



# Portland Housing Bureau

Mayor Ted Wheeler • Director Shannon Callahan

## Portland Housing Bureau is Making Available an Opportunity for Metro Housing Bond Funds

### REQUEST FOR QUALIFICATIONS FOR SUPPORTIVE HOUSING PROJECTS

**Available Resources: up to \$15,000,000**

Issue Date: October 16, 2020

Pre-submission Conference: 3PM, October 28, 2020

Submission Deadline: 5PM, December 1, 2020

## I. Intro and Background

Through this Request for Qualifications (“RFQ”), the Portland Housing Bureau (PHB) will make available up to \$15 million in Metro Housing Bonds from the City of Portland’s allocation to identify a pool of qualified Supportive Housing project teams. Teams that have already been awarded funding for a Supportive Housing project or will be applying for future rounds in 2020 or 2021 could be eligible for up to \$75,000 per affordable housing unit from the Metro Housing Bond. The purpose of this RFQ is to fill a capital gap that remains after other commitments of capital subsidies, supportive services and rental support are in place. Full funding of capital, supportive services and rental support for the Supportive Housing project must be secured by end of 2021. Eligible projects shall advance the production targets of Portland’s Local Implementation Strategy (LIS) under Metro’s Affordable Housing Bond (Metro Bond), particularly for Supportive Housing and 30% Area Median Income (AMI) affordability goals. Eligible projects include affordable housing developments that create newly regulated units for households at 60% AMI or less with at least 25% of the total units to be Supportive Housing. The Supportive Housing must be designed to serve Black, Indigenous and People of Color (BIPOC) communities.

This RFQ is focused on funding project teams that intend to apply or have applied for other awards for Supportive Housing capital resources, supportive services and rental support. This could include past and current participants of Oregon Housing and Community Services (OHCS)’s Permanent Supportive Housing Training Cohort, and any other federal, state or local resources. The objective is to leverage Metro Bond Housing funds, which can only be used for capital uses, with other funding opportunities for capital, services and rental support to complete the package of funding for the Supportive Housing projects. Opportunities could include but are not limited to: OHCS’s LIFT and 9 percent Low Income Housing Tax Credits Notice of Funding Availability (NOFA), Permanent Supportive Housing NOFA, HUD 202 and 811 NOFAs, or other solicitations. Projects funded by Portland’s Housing Bond are not eligible to apply for funding under this RFQ. This RFQ does not include services or rental support funds.

### **Metro Affordable Housing Bond**

In November 2018, voters in Washington, Clackamas and Multnomah Counties approved Measure 26-199, the Metro Affordable Housing Bond (“Metro Bond”), the first ever regional bond for affordable housing. The measure authorizes Metro to issue up to \$652,800,000 in general obligation bonds for the development or acquisition of affordable housing.

The primary goal of the Metro Bond is to create at least 3,900 new affordable homes across the region, of which:

- At least 1,600 will be affordable to households making 30% of AMI or below;
- At least 1,950 will be sized for families, with 2 or more bedrooms; and
- No more than 10 percent will be provided for households making 61-80% of AMI.

PHB’s work will be guided by the four principles from Metro’s strategy prioritized in conversations with key stakeholders who participated in a six-month public process prior to the referral of the Measure:

- 1) **Lead with racial equity.** Ensure that racial equity considerations guide and are integrated throughout all aspects of program implementation.

- 2) **Create opportunity for those in need.** Create housing for Communities of Color, families, people living with disabilities, seniors, Veterans, and households experiencing or at risk of homelessness.
- 3) **Create opportunity throughout the region.** Ensure investments are distributed across the region.
- 4) **Ensure long-term benefits and good use of public dollars.** Provide for community oversight to ensure transparency and accountability in program activities and outcomes.

### Metro Housing Bond Production Goals

Within the city limits of Portland, **\$211,056,579** in Metro Bond funds have been made available to create **1,475 units of affordable housing**. Of this total, the City will create at least **737 family-sized units** (two or more bedrooms) to respond to the housing need among Portland families. The City will also create **605 deeply affordable units** for households with incomes at or below 30% AMI, to serve people who earn low wages, live on fixed incomes, have experienced homelessness and/or have other special needs. A priority of Metro Bond funds is to make the deeply affordable 30% AMI units available for the most vulnerable, lowest income residents in our community.

The Supportive Housing RFQ launches the third phase of Portland's Local Implementation Strategy of the Metro Housing Bond. Two preliminary implementation phases are currently underway, including Metro's pre-approved Phase 1 Dekum Court project and approval of up to four Phase 2 projects currently in PHB's pipeline. Projects in the pipeline will advance Portland's production targets across all metrics including for Supportive Housing, 30% AMI affordability and/or larger bedroom sizes. The Supportive Housing RFQ aims to achieve several goals, including:

- Leverage federal and state resources
- Advance County/City goal of 2,000 Supportive Housing units
- Achieve early progress on both Supportive Housing and 30% AMI unit goals

### **Supportive Housing**

Supportive Housing is an effective housing solution for people who have complex needs and have experienced long periods of homelessness. Supportive Housing provides residents with deeply affordable housing and ongoing supportive services designed to address a range of needs, including primary and behavioral health care. Services must be offered voluntarily for the duration of tenancy.

Recognizing the unmet need for BIPOC households in Supportive Housing, and the disproportionate underrepresentation in the homeless system, this RFQ prioritizes Supportive Housing for BIPOC households. Supportive Housing is an effective approach for providing housing support for a range of populations, including but not limited to:

- Individuals and families experiencing chronic homelessness; and
- Persons with disabilities, including physical and behavioral health, that are severe enough to require long-term housing support; and
- People with demonstrated vulnerability factors (e.g. exposure to violence, age, criminal justice involvement, historic or generational trauma, survivors of domestic violence or sexual assault).

Portland’s commitment to increasing Supportive Housing capacity is driven by our local priorities and strategies, including: the City’s October 2017 Supportive Housing Resolution (see e.g. [Resolution #37323](#)) to create 2,000 new units in Portland/Multnomah County by 2028; [A Home for Everyone](#) Chronic Homelessness Plan; Portland’s Housing Bond Policy Framework; and the Tri-County Equitable Housing Strategy to Expand Supportive Housing for People Experiencing Chronic Homelessness. Guided by the City of Portland’s and Multnomah County’s Supportive Housing plan, “A System-Level Path to Producing 2,000 Units of Supportive Housing in Portland and Multnomah County,” our community has made progress in adding nearly 800 new Supportive Housing units over the last three years. Portland has set a target to create **300 Supportive Housing units as part of the Metro Bond effort**.

While eligible populations will often align with those meeting the U.S. Department of Housing and Urban Development (HUD) definition of chronic homelessness, eligibility is not intended to be exclusively limited to HUD-defined chronically homeless households. Similarly, while many referrals are anticipated to come through Multnomah County’s Coordinated Access systems, referrals may come from other sources if the project has services funding leveraged from a source that requires a particular referral structure. Other exceptions may be made to better meet the needs of priority populations. Client referral sources will be determined through ongoing collaboration among the City of Portland, Multnomah County Joint Office of Homeless Services, and the selected operator.

Eligible Supportive Housing populations for this RFQ include:

| Property Type  | Eligible Supportive Housing Population   |
|--|--|
| 100% SH Units  | <ul style="list-style-type: none"> <li>• Single adult (18+) households; AND</li> <li>• Chronically homeless, defined as a household:               <ul style="list-style-type: none"> <li>○ living with severe and persistent mental illness and/or a significant disabling condition and experience of long or repeated episodes of homelessness; OR</li> <li>○ Households living with severe and persistent mental illness and/or a disabling condition severe enough to require long term housing support and is homeless or at imminent risk of homelessness.</li> </ul> </li> <li>• Priority is to address unmet system needs, including housing for people from Native American/Alaskan Native communities, Black/African American communities, other communities of color, LGBTQ+ communities, and individuals who cycle in and out of institutions.</li> </ul> |
| Integrated SH Units (typically, 10-25% of total units) | <ul style="list-style-type: none"> <li>• Family or single adult (18+) households; AND</li> <li>• Chronically homeless, defined as a household living with a disabling condition and experience of long or repeated episodes of homelessness; OR</li> <li>• Households living with a disabling condition severe enough to require long-term housing support and is homeless or at imminent risk of homelessness.</li> </ul>   |

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>• Priority is to address unmet system needs, including housing for people from Native American/Alaskan Native communities, Black/African American communities, other communities of color, LGBTQ+ communities, and individuals who cycle in and out of institutions.</li> </ul> |
|--|--|

**Priority Communities**

PHB will seek to create housing opportunities for families and individuals impacted by racism, housing discrimination, homelessness, and displacement, with a particular focus on: BIPOC communities; families, including families with children, immigrant and refugee communities, and intergenerational households; seniors; Veterans; and households experiencing homelessness or at imminent risk of becoming homeless; and households facing imminent displacement due to economic gentrification.

**Advancing Racial Equity**

PHB will use a racial equity lens at the forefront and throughout the evaluation process when assessing opportunities for new affordable housing and Supportive Housing projects. Project teams will be required to show demonstrated success and commitment to advancing equity in accessing development opportunities. Project teams will be asked to submit information on their qualifications related to developing, owning, managing and/or providing culturally specific services in Supportive Housing projects for BIPOC households, as defined by [Multnomah County](#).

Additionally, PHB will be asking project teams to meet or exceed PHB’s goals for equity in contracting, including 30% in construction contracts and 20% in professional services going to certified Disadvantaged, Minority, Women, Emerging Small Business or Service-Disabled Veteran Owned Firms (DMWESB-SDV). Other examples include, but are not limited to, creating housing that is culturally appropriate in design and form, having partnerships with culturally specific agencies to effectively reach and serve priority communities, adhering to PHB’s Workforce Training and Hiring policies, and meeting PHB’s Affordable Housing Green Building policies and accessibility standards.

PHB will prioritize projects addressing historic and present racism and lack of housing access and opportunity experienced by BIPOC communities. This will include projects sponsored by culturally specific agencies and/or projects sponsored by partnerships in which culturally specific agencies who have a meaningful role in project design or operations, lease up, service provision, or as sponsors demonstrating commitment and experience in effectively reaching and serving BIPOC communities.

**Community Engagement**

Priority will be placed on developments that partner with culturally specific agencies and other groups with a successful track record of working with BIPOC communities, demonstrate targeted methods of outreach to increase access in different cultural communities, and support vulnerable households in neighborhoods where there are established social support networks in place.

**II. Qualifications and Investment Requirements**

All applicants must submit a full response to the RFQ and meet the minimum criteria set forth herein in order to be considered for evaluation. Applications must contain all documentation required under

Section IV – Submission Requirements. All required forms must be fully completed, and application requirements met at the time of submission. Upon review, PHB, at its sole discretion, may notify an applicant that additional information or clarification is necessary. Applicants that do not adhere to these requirements risk disqualification from consideration under this RFQ.

Available Resources

- **Capital Funding** **up to \$15,000,000**  
in Metro Bond funds for new construction, acquisition and/or rehabilitation of non-regulated units. Amount is limited to \$75,000 or less for each new affordable housing unit created.

Funding under this RFQ is limited to capitalizable project costs. Unless otherwise noted, the following Qualifications and Investment Requirements apply to all projects:

Qualification Requirements

- Projects that have not been awarded Portland Housing Bond funds.
- Project teams will or have participated in OHCS’s PSH Training Institute and/or have other equivalent qualifications for Supportive Housing.
- Projects teams are actively seeking funding for Supportive Housing for a specific project that meets the minimum Investment Requirements below.
- For the Supportive Housing units, households served should reflect the communities described in the table on page 4.
- Projects must leverage Metro Bond funds with other federal or state resources for operating support, supportive services, and/or capital funds.
- Projects that have received or are eligible for other federal, state or local Supportive Housing resources. The balance of a project’s financing award(s) must be received in 2020 or 2021.

Metro Bond funds may not be used on any currently regulated affordable housing units. Rehabilitation projects can only seek funding for the incremental additional units of housing previously not regulated by any local, state or federal jurisdiction.

Investment Requirements

| <b>Requirement</b>       | <b>Metric</b>  | <b>Exceptions</b>   |
|--------------------------|--|---|
| Maximum Subsidy/unit     | Up to \$75,000 for capital costs   | The lesser of the remaining gap or up to the maximum subsidy per unit for projects with committed financing awards prior to RFQ submission. |
| Minimum units/project    | 45   |   |
| 30% AMI units            | A minimum of 25% of total units  |   |
| SH units                 | A minimum of 25% of total units  |   |
| Existing buildings/units | May not have in effect any type of governmental legal/regulatory agreement on rents or tenants’ incomes. |   |

|             |   |  |
|-------------|---|--|
| Programming | <p>All units supported by PHB funding must be regulated at or below 60% AMI.</p> <p>Programming for Supportive Housing must effectively serve the population(s) and the Priority Communities outlined in PHB’s Local Implementation Strategy for the Metro Bond and consistent with Supportive Housing <a href="#">guidelines from A Home for Everyone</a>.</p> |  |
|-------------|---|--|

Project Priority Preferences

- Projects focused on serving single adult households from BIPOC communities and project teams which are either culturally specific organizations or have meaningful partnerships in place with culturally specific organizations.
- Projects requesting less than the contingent subsidy of \$75,000 per unit.
- Projects with more than the minimum requirement for SH units.
- Projects with more than the minimum requirement for 30% AMI units.
- Projects with more than the minimum requirement for total units of newly regulated affordable housing.
- Project locations with proximity to transit, services, employment, grocery stores, medical needs, etc. that support BIPOC communities and other marginalized populations.

Reservation of Funding Award

- For project teams that qualify under this RFQ, PHB may issue “Contingent Award” letters to selected projects and organizations that meet Metro Bond goals and RFQ criteria prior to OHCS’s release of PSH resources. Contingent Award Letters will be issued in December 2020.
- Qualified project teams with a PHB Contingent Award will be required to submit additional application documents for a proposed project development, including a preliminary proforma, for Metro’s Concept Endorsement as outlined in Appendix B.
- Projects that have received a Metro Concept Endorsement are encouraged to apply for 9% LIHTC, LIFT, any Federal, State or Local funds or any Supportive Housing funds throughout 2021 in order to complete its financing plan as soon as practical.
- Once all financing has been secured, project teams will submit an updated proforma and other documents required for final approvals by PHB and Metro.
- Projects that have received financing awards from other sources prior to submitting an RFQ application may apply for the lesser of the remaining financing gap or \$75,000 per unit maximum PHB Contingent Award.
- If the awarded project does not provide a completed, fully funded financing plan by 12/31/2021, PHB’s Contingent Award will be rescinded so the Metro Bond funds can be reused in another solicitation.
- PHB reserves the right to align with other funding jurisdictions for operating and rental support for Supportive Housing units after a project has leveraged other funding sources but may need additional funds at a later date to move forward.

### III. Evaluation Criteria and Selection Process

Upon receipt, all applications will be reviewed for adherence to this RFQ's submittal requirements. PHB estimates the process for reviewing and selecting qualified projects and organizations may take up to 4 weeks. Applications may be submitted as early as the first day the RFQ is released, on or after October 16, 2020.

**PHB, at its sole discretion, may employ the following selection process and criteria in recommending projects for a contingent award of RFQ resources.** PHB will review applications for projects that meet the minimum RFQ criteria and contain all required documentation. Proposals meeting the minimum threshold requirements will be reviewed and evaluated by a review committee comprised of representatives from PHB, Multnomah County, and non-conflicted community partners.

Teams and projects will be evaluated based on the following criteria.

#### Team Qualifications:

- **Equity Plan:** Demonstrated track record of meeting or exceeding PHB's equity in contracting goals, at time of award, successful partnerships with culturally specific agencies, and generating access to housing for BIPOC populations.
- **Supportive Housing Ownership and Management:** Demonstrated track record on sustaining at least two other Supportive Housing projects and has staff or consultants/contractors who are experienced or have gone through trainings and/or technical assistance in concepts of Supportive Housing.
- **Supportive Housing Development:** Demonstrated track record of developing and creating at least two other comparable Supportive Housing projects and has staff or consultants who are experienced or have gone through trainings and/or technical assistance in concepts of Supportive Housing. Additionally, track record should include two projects of comparable size and scale (could be non-Supportive Housing) that have met PHB's Underwriting Guidelines and Green Building Policy at the time of award, if applicable.
- **Supportive Housing Service Delivery:** Qualifications and experience of Services Provider in delivering services, either directly or in partnership, in at least two Supportive Housing programs. Experience should include a description of population(s) served, and types and level of services offered.

#### Project Thresholds:

- Alignment with Portland's Local Implementation Strategy for Metro Bond funds (Appendix A).
- Adherence to the Investment Requirements of Metro's Housing Bond Work Plan.
- Responsiveness of project to meet the RFQ's goal of producing new Supportive Housing units for households from Black, Indigenous and People of Color (BIPOC) communities.
- Content and quality of the proposal, the Project Narrative, all other required materials submitted by the Development Team.

PHB anticipates the total number of projects recommended and awarded will be a function of the evaluation process combined with the availability of funding and the achievement of progress measures toward overall Metro Bond programmatic goals. Metro is responsible for final project approval and funding decisions for all projects receiving an award of Metro Housing Bond funds.

#### IV. Submission Requirements

1. Application Materials

Applicants must submit a completed Application Form (Form A) and Narrative (Form B). Narrative may not exceed ten (10) pages typed, not including charts and tables on Form A or any requested attachments. **All questions must be answered in narrative summary; providing and referencing attachments is not sufficient.**

2. Inquiries

Applicants should direct all communications and inquiries regarding this RFQ to PHB at [Tanya.Wolfersperger@portlandoregon.gov](mailto:Tanya.Wolfersperger@portlandoregon.gov).

3. Pre-Submission Conference

A pre-submission conference will be held at 3:00 p.m. on Wednesday, October 28, 2020 by Zoom webinar. If you plan to attend the conference, please register in advance of the meeting at the link [HERE](#).

PHB strongly recommends that interested Applicants attend this pre-submission conference, as this will be the only opportunity to ask questions and receive answers in person regarding the RFQ. PHB will provide responses to all inquiries at the pre-submission conference and in an addendum, which will be posted on PHB's website and sent to all registered prospective Applicants after the pre-submission conference.

People with disabilities requiring special accommodations to attend and/or participate in the pre-submission conference should contact PHB at the email address provided above by October 23.

4. Time and Place of Submission

The submission deadline is December 1, 2020. To be considered for inclusion, Applicants must submit their applications electronically no later than **5pm on Tuesday, December 1, 2020**. Electronic submission should be emailed to: [Norma.trujillo@portlandoregon.gov](mailto:Norma.trujillo@portlandoregon.gov)

*If teams are unable to submit electronically, contact Tanya Wolfersperger by November 18, 2020 to discuss alternatives.*

Application submissions received after the submission deadline will not be considered. If PHB determines, upon review of the Qualifications, that any items are missing and/or incomplete,

PHB, in its sole discretion, by written notification given to the Applicant, may permit the Applicant to provide or clarify such items. Failure to provide complete information in a timely fashion could result in rejection of the Application.

All submissions become the property of PHB. Once an application is submitted it will be considered final. We encourage applicants to seek any answers to questions in advance of completing the application to: [tanya.wolfersperger@portlandoregon.gov](mailto:tanya.wolfersperger@portlandoregon.gov).

## V. General Conditions

This RFQ is not a solicitation of competitive bids. Failure to abide by the General Conditions is grounds for disqualification. PHB by this RFQ specifically reserves the right in its sole discretion to determine which proposals best serve the public good, and to:

- a. Revise the solicitation, evaluation, or selection process including extending the deadline or canceling without selecting any projects.
- b. Waive informalities and irregularities in the proposals received in response to this RFQ.
- c. Disqualify without recourse or appeal any or all proposals.
- d. Reject any or all proposals with or without cause.
- e. Determine the timing, arrangement and method of any presentation throughout the process.
- f. Verify and investigate the qualifications and financial capacity of the development team, and any of the information provided in the proposal.

1. Every effort has been made to provide current and correct information; however, unless citing a specific PHB approved resolution or plan, PHB makes no representation or warranty with respect thereto.

2. All proposals received shall become the property of PHB and considered an official public record subject to inspection by the public in accordance with ORS 192.502 and PHB's Public Records Access Policy after the completion of the RFQ process; and may be used for any purposes relevant to the decisions and actions undertaken by PHB towards development of the property being offered. Entities are advised that confidential financial information should be clearly labeled and submitted separately from the remainder of their proposal (both paper and digitally). Similarly, if any entity responding to this RFQ believes that a specific portion of its response constitutes a "trade secret" under Oregon Public Records Law (ORS 192.501.2) and is, therefore, exempt from disclosure, the entity must clearly identify that specific information as a "trade secret" and submit it together with the confidential financial information. Identification of information as a "trade secret" does not necessarily mean that the information will be exempt from disclosure. PHB will make the determination of exemption from disclosure based on the nature of the information and the requirements of the Oregon Public Records Law.

3. Restrictions on communication. Every effort has been made to include herein all the information necessary to prepare and submit a responsive proposal to this RFQ. However, in the event additional information is desired, or if you have a question about any of the information or requirements contained in this RFQ, direct your question to:

Tanya Wolfersperger, Housing Program Coordinator  
Portland Housing Bureau

4. During the course of this RFQ, development teams are cautioned not to undertake any activities or actions to promote or advertise their proposals except in the course of PHB-authorized presentations; or to make any direct or indirect (through others) contact with review committee members (if named) staff members of the City, PHB or other funding partners. Development teams may only initiate contact with the person named in #3 above who will assess inquiries and determine further actions, if any.
5. PHB will not hold “one-on-one” meetings with any development teams during the evaluation process. PHB may, however, ask individual development teams clarifying questions or obtain additional information about some specific point of a proposal.
6. PHB accepts no responsibility or obligation to pay any costs incurred by any potential or eventual development teams in the preparation or submission of a proposal; or in complying with any subsequent request by PHB for information or participation throughout the evaluation process.
7. Respondents to this RFQ are prohibited from employing or retaining a former employee of the City including without limitation, PHB, to assist in the preparation of a proposal to this RFQ if during the course of her/his employment with the City the former employee worked in a position that provided access to information concerning the site that is the basis of the proposal.
8. The selected developer is further prohibited from employing or retaining a former PHB employee to assist in the preparation or negotiation of the terms of a proposal to this RFQ who has been separated from the City for less than two years or who during the course of their employment with the City, worked substantially with the site that is the basis of a proposal:
  - A. To work on or receive any financial gain related to the project; or
  - B. To work in a capacity responsible for influencing, or trying to influence, the actions of PHB other than through public testimony.
9. Funded projects will be required to:
  - A. Comply with City-required 99-year affordability agreement and annually submit compliance reporting as specified in agreement.
  - B. **Federal Lead Regulations:** All projects proposing rehabilitation of structures built before 1978 will be subject to federal Lead-Based Paint regulations per 24 CFR Part 35.
  - C. Other PHB and/or PDC policies and requirements may apply, depending on the specific project. See Appendix C for additional information.
  - D. **Existing PHB/PDC funded projects-** Any applicant with previously funded PHB/PDC projects in their portfolio must be current on reporting requirements and required loan payments. PHB, in its sole discretion, may elect not to award project teams that are not current with reporting requirements.
  - E. Additional information regarding project criteria is contained within the Appendices.

## VI. Forms and Appendices

| FORM                               | LOCATION |
|------------------------------------|----------|
| Form A – RFQ Application           | Form A   |
| Form B – RFQ Application Narrative | Form B   |

| APPENDIX   | LOCATION     |
|--|--------------|
| Appendix A – Portland’s Local Implementation Strategy          | Appendix A   |
| Appendix B – Metro Concept Endorsement                         | Appendix B   |
| Appendix C – PHB Additional Policies and Program Requirements  | Appendix C   |
| Appendix D – PHB Workforce Training and Hiring Program         | Appendix D-1 |
| PHB Workforce Training and Hiring Program with Section 3 Goals | Appendix D-2 |
| Appendix E – PHB Subcontractor Equity Program                  | Appendix E-1 |
| PHB Subcontractor Equity Program with Section 3 Goals          | Appendix E-2 |
| Appendix F – PHB Affordable Housing Green Building Policy      | Appendix F   |

**Not all appendices are referenced within the body of the RFQ. Please read all appendices carefully.**