

SOCIAL SERVICES DEPARTMENT

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Request for Proposal Statewide Local Affordable Housing Aid

1. **Date:** 11/14/2023

2. **Clay County Contact:**

Rhonda Porter, Social Services Director

Phone: 218-299-7134

E-mail: Rhonda.porter@claycountymn.gov

3. **Overview:**

The Statewide Affordable Housing Aid helps counties, tribal governments, and greater Minnesota local governments develop and preserve affordable housing within their jurisdictions to keep families from losing housing and to help those experiencing homelessness find housing.

The new aid program in the omnibus tax bill (Laws 2023, Chapter 64) is effective beginning with aids payable in 2023. The total statewide appropriation for 2023 and 2024 is \$22.5 million per year. The total appropriation for 2025 and thereafter is reduced to \$10 million.

Clay Counties specific allocation for 2023 and 2024 is \$160,402 per year. Total funds to be allocated shall not exceed \$320,804 and will be contingent on receiving the state appropriated funds.

Clay County is seeking proposals for utilization of the funds for qualifying projects as noted below.

4. **Scope:**

a. **Qualifying Projects:**

- i. Emergency rental assistance for households earning less than 80% of area median income as determined by the United States Department of Housing and Urban Development
- ii. Financial support to nonprofit affordable housing providers in their mission to provide safe, dignified, affordable and supportive housing
- iii. For counties outside the metropolitan counties as defined in Minnesota Statutes, section 473.121, subdivision 4, development of market rate residential rental properties as defined in M.S. 462A.39, subd. 2, para. (d), if the relevant unit of government submits with the report required as described in the Reporting to the Minnesota Housing Finance Agency section a resolution and supporting documentation showing that the area meets the requirements of M.S. 462A.39, subd. 4, para. (a)
- iv. Projects designed for the purpose of construction, acquisition, rehabilitation, demolition or removal of structures, construction financing, permanent financing, interest rate reduction, refinancing, and gap financing of housing to provide affordable housing to households that have incomes which do not exceed:
 - a. For homeownership projects, 115% of the greater of state or area median income as determined by the United States Department of Housing and Urban Development
 - b. For rental housing projects, 80% of the greater of state or area median income as determined by the United States Department of Housing and Urban Development

- v. Housing developed or rehabilitated with funds under this program must be affordable to the local work force.
- b. Projects are prioritized that provide affordable housing to households with incomes that:
 - i. For homeownership projects, do not exceed 80% of the greater of state or area median income as determined by the United States Department of Housing and Urban Development
 - ii. For rental housing projects, do not exceed 50% of the greater of state or area median income as determined by the United States Department of Housing and Urban Development.
 - c. Priority may be given to projects that:
 - i. Reduce disparities in home ownership
 - ii. Reduce housing cost burden, housing instability, or homelessness
 - iii. Improve the habitability of homes
 - iv. Create accessible housing
 - v. Create more energy- or water-efficient homes
 - d. Gap financing is the difference between the costs of the property and either:
 - i. The market value of the property upon sale
 - ii. The amount the targeted household can afford for housing, based on industry standards and practices.
 - e. If aid received under this program is used for demolition or removal of existing structures, the cleared land must be used for the construction of housing to be owned or rented by persons who meet the income limits described above.
 - f. If an aid recipient uses the aid on new construction or substantial rehabilitation of a building containing more than four units, the loan recipient must construct, convert, or otherwise adapt the building to include:
 - i. The greater of:
 - a. At least one unit
 - b. At least 5% of units that are accessible units, as defined by section 1002 of the current State Building Code Accessibility Provisions for Dwellings Units in Minnesota, and include at least one roll-in shower
 - ii. The greater of:
 - a. At least one unit
 - b. At least 5% of units that are sensory-accessible units that include:
 - i. Soundproofing between shared walls for first and second floor units
 - ii. No florescent lighting in units and common areas
 - iii. Low-fume paint
 - iv. Low-chemical carpet
 - v. Low-chemical carpet glue in units and common areas
 - iii. These guidelines do not relieve a project funded by this aid program from meeting other applicable accessibility requirements.

5. Clay County RFP Eligibility Guidelines:

The applicant(s) must:

- a. Be physically located and operating in Clay County, Minnesota
- b. Be an eligible community service organization (e.g., 501c3) or local unit of government
- c. Comply with reporting requirements for each project/service completed at the request of the county.

6. Clay County RFP Questions:

- a. Provide a brief overview of your organization including (1 – 2 pages):
 - i. Service area and services/projects currently offered
 - ii. Population you currently and intend to serve
 - iii. Accessibility & equity work your organization has done/is doing

- b. Provide an overview of your proposal/project including (1 – 2 pages):
 - i. Project or Services proposed
 - ii. Gaps that this funding will meet and how those gaps were identified
 - iii. Any partnerships related to the proposed project/funding request
 - iv. Documentation of consultation with the cities in the jurisdictions of which its qualifying projects are planned or located.
 - v. Timeline for implementation and/or completion of project
- c. Provide a Budget Narrative (1 page):
 - i. Itemized project/service budget and overview of how funds will be spent.
 - ii. Note other funding sources that will be used in tandem with potential funding received from this proposal. Note if these funds will allow you to leverage other state, federal or local funds.
 - iii. Describe your program sustainability plan for when the funding is discontinued or potentially reduced.

7. Scoring/Evaluation of Applications:

- a. All responses will be reviewed by Clay County. Once a provider(s) is chosen a recommendation to enter into an agreement will be submitted to the County Board of Commissioners for their approval.
- b. Each proposal will be scored based on the following:

Program Scoring

Community Benefit – Rate (1 – 5) the potential community impact of the program/project if funded: 1 – minor impact, 2 – limited impact, 3 – moderate impact, 4 – strong impact, 5 – ideal impact	31%
Equity – Rate (1 – 5) does the project address disparities? 1 – not at all, 2 – limited, 3 – moderate, 4 – strong, 5 – deeply	10%
Implementation – Rate (1 – 5) the implementation ease of the program/project, reasonableness of timeline, fit intended scope: 1 – unlikely, 2 – difficult, 3 – unsure, 4 – easy, 5 - seamless	18%
Total	59%

Financial Scoring

Reasonable – Rate (1 – 5) the reasonableness of the funds requested in relation to the project and community impact of the program/project if funded: 1 – Excessive, 2 – too much, 3 – on the border, 4 – reasonable, 5 – ideal amount	16%
Proportional – Rate (1 – 5) the proportion of the budget of the funds requested by program/project if funded: 1 – 100% of costs, 2 – 75 – 99% of costs, 3 – 50 – 74% of costs, 4 – 30 – 49% of costs, 5 – 1 – 30% of costs	16%
Sustainable – Rate (1 – 5) the sustainability of the program/project if funded: 1 – high risk, 2 – significant risk, 3 – moderate risk, 4 – low risk, 5 – no risk	9%
Total	41%

8. Applicant Response:

- a. If your organization is interested in being considered to provide this service, please submit one (1) copy of your response to Rhonda Porter at Rhonda.porter@claycountymn.gov by 4:30pm on **December 1, 2023**.
- b. At a minimum, please provide in your response:
 - i. Organization- name, address, type of organization, years in business
 - ii. Personnel- name, education, experience, and other qualifications of the person(s) providing the services under this proposal
 - iii. Documentation/statement of meeting requirements in section 5
 - iv. Responses to RFP Questions in section 6
 - v. Assurance that if selected you will be able to comply with the following:
 - Data Privacy

- Equal Employment Opportunity and Civil Rights Clause
- Fair Hearing Appeal
- Rehabilitation Act
- Health Insurance Portability and Accountability Act (HIPAA)
- General Liability Insurance
 - \$500,000 when the claim is one for death by wrongful act or omission
 - \$500,000 to any claimant in any other case.
 - \$1,500,000 for any number of claims arising out of a single occurrence.
 - No less than \$2,000,000 Aggregate coverage.
 - Policy shall include at least premises, operations, completed operations, independent contractors and subcontractors, and contractual liability and environmental liability.
 - Clay County shall be named as an Additional Insured on a primary and non-contributory basis.
- Business Automobile Liability Insurance
 - \$500,000 for claims for wrongful death and each claimant.
 - \$1,500,000 each occurrence.
 - No less than \$2,000,000 aggregate.
 - Must cover owned, non-owned and hired vehicles.
- Workers' Compensation
 - Per statutory requirements, Certificate of Compliance must be executed and filed with Clay County.
- Professional Liability Insurance for Licensed Professionals
 - Provider shall maintain at its sole expense a valid policy of insurance covering professional liability, arising from the acts or omissions of Provider, its agent, and employees in the amount of not less than \$500,000 per claim and \$2,000,000 annual aggregate. This provision applies only in situations where the Provider's staff or volunteers are performing licensed professional services under this Agreement.