre-Proposal conference, all inquiries or requests for significant or material clarification, technical interpretations, or notification to the city relating to this RFP must be directed, in writing, to the contact listed on the cover page. Inquiries and affiliated responses are posted to the website within five (5) business days of receipt of a question.

During the project awarding process, no employee, member, or agent of any Proposer shall have any ex parte communications regarding this award with any member of the City Council, the Selection Committee, their advisors, or any of their contractors or consultants involved with the awarding of the project, except for communications expressly permitted by this RFP.

The process commences with the issuance of this RFP and continues until the award of a contract for the project (or cancellation of the award). Any *Respondent engaging in such prohibited communication may be disqualified at the sole discretion of the City.*

This RFP does not form or constitute a contractual document. The City of Norman shall not be liable for any loss, expense, damage or claim arising from the advice given or not given or statements made or omitted to be made in connection with this RFP. The City also will not be responsible for any expenses which may be incurred in the preparation of this RFP. The City of Norman may also choose not to award a contract to any proposers.

Deadline

Proposals must be submitted by *2:00 p.m. on Friday, June 23, 2023*. Proposals must be sent to AffordableHousingRFP@normanok.gov in PDF format. Proposals may be attached to the email or sent via a Dropbox link. Failure to submit a timely response according to the RFP and any addendum may be grounds for deeming a submittal non-responsive. If a revision to this schedule must occur, the addenda will be posted to the City's website at the following link:

<https://www.normanok.gov/your-government/departments/planning-and-community-development/grant-programs/affordable-housing>

Proposal Content and Format

Only complete submittals will be accepted. Applications must be submitted via email to AffordableHousingRFP@normanok.gov. All applications must be submitted in PDF format as one document. Proposals may either be attached to the email or sent via a Dropbox link. All Proposers are required to submit a complete proposal. Applications shall be accepted if they are complete following the RFP required submission instructions. The city's RFP forms are similar to the Oklahoma Housing Finance Agency forms for consistency in projecting costs and financing.

Proposals must generally follow the outline below:

Section 1. Previous Experience and Composition of the Development Team

In this section, proposers should provide, in addition to the requested forms, a narrative about the proposed development project and summarize your history and experience in developing, financing, owning, operating publicly financed affordable rental housing, and managing affordable housing.

For example, this section should (at minimum), include the following information:

- Quantify the number of tax credit awards received from OHFA in the prior 10-year period.
- Continued Ownership of Projects - how many total developments were completed by the proposer, and of those, how many do you still own, how many were sold, and why?
- Describe the entity that will provide property management services and the extent of their experience managing Section 42 Low-Income Housing Tax Credit developments, including lease-up experience. If using a third-party property management company, provide a copy of their OK License and listing of properties actively managed, including the property's name and type of property (family, senior, special needs, etc.)—address, and the number of units.

Section 2. Project Design/Proposal: Land use planning, housing development design, architecture, and Market Analysis

This section provides an overview of the developer's proposed project, including the design's incorporation of the project requirements listed in the Scope of Work, preliminary site plans, and a description of the affordable housing project to be completed by the developer.

For example, this section should include the following information (at minimum).

- Preliminary site plans of the development that:
 - assumes entrance to the development from Oakhurst,
 - addresses the tributary wetland area described in Phase I, and
 - meets the city's visitable standards on all ground floor units.
 - Identifies all project requirements, amenities, and Bonus Criteria as applicable.
- Submission of a third-party independent market analysis that documents and supports the assumptions presented in the development pro-forma and the demand for the type and number

of units proposed, including but not limited to rents, capture rates, absorption rates, and comparable properties in the primary market area.

- Discuss the extent to which the development incorporates as many one-bedroom units into the unit mix while remaining within the confines of the unit mix demand projected by their 3rd party independent market analysis.

Section 3. Estimated Development Budget and Financing

This section should explain the financing structure and budget the developer proposes.

If requesting City assistance, provide a detailed description of specific requests needed to complete the proposed project. If requesting financial assistance, Proposers should specify the dollar amount requested, use of funds, and the form of assistance (such as a deferred loan with interest-only payments, deferred with no payments, and principal and interest due at loan maturity, etc.).

In addition to any financing requested from the city, the proposal must provide letters of intent for construction and permanent financing, equity, and other resources presented in the development budget. The letters must identify amounts and all proposed financing terms.

Proposers must include a detailed timeline for any other competitive government funding to be pursued (i.e., OHFA, Federal Home Loan Bank, etc.). For each, include the name of the funding program, the application due dates, the award date, and the date funding will be available to the development. Please consider that the City will issue an award contingent on funding from OHFA and firm commitments from all lenders and investors identified by the proposer. The City will release no funds until all funding is in place.

The City will evaluate the proposer's development budget Excel worksheets [Form 7] based on the Oklahoma Housing Finance Agency's underwriting standards, rent, and income limits for the Section 42 Low-Income Housing Tax Credit Program. These can be found online at www.ohfa.org.

Section 4. Required Form Submissions

This section consists entirely of forms to be completed by the proposer and can be found at the end of this RFP. The information contained in these forms are intended to supplement the information provided in the narratives in Sections 1-3. These forms should be attached in the following order at the end of the project submission as Section 4:

- Form 1 Application Details
- Form 2 LIHTC Previous Participation (Proposer/Developer)
- Form 3 Development Team Member Certificate (Proposer, Developer and General Contractor)
- Form 4 Identify of Interest Certification (Proposer)
- Form 5 Affidavit of Non-collusion (Proposer)
- Form 6 Certificate of Non-discrimination (Proposer)
- Form 7 Development Budget Excel Spreadsheet (Workbooks must be submitted in PDF).
- Form 8 Waiver of Qualified Contract (Proposer/Developer)
- Form 9 Bonus Criteria Certification (if applicable) (Proposer)

Evaluation Criteria

Proposals will be evaluated in the following four categories:

	Points per section
Previous Experience	20
Project Proposal	40
Budget and Financing	30
Bonus Points	10
TOTAL POINTS POSSIBLE	100

Bonus Evaluation Criteria

Bonus Points awarded to proposals incorporating one or more of the following:

Additional Income Targeting: the extent to which very low-income households at and below 50% area median income are incorporated into the income mix to be served.	Up to 3 points
Washer and Dryers are provided and located within each unit.	1 Point
Proposal certifies that it will achieve a HERs rating less than or equal to a score of 80	2 Points
Storm Shelter or Safe Room constructed in accordance with the most recent State of Oklahoma Uniform Building Code. Storm Shelter(s) must accommodate all possible residents based on the number of bedrooms. Multi-Family development may incorporate safe rooms in individual units or integrate into a monitored community room area.	4 Points

Review Process

Proposals will be reviewed by staff for completeness. Complete submissions will be referred to an Application Review Committee. The Committee will be comprised of mix of City Staff and Residents. The Committee may request assistance from third-party technical advisors who may review the responses and advise the Committee.

During the proposal review, the Committee may send questions to Proposers seeking clarification or requesting supplemental information regarding their responses. Additionally, the Committee may request final interviews with the top Proposers following an initial review. If the Committee wishes to interview the proposers with the top applications, City Staff will contact those proposers to facilitate and schedule interviews.

The Committee will evaluate all complete applications and measure each Proposer's response against the selection criteria detailed in this Request for Proposal document, resulting in a numerical score with a potential score of 100 for each application. The Review Committee will recommend funding to Council for the proposal achieving the highest score that meets the city's interest. Upon award, the City of Norman will enter contract negotiations to finalize agreements with the selected developer. All agreements and contracts are subject to approval by City Council.

The City reserves the right to reject any or all Applications and negotiate contract terms, including the amount with the selected organizations before entering a written agreement. Nothing in this RFP implies a contractual obligation with any Proposer or firm.

Forms

All required forms are available to download online at <https://www.normanok.gov/your-government/departments/planning-and-community-development/grant-programs/affordable-housing>.

- Form 1 Application Details
- Form 2 LIHTC Previous Participation
- Form 3 Development Team Member Certificate (Proposer, Developer, and General Contractor)
- Form 4 Identify of Interest Certification
- Form 5 Affidavit of Non-collusion
- Form 6 Certificate of Non-discrimination
- Form 7 Development Budget Excel Spreadsheet (**Workbooks must be submitted in PDF**).
- Form 8 Waiver of Qualified Contract
- Form 9 Bonus Criteria Certification (if applicable)

NOTICE TO BIDDERS / RFP RECIPIENTS

When submitting bids or responses to RFPs, corporate entities are required to comply with State law regarding authorized signatures.

State statute requires that bids/RFPs “be signed by the chair or vice chair of the Board of Directors, or the President, or by a Vice President, and attested by the Secretary or an Assistant Secretary; or by officers as may be duly authorized to exercise the duties....” 18 O.S. § 1007.A.2

However, if some other official with the corporation, such as a secretary signing a document, such signature needs to be accompanied by a certificate or a copy of a resolution adopted by the Board setting forth the authority of that individual to execute a contract.

With respect to limited liability corporations, every manager is an agent of the company for the purpose of business and binds the limited liability company. Therefore, instruments and documents shall be valid and binding upon the limited liability company if executed by one or more of its managers. 18 O.S. § 2019A

As set forth above when submitting bids and RFPs, certification adhering to the state statutes should accompany documents being turned in for review.