

WASHINGTON STATE HOUSING FINANCE COMMISSION



RAPID RESPONSE PROGRAM (RRP)

Request for Developer Concept Proposals (RFP)

The Washington State Housing Finance Commission will begin accepting proposals for consideration on August 8, 2008.

Submit Proposals To:

Steve Walker, Director
Tax Credit Division
Washington State Housing Finance Commission
1000 Second Avenue, Suite 2700
Seattle, WA 98104-1046

For additional information or clarification, contact Bob Peterson at 206-287-4454 or email askusRRP@wshfc.org.

INTRODUCTION – RAPID RESPONSE PROGRAM (RRP)

The Washington State Housing Finance Commission is seeking Rapid Response Program (RRP) concept proposals from qualified developers who have identified real property (land, building, mobile home parks) that they wish to purchase in areas where market conditions are threatening affordable housing or community facilities.

RRP is a loan program to assist eligible Washington organizations (as defined under RCW 43.185A.040) purchase real property (including land, building or mobile home parks) for the preservation or development of affordable housing and community facilities. These properties must be located in rapidly gentrifying or redeveloping areas, or in communities with a significant low-income population that is threatened with displacement by such gentrification. The intent of this program is to position eligible organizations to quickly respond to those market conditions that threaten affordable housing and communities. RRP loans are not intended to pay construction or rehabilitation costs.

BACKGROUND / PROGRAM DESCRIPTION

EHB 3142 (now codified at Chapter 112, Laws of 2008) was passed during the 2008 Legislative Session and \$10,000,000 of state funds were appropriated to create an affordable housing and community facilities rapid response loan program. EHB 3142 directs the Department of Community Trade and Economic Development (CTED) to contract with the Washington State Housing Finance Commission (WSHFC) to establish and administer this program.

The WSHFC, in partnership with CTED, will develop guidelines to administer the RRP and performance measures to evaluate the program. The WSHFC anticipates that the RRP will be a “rolling” loan program with no application deadline. Applications will be accepted and projects will be considered for funding based upon the availability of funds and the urgency of the submitted proposals. Applications will be considered by an advisory committee, including a representative of CTED, with final loan approval made by the Executive Director of the WSHFC. Staff will report periodically to the Board of the WSHFC on the status of the RRP.

All housing developed under the RRP is intended to target populations at or below 80% of the area median income and will be subject to a minimum of 30-years of affordability. RRP loans may be outstanding for up to 50 years. The specific terms and conditions of RRP loans will be set forth in a loan agreement and deed of trust and will be subject to the parameters outlined in EHB-3142. Compliance and other on-going requirements or considerations will be determined prior to final loan approval.

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APPLICATION PROCESS

The program is intended to be a rolling program with no application deadline. Applications will be accepted and projects considered for funding based upon the availability of funds and urgency of the submitted proposals. Funds will be awarded at the sole discretion of the Commission.

The Washington State Housing Finance Commission will begin accepting proposals for consideration on August 8, 2008. One copy of the RFP response package must be provided to:

Steve Walker, Director
Tax Credit Division
Washington State Housing Finance Commission
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Seattle, WA 98104-1046

No facsimile (fax) or electronically transmitted proposals will be accepted.

WSHFC staff will review proposals to ensure that they are complete and responsive to the RFP. The WSHFC may seek clarification from applicants and may conduct discussions and negotiations with applicants who submit proposals found to be reasonably likely to be selected for an award.

APPLICATION REQUIREMENTS

Project Contact Information

- Project Name, Address and County;
- Project Contact Person Name, Title, Address, Phone, Fax and E-mail.

Narrative Project Description

- A description of the property being considered;
- An explanation of why it is urgent to acquire the property to provide and preserve affordable housing or community facilities;
 - If preservation, describe the existing housing and the demographics of current households.
- If proposal involves relocation of existing tenants, please describe;
- If land, provide a description of proposed development for the site;
- If existing housing, describe the rehabilitation needs and proposed financing;

Proposed Funding, Development and Repayment Timeline:

- Estimated timeline for completion of the proposed development;

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- Estimated timeframe for repayment of the RRP loan;
- Proposed financing plan including a timeline for securing all funds.

Site Control and Other Third Party Reports:

- Documentation of site control as evidenced by a purchase and sale agreement or an option to purchase;
- Preliminary commitment for title insurance;
- Available third party reports (appraisal, market study, environmental reports, etc.) **Note:** Satisfactory review of third party reports and title insurance will be conditions of closing.

Applicant Qualifications, Financial Capacity and Project Development Experience:

Development Team Member Experience:

To demonstrate development team qualifications, please identify the members of your team and their respective roles, *to the extent that they have been identified*. Include information on the team member's experience and qualifications. Additionally include the resume of key team members if available.

Financial Capacity of Applicant:

Please provide the Applicant's last 2 years of audited financial statements.

Project Development Experience:

Describe your previous experience including a detailed resume of work experience and a comprehensive list of affordable housing projects that you have been involved with. The projects listed/described should illustrate your experience with projects similar in scope and size to what is being proposed. The list should include time frames of involvement and your specific role in each project.

List all similar completed projects, and all other projects in the development pipeline. Please detail the status of all projects in your pipeline. The list of projects should include but not be limited to the following:

- Name and location of project
- Description of project including but not limited to: type, size, scope, mix of affordability, special needs set asides
- Sources of financing
- Date project started and completed construction, current status of the project and your involvement and specific role in each project

EVALUATION CRITERIA

Evaluation criteria will include, but not be limited to, the following.

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Highest priority will be given to proposals that:

- Preserve mobile home parks facing closure; objective is to preserve opportunity for existing population to remain.
- Properties in neighborhoods in King County that are facing gentrification or redevelopment; objective is to preserve existing affordable units or to develop new affordable units or community facilities.
- Properties located in the City of Spokane that are facing the threat of displacing low-income tenants due to the loss of affordable housing rental units; objective is to preserve existing affordable units or to develop new affordable units or community facilities.

Additional evaluation criteria:

- Urgency to acquire property in order to provide or preserve affordable housing;
- Organizational and financial capacity of the applicant to develop and operate the project;
- Leveraging of other sources of acquisition funding;
- Balancing need and geographic distribution; and
- Ability to repay RRP loan.

OTHER PROGRAM CONDITIONS

If a loan recipient (a) does not place affordable housing or community facilities into service within three years on a property for which a loan has been received, or (b) fails to use the property for the intended affordable housing purpose consistent with the loan recipient's development plan, then the loan recipient may be required to pay to the WSHFC an amount consisting of the principal of the original loan plus compounded interest calculated at the then current market rate. The land may be transferred to another eligible organization to be developed for affordable housing or community facilities consistent with the intent of the RRP. In the event of a transfer or sale of the land from an RRP borrower, there will be a cap on the appreciation available to the seller.

DISCLOSURE

The WSHFC reserves the right to retain all proposals submitted. Materials and information submitted are subject to public disclosure unless otherwise exempt from disclosure under the Washington Public Records Disclosure Act (RCW 42.17 et seq.). No assurances can be given that any materials provided can be protected from public review and copying. The WSHFC reserves the right without prejudice to reject any and all proposals and to negotiate acceptable proposals with selected applicants.

PROTEST PROCEDURES

All protests, either against the solicitation or the award, must be in writing. Such protests must state all facts and arguments on which the protesting party is relying as the basis for its action. Copies of the protest must be mailed or hand-delivered to the office of the WSHFC. The

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WSHFC must receive protests against the solicitation no later than 5:00 PM Prevailing Pacific Time two (2) business days prior to the date proposals are due. Filing of a protest against the solicitation does not entitle the protesting party to an extension of time for submitting its proposal.

If the protest involves the rejection of a proposal, the protest must be received by the WSHFC no later than 5:00 PM Prevailing Pacific Time on the fifth (5th) business day following the applicant's receipt of the notice of rejection, whether oral or written. Only those who are eligible to submit a proposal under the criteria established by the WSHFC may protest the rejection of a proposal.

The Executive Director of the Commission will consider the record and all facts available and issue a decision within five (5) business days from receipt of the protest unless additional time is required, in which case the protesting party will be notified by the WSHFC. The decision of the Executive Director will be final.

TIMELINE

The RFP award process will proceed on the following estimated schedule:

Concept RFP Publication	July 25, 2008
Begin accepting RFP submittals	August 8, 2008
RFP Preliminary Decisions	Within 60 days of receipt of RFP

RFP's will be considered by an advisory committee with final approval made by the Executive Director of the WSHFC.