



Hamilton
County

CINCINNATI
DEVELOPMENT
FUND

REQUEST FOR PROPOSALS FOR AFFORDABLE HOUSING PROJECTS HAMILTON COUNTY AMERICAN RESCUE PLAN ACT FUNDING

SECTION 1 – INTRODUCTION AND PROGRAM NARRATIVE

(A) Introduction, Background, and RFP Overview:

The Cincinnati Development Fund, Inc (“CDF”) is issuing this Request for Proposals (“RFP”) to use certain American Rescue Plan Act (“ARPA”) funds allocated to Hamilton County for the production, rehabilitation, and preservation of affordable housing to increase long-term housing security to respond to the negative economic impacts of the COVID-19 pandemic on households and communities in Hamilton County.

As further described in this document, this RFP will include both an initial round of applications and awards and a subsequent rolling round of applications and awards. CDF intends to issue this initial round of awards to “shovel-ready” projects that demonstrate the ability to immediately proceed following receipt of an award, while retaining a significant portion of the available funding for consideration during the rolling round. This structure is intended to balance (1) the immediate need for a significant increase in the availability of affordable housing in the County, and the aggressive deployment deadlines established by the ARPA regulations, with (2) the complementary goals of the Board of County Commissioners and CDF to build capacity in the development community through intentional outreach to newer and smaller development entities, facilitate geographic diversity in housing projects across the County, and encourage the consideration of creative financing structures that will maximize the impact of these funds.

Background and authority: this RFP is being issued pursuant to a Subrecipient Agreement between the Board of County Commissioners of Hamilton County and CDF (the “County Agreement”), dated December 15, 2022, in which the County established the Hamilton County American Rescue Plan Act Affordable Housing Program (the “County ARPA Program”) – and contracted with CDF to administer it – in order to finance the production and preservation of affordable housing units in Hamilton County with

a portion of the Coronavirus State and Local Relief Fiscal Recovery Funds received by the County (the “County ARPA Funds”), consistent with the American Rescue Plan Act of 2021, Pub. L. No. 117-2, Treasury’s Coronavirus State and Local Fiscal Recovery Funds Final Rule, 87 Fed. Reg. 4338 (2022) (codified at 31 C.F.R. Part 35) (the “Final Rule”), and the Hamilton County American Rescue Act Plan adopted by the County on July 1, 2021 (and subsequent amendments).

Amount of funding: the County ARPA Program, through this RFP, is making available a total of \$31,825,000.00 of County ARPA funds for the production and preservation of affordable housing in the following categories and amounts:

1. New Affordable Housing Units (the “**New Units Fund**”) – Production of new affordable housing (a new income-restricted housing unit, whether it is newly constructed or a renovation of an existing, non-income restricted unit), with emphasis on proximity to community anchors, home ownership, and energy and water efficiency. Funding will be focused on gap financing to leverage the County ARPA Program dollars and maximize the number of new units. **\$ 16,941,667.00**
2. Rehabilitation of Existing Housing (the “**Rehabilitation Units Fund**”) – Renovation and rehabilitation of existing single-family and multi-family units, including preservation of an existing income-restricted unit and renovation of an existing non-income restricted unit resulting in an income-restricted unit, both occupied and un-occupied, with emphasis on energy and water efficiency. Funding will be focused on gap financing to leverage the County ARPA Program dollars and maximize the number of units renovated. **\$ 7,441,666.00**
3. Affordable Housing for Targeted Populations (the “**Prioritized Projects Fund**”) – Production of new affordable housing targeted to senior citizens, disabled citizens and citizens who were previously incarcerated and who are receiving services through Hamilton County Office of Reentry (“Returning Citizens”). **\$ 7,441,666.00**

(B) RFP Details

CDF will accept initial applications through May 16 and announce an initial round of awards in June following which CDF will accept applications and make awards on a rolling basis. The general intent of this schedule is to quickly make the initial awards of some – but not all – of the County ARPA Funds to eligible, “shovel ready” projects (as further described in this RFP), while still retaining a significant portion of the County ARPA funds for the rolling portion of the RFP.

Awards will be made in the form of recoverable grants or loans. Award amounts and terms will be determined by CDF, in its professional discretion, pursuant to the evaluation criteria described in this RFP. CDF reserves the right, in response to an application for County ARPA funds, to recommend and award of County ARPA funds in conjunction with other CDF loan products.

Applications will be considered for one of two funding pools:

- **Gap Financing Application:** applicants seeking funds from either the New Units Fund or the Rehabilitation Units Fund, or for a senior housing project, will submit a Gap Financing Application that requests a specific award amount that will allow the project to proceed immediately following receipt of the award.

- **Prioritized Projects Application for Disabled or Returning Citizen Housing:** applicants seeking funds from the Prioritized Projects Fund for a housing project supporting either disabled residents or Returning Citizens will submit a Prioritized Projects Application that requests a specific award amount that will either allow the project to proceed immediately following the receipt of the award, or will demonstrably lead to securing identified, additional funding necessary for the project to proceed.

Both forms of application will be subject to the eligibility and programmatic requirements in Section 2, the minimum threshold requirements in Sections 2(C)(i) and 2(C)(ii), and the evaluation criteria in Section 3. The minimum threshold requirements in Section 2(C)(iii) related to “readiness to proceed,” however, will only apply to Gap Financing Applications. Notwithstanding the foregoing, CDF reserves the right to evaluate Gap Financing Applications in the context of whether such applications, in CDF’s professional judgment, advance the goals of the County ARPA Program and are eligible uses of County ARPA funds under the Final Rule or any other similar guidance issued by the Treasury Department.

4% LIHTC Contingent Applications Allowed: Applicants intending to utilize a 4% LIHTC allocation that has not yet been awarded, may submit a Gap Financing Application that presumes the award of a non-competitive 4% LIHTC award, but only in the instance in which the applicant will not also be seeking Housing Credit Gap Financing (also known as “bond gap financing”) from the Ohio Housing Finance Agency, or some other competitive funding source that is not secured at the time of application submission. In other words, the project financing information for such applications should include a presumption that a 4% LIHTC Has been awarded, and CDF will share this presumption in assessing whether the minimum threshold requirement has been satisfied, and in otherwise evaluating the project as described in Section III.

(C) RFP DATES:

- **April 18** – RFP issued. Written questions accepted by email at HamCountyARPA@cinddevfund.org
- **April 27**– CDF hosts webinar to discuss RFP and address any questions submitted in writing by April 25
- **May 9** – pre-application letters declaring intent to apply encouraged
- **May 16** – applications seeking an initial award due
- **June** – CDF recommends initial round of awards to Board of County Commissioners
- **June** – Board of County Commissioners meeting to discuss initial round of recommended awards
- **June/July** – CDF issues award letters for initial round of awards
- **June/July onward:** rolling applications accepted and evaluated pursuant to the processes described in the RFP

Please note that any project receiving an award of County ARPA funds will be subject to the applicable federal regulations described in Exhibit A.

SECTION 2 – ELIGIBILITY, PROGRAMMATIC REQUIREMENTS, AND APPLICATION THRESHOLDS

This section explains (1) what types of housing projects are eligible for County ARPA awards, (2) the programmatic requirements that will come with any award, as well as (3) the minimum thresholds that must be met for a Gap Financing Application to be considered in the evaluation and review process.

Applications may be submitted by for-profit or non-profit entities, and quasi-governmental entities engaged in the direct development of housing, but should not be submitted by individuals.

(A) Eligible Uses

The Final Rule establishes that the production, rehabilitation, and preservation of affordable housing to increase the supply of affordable and high-quality living units are each responsive to the needs of populations impacted by the negative economic effects of the COVID-19 pandemic and are therefore an enumerated eligible use of County ARPA Funds.

Eligible type of housing: County ARPA Funds may be used to pay the development costs related to the following types of housing:

- Multi-family rental housing.
- Home ownership, including single-family and owner-occupied multi-family housing.
- Permanent supportive housing to improve access to stable, affordable housing among individuals who are homeless.

Eligible affordability: The Final Rule and related guidance from the Treasury Department further establish that County ARPA Funds may be used to pay the development costs related to the production, rehabilitation, or preservation of housing in either of the following two categories:

Option 1: A project will be presumed eligible if it meets the resident income, affordability term, housing quality, and tenant protection requirements of any of the following federal housing programs:

- Low-income Housing Tax Credit (LIHTC)
- HOME Investment Partnerships Program (HOME)
- National Housing Trust Fund
- Public Housing Capital Fund
- Homeownership assistance that would be eligible under the Community Development Block Grant (at 24 CFR 507.201(n))
- Section 202 Supportive Housing for the Elderly Program
- Section 811 Supportive Housing for Persons with Disabilities Program

Eligibility may be established either through evidence an applicant has been approved for funding through any of these programs, or a demonstration that the project will meet the resident income, affordability term, housing quality, and tenant protection requirements of one of the programs.

Option 2: the production or preservation of multi-family rental units restricted during the affordability term to residents earning no more than **65% of Area Median Income (AMI), as defined by HUD** will be presumed eligible.

- Current applicable AMI levels can be found here:
[FY 2022 Income Limits Documentation System -- Summary for Cincinnati, OH-KY-IN HUD Metro FMR Area \(huduser.gov\)](#)

- Values from that link are shown here:

FY 2022 Income Limit Area	Cincinnati, OH-KY-IN HUD Metro FMR Area				
Median Family Income	\$99,100				
	FY 2022 Income Limit Category	Extremely Low Income (30% AMI)	Very Low Income (50% AMI)	ARPA Eligible (65% AMI)	Low Income (80% AMI)
Persons in Family	1	20,100	33,450	43,477	53,500
	2	22,950	38,200	49,688	61,150
	3	25,800	43,000	55,899	68,800
	4	28,650	47,750	62,110	76,400
	5	32,470	51,600	67,079	82,550
	6	37,190	55,400	72,048	88,650
	7	41,910	59,250	77,016	94,750
	8	46,630	63,050	81,985	100,850

- County ARPA funds may be used to pay the development costs related to a mixed-income project (i.e., a multi-family housing project that includes both rent-restricted affordable units and market rate units), but only in an amount proportional to the percentage of eligible units in the project. In other words, if 25% of a project’s units are reserved for families at or below 65% AMI for the affordability period, and 20% of the total development costs of the project are attributable to such reserved units, then County ARPA funds may be used to pay for up to 20% of the total development costs.
 - Applicants should note, however, that while the above describes a cap on eligible use of the County ARPA Funds, CDF will use the evaluation criteria described in Section 3 to independently determine a recommended award amount based on the factors described therein.

Notwithstanding the foregoing, CDF reserves the right to apply different eligibility standards and/or issue supplements to this RFP in the event the Treasury Department issues new guidance subsequent to the publication of this RFP.

(B) Programmatic Requirements

All awards of County ARPA Funds will include legally-binding obligations to comply with the following programmatic requirements. Applicants must demonstrate the ability to comply with these requirements to be considered for any award.

- *Affordability Term:*
 - If the project is eligible through another federal program, the term and form of the restriction must match that program’s affordability term requirements.

- If the project is eligible through the general 65% AMI, or if the project is seeking a loan, the affordability term shall be twenty (20) years and recorded as a covenant against the property.
- *Income verification:*
 - The restrictive covenant or other legal instrument containing the affordability term will also include the requirement that ARPA-funded units may only be rented or sold to individuals or families whose income is verified. The form of income verification required of any federal program being used to establish eligibility will satisfy this requirement. In the absence of a federally-established form of income verification, award recipients will generally be required to verify income at lease up or sale at the time of lease-up or sale, as applicable, and as determined by CDF in the award agreement.
- *Project Timing:*
 - All County ARPA funds must be committed through a contract between CDF and awarded no later than December 31, 2024, and expended by the awardee according to the terms of that contract no later than December 31, 2026.
- *Required Award Contract Terms:*
 - All award contracts will include, but not be limited to, the terms described in Exhibit A. These terms include various federal requirements *and* obligatory reporting requirements that an applicant must agree to accept and follow if receiving an award.
- *Recoverable Grants/Loans:*
 - All award agreements will contain terms that make award amounts recoverable if the project covenants are violated, and in particular the affordability covenants.

(C) Minimum Threshold for Further Consideration of Application

In order to be considered for an award, completed applications must satisfy the following threshold criteria, as determined by CDF staff review:

- (i) Application must demonstrate eligibility as described in section 2(A);
- (ii) Application must demonstrate commitment to the programmatic requirements in section 2(B);
- **(iii) Gap Financing Application or a project seeking funds for senior housing must demonstrate readiness to proceed upon receipt of an award of County ARPA funds in relation to all of the following criteria:**
 - **Site Control**
 - Applicant must demonstrate site control through a direct property interest (ownership or lease), a legally-binding purchase option, or some other similar legal right evidencing the same site control.
 - **Zoning/Entitlements**
 - Applicant must demonstrate the project satisfies any applicable land use regulations and will not require any additional governmental approvals to proceed other than the permit approvals related to the building code.
 - **Financing**
 - Applicant must demonstrate the project’s ability to proceed upon award of County ARPA funds by providing evidence of commitments from other project lenders and funders in the amounts reasonably necessary for the project to

proceed. To the greatest extent possible, letters of commitment should identify amounts, terms and conditions, and any timing requirements associated with the funds.

Notwithstanding the foregoing, CDF reserves the right to consider factors other than those identified in this Section II(c) when evaluating a project's readiness to proceed, or to weigh the factors identified in Section II differently, in the context of whether such projects, in CDF's professional judgment, advance the goals of the County ARPA Program and are eligible uses of County ARPA funds under the Final Rule or any other similar guidance issued at any time by the Treasury Department.

SECTION 3 – EVALUATION CRITERIA

CDF will evaluate completed applications that exceed the minimum threshold described in Section 3(C) and make recommendations for awards based on review of the following criteria:

- **Affordability Impact (25%)**
 - Number of units with a resident income affordability restriction of 50% AMI or less (such units being "Very Low-Income Units").
 - Percentage of Very Low-Income Units in relation to total unit count.
 - Total number of units eligible to be directly funded by County ARPA Funds, inclusive of any Very Low-Income Units (all such units being "Eligible Units").
 - Percentage of total Eligible Units in relation to total unit count.
 - Presence of Eligible Units for which County ARPA funds created the affordability or deepened the affordability (i.e., other funding sources for the project do not require affordability or require affordability at a higher AMI or FPL level).
 - Presence of non-eligible income-restricted units (i.e., units with income-restricted rents even if those rents are not eligible to be funded by County ARPA Funds).
- **Project Viability, Timeline, and Need (40%)**
 - **Developer Capacity**
 - Demonstrated capacity of project team: developer, general contractor, architects and engineers, non-profit partners, property manager etc.
 - Past project history, including existence of any code enforcement citations or tenant lawsuits against any entity or partner identified in the application.
 - Experience with public funding sources, including affordable housing funding sources.
 - **Financing/Project Underwriting**
 - Feasibility of the project, including demonstration of market demand.
 - Presence and amount of other financial Commitments.
 - General underwriting by CDF to assess viability of project financial assumptions
 - Identification of project need by CDF, which will include analysis of whether a project can support additional hard debt, whether or not such hard debt source is included in the application's pro forma and sources and uses.
 - **Readiness to Proceed**
 - Projected timeline from receipt of County ARPA award to commencement and completion of construction, and then occupancy.
 - **Project types and uses assessed by category**

- CDF underwriting and feasibility analysis of applications will be assessed in the context of other projects of that type; i.e., the viability and funding needs of multi-family LIHTC projects, single family home ownership projects, and smaller multi-family projects by smaller developers will be considered in the context of other, similar projects.
- **Leveraging (20%)**
 - Size of per Eligible Unit subsidy.
 - Use of other public funding sources outside of Hamilton County or City of Cincinnati sources, if applicable.
 - Ratio of award request to total project cost.
- **Quality and Design Amenities (5%)**
 - Presence and quality of the following types of amenities geared toward improving the income-restricted tenant or owner’s experience while inhabiting the space:.
 - Accessibility
 - Depending on the type of construction, project may be subject to compliance with Fair Housing Act of 1988, the Americans with Disabilities Act (ADA) and/or Section 504 of the Rehabilitation Act of 1973.
 - For additional consideration, and if applicable, demonstrate how the project exceeds ADA requirements to remove additional physical barriers that may limit movement or access for people with disabilities.
 - Universal Design
 - For consideration in the project evaluation, applicant must demonstrate how the project will incorporate features of Universal Design Standards at common building and individual unit entries, interior stairways and hallways, bathrooms and kitchens, closets and storage rooms, and with electrical and plumbing fixtures.
 - Sustainability
 - For consideration in the project evaluation, project must commit to obtaining an energy efficiency or green building certification from any of the following: Home Energy Rating System (HERS), ENERGY STAR, Enterprise Green Communities, Leadership in Energy & Environmental Design (LEED), and/or National Green Building Standard (NGCBS). For LEED & NGCBS, a minimum Silver level certification will be required for evaluation consideration.
 - Quality of Life Amenities
 - Other amenities the project will incorporate on-site to improve the quality of life for residents. On-site amenities considered may include in-unit or commonly accessible laundry facilities, resident parking, private and/or common area green space, dedicated exercise & fitness areas, storage, and other supportive services for residents.
- **Does the Project advance certain County Priorities (10%)**
 - The Subrecipient Agreement between the County and CDF includes the requirement to consider the following County priorities in assessing any otherwise eligible applications:
 - County Priorities applying to all applications:

- *Location of the project:* this will be considered in order to achieve a County priority of geographic distribution of awarded projects across Hamilton County.
- *Size of the developer:* priority will be given to projects led by smaller real estate developers (defined as a real estate developer that (i) has completed through occupancy less than fifty (50) housing units, (ii) has net assets of less than \$1,000,000, or (iii) has annual revenues less than \$2,000,000; or, in the professional judgment of CDF, is positioned similarly to a real estate developer in any of the above categories) while still managing risk as required with deployment of Federal funds.
- *Range of AMI levels:* priority will be given to whether the project contribute to a range of affordability levels in the overall number of units resulting from awards of County ARPA Funds. Please note this does not mean each project must have a range, but instead that CDF's review of all applications will be informed by the County's priority of using these funds to, in the aggregate effect of the program, create a range of unit affordability levels.
- County priorities applying to projects seeking County ARPA funds for the production of new affordable housing:
 - Proximity to community anchors like high quality educational institutions, childcare, health care, parks and recreation centers, libraries, healthy foods and to public transit linking to the same as well as employment centers.
 - Commitment to enhanced, and demonstrated, energy and water efficiency in project construction and operation.
 - Creation of affordable home ownership opportunities.
- County priorities applying to projects seeking County ARPA funds for rehabilitation or renovation of affordable housing:
 - Commitment to enhanced, and demonstrated, energy and water efficiency in project construction and operation.

Notwithstanding the foregoing, CDF reserves the right to consider factors other than those identified in this Section III when evaluating applications, or to weigh the factors identified in Section III differently, in the context of whether such applications, in CDF's professional judgment, advance the goals of the County ARPA Program and are eligible uses of County ARPA funds under the Final Rule or any other similar guidance issued at any time by the Treasury Department.

SECTION IV – EVALUATION AND AWARD PROCESS

Applications will be considered through the following process:

- CDF staff will review applications for completeness and notify applicant when application is complete.
- CDF staff will review completed applications to determine if the minimum thresholds described in Section 2(C) have been satisfied, if applicable.
 - Applicants not meeting the minimum threshold, if applicable, will be notified and such applications will be denied.
- Applications meeting the above-described minimum threshold, if applicable, will be reviewed by CDF staff pursuant to the evaluation criteria described in Section III.

- CDF reserves the right to ask applicants additional questions, and for additional information, during this review process.
- CDF staff will make preliminary recommendations for awards to CDF Executive Review Committee.
- CDF Executive Review Committee will determine preliminary award recommendations.
 - Applicants not recommended for funding will be notified upon such determination.
- Preliminary award recommendations are presented to the Board of County Commissioners for review and comment.
- CDF Executive Review Committee confirms award recommendations and Legal Agreements governing the awards are executed.

SECTION V – APPLICATION AND CONTACT INFORMATION

Applications should be submitted to CDF through www.cindevfund.org.

Questions should be directed to HamCountyARPA@cindevfund.org. Questions submitted by April 25th will be addressed on the April 27 webinar and CDF will publish responses to relevant questions submitted through an FAQ published after the April 27 webinar.

EXHIBIT A

REQUIRED AWARD CONTRACT TERMS

- OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
- Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
- New Restrictions on Lobbying, 31 C.F.R. Part 21.
- Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
- Generally applicable federal environmental laws and regulations, including, but not limited to, the Clean Air and Federal Water Pollution Control Act.
- Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance.
- The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability.
- Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance.
- The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance.
- Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.
- The Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
- Copeland Anti-Kickback Act (40 U.S.C. 3145) which prohibits a contractor or subcontractor from inducing a person employed in construction into giving up any part of the compensation to which he or she is otherwise entitled.
- Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708) which requires contractors and subcontractors to pay laborers and mechanics employed in the performance of the contract one and one-half times their basic rate of pay for all hours worked in excess of 40 hours in a workweek.
- Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) which prohibits the use of federal funds to influence or attempt to influence Congress or a federal agency to award or renew a federal contract, grant, or any other award