



SOLICITATION ADDENDUM

Solicitation Number: CFI FY24-086-01 Addendum #2
Solicitation Due Date and Time: February 12, 2024, 2:00 p.m. Local Time

CITY OF PHOENIX
Housing Department,
251 W. Washington Street
4th Floor
Phoenix, AZ 85003

Solicitation Name: Proposals of Acquisition/Rehabilitation or New Construction of Affordable Rental Housing

The following changes are made and now incorporated as part of this RFP:

HOME ARP Funding Addendum

The City of Phoenix was awarded over \$21 million in HOME American Rescue Plan (HOME-ARP) funds by HUD to provide eligible assistance to HOME-ARP qualifying populations in response to the continued impact of the COVID-19 pandemic. As part of this process, the City has dedicated a portion of these funds for the production and preservation of affordable housing. The City may use this solicitation to identify projects eligible for HOME-ARP funding and award funds accordingly. HOME-ARP funds will only be eligible for projects where a non-profit is a principal in the development.

HOME-ARP has specific requirements distinct from HOME funds and some proposals may not be eligible to receive HOME-ARP. The City is issuing this addendum to provide clear guidance on the HOME-ARP requirements and better determine which proposals will be eligible for this additional source of funding should the City decide to utilize it in this way.

HOME ARP Special Populations

Projects receiving HOME-ARP must serve a HOME-ARP Qualifying Population which is distinct from the City's special populations. HOME-ARP Qualifying Population are defined as: Individuals or families, including Veterans who are:

- 1) Experiencing homelessness as defined in [section 103\(a\) of the McKinney-Vento Homeless Assistance Act](#);
- 2) At risk of homelessness, as defined in section 401 of the McKinney-Vento Homeless Assistance Act;
- 3) Fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking (as defined by HUD in 24 CFR 5.2003) or human trafficking (as outlined in the Trafficking Victims Protection Act of 2000 as amended [22 USC 7102]; and
- 4) Other populations, where providing supportive services or assistance under section 212(a) of the National Affordable Housing Act 42 USC 12472(a) would:
 - a) Prevent a family's homelessness; or
 - b) Serve those with the greatest risk of housing instability. Projects must provide a preference, in accordance with HOME-ARP regulations, to individuals or families experiencing homelessness.

HOME-ARP projects are required to establish project-specific waiting lists consistent with HOME-ARP requirements. The proposer will also need to provide Tenant Selection Policies incorporating the HOME-ARP preference for individuals or families experiencing homelessness must be included.

Solicitation Updates

The language in the solicitation is updated as follows to reflect the HOME-ARP requirements:

Page 16 Paragraph 6.7 Special Populations

6.7 Special Needs Populations – Includes the following; victims of domestic violence, persons recovering from substance abuse, persons living with HIV/AIDS, frail elderly, veterans, disabled persons, victims of human trafficking and households at or below 40% of the Area Median Income.

HOME-ARP Qualifying Populations are specifically defined as: Individuals or families, including Veterans who are:

- 1) experiencing homelessness as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act;
- 2) At risk of homelessness, as defined in section 401 of the McKinney-Vento Homeless Assistance Act;
- 3) Fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking (as defined by HUD in 24 CFR 5.2003) or human trafficking (as outlined in the Trafficking Victims Protection Act of 2000 as amended [22 USC 7102]; and
- 4) Other populations, where providing supportive services or assistance under section 212(a) of the National Affordable Housing Act 42 USC 12472(a) would:
 - a) Prevent a family's homelessness; or
 - b) Serve those with the greatest risk of housing instability. Projects must provide a preference, in accordance with HOME-ARP regulations, to individuals or families experiencing homelessness.

Page 17 Applicant Requirements

The 2022 HOME Fact Sheet and 2022 Area Median Income Table can be found at <https://www.phoenix.gov/housing/building-affordable-housing>. These documents will be needed to determine appropriate rents for the proposed project and to complete application proforma, if necessary. The HOME units will have restricted rents for the entire period of affordability and HOME-ARP units will have restricted rents and qualifying population occupancy restrictions for the entire minimum compliance period. The minimum compliance period will not exceed thirty (30) years.

Page 21 TAB H – Property Management Plan and Affirmative Fair Housing Marketing Plan

Include a list of property management staff and their associated experience managing properties of similar size and resident type. Provide a Property Management Plan and Affirmative Fair Housing Marketing Plan. If the project will accept HOME-ARP funds, Tenant Selection Policies incorporating the HOME-ARP preference for individuals or families experiencing homelessness must be included.

Page 26 TAB V – Pro Forma

ASSUMPTIONS WORKSHEET LINES 53 AND 54 COLUMNS C AND D. For HOME-ARP funding in non-LIHTC projects only, proposers may assume a 0.00% interest rate and a term not less than 360 months for city awards, including both construction/permanent (hard) debt/equity and city cashflow loan (soft) debt/equity.

RENT WORKSHEET COLUMN B. For HOME-ARP funding only (including both LIHTC and non-LIHTC projects), proposers must assume all HOME-ARP units will be occupied by households at 30% of area median income paying 30% of gross household income for rent, including utilities.

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Does your firm provide 10% match or more from equity, grants or loans (10% of Match is based on the amount of HOME Award)? Deferred developer fees are not considered Match.

- a. Applicant must complete and submit the Match Verification Form. (Attached as Appendix 10)
- b. Proposers requesting only HOME-ARP funds (no other funds requested from City) are not required to provide Match Funds. Proposers should state "Requesting HOME-ARP Only" in the first space for Type of Match in Appendix 10.

Applicants must submit this form along with their proposal to be considered for HOME-ARP funding. The allocation of HOME-ARP funds will be decided based on project eligibility, availability of funds, project feasibility, and the scoring criteria of this solicitation.

Please indicate whether your proposal is eligible for HOME-ARP funding by serving a HOME-ARP Qualifying Population

_____ Yes, my proposal is eligible for HOME-ARP funds

_____ No, my proposal does not qualify for HOME-ARP funds

If your proposal is eligible for HOME ARP funds, which qualifying populations does your proposal serve? (check all that apply):

Individuals or families, including Veterans who are:

_____ Experiencing homelessness as defined in [section 103\(a\) of the McKinney-Vento Homeless Assistance Act](#);

_____ At risk of homelessness, as defined in section 401 of the McKinney-Vento Homeless Assistance Act;

_____ Fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking (as defined by HUD in 24 CFR 5.2003) or human trafficking (as outlined in the Trafficking Victims Protection Act of 2000 as amended [22 USC 7102]; and

_____ Other populations, where providing supportive services or assistance under section 212(a) of the National Affordable Housing Act 42 USC 12472(a) would:

- a. Prevent a family's homelessness; or
- b. Serve those with the greatest risk of housing instability. Projects must provide a preference, in accordance with HOME-ARP regulations, to individuals or families experiencing homelessness.

Other terms and conditions in the City of Phoenix Housing Department's Affordable Housing Loan Program and Underwriting Guidelines may apply.

Name of Company: _____

Address: _____

Authorized Signature: _____

Print Name and Title: _____