REGIONAL HOUSING INITIATIVE APPLICATION

May 16, 2016

*For applicants that **are not** currently seeking Low Income Housing Tax Credits*

http://www.cmap.illinois.gov/livability/housing/rhi/

BRicK Partners

Chicago Housing Authority

Chicago Metropolitan Agency for Planning

DuPage Housing Authority

Housing Authority of Park Forest

Housing Authority of the County of Cook

Illinois Housing Development Authority

Joliet Housing Authority

Lake County Housing Authority

McHenry County Housing Authority

Metropolitan Planning Council

North Chicago Housing Authority

Oak Park Housing Authority

Waukegan Housing Authority

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Executive Summary

The Regional Housing Initiative (RHI) is designed to encourage the development, rehabilitation, and preservation of quality rental housing throughout metropolitan Chicago. Managed by the Chicago Metropolitan Agency for Planning, Metropolitan Planning Council, and BRicK Partners, RHI is a national model of regional cooperation attempting to serve the housing needs of the Chicago region. The initiative aims to redress the mismatch between the location of affordable housing and jobs, so prevalent in this region. Housing developments selected to participate in RHI should also include apartments available for families of diverse economic backgrounds, unless they are designed strictly for special needs populations. Housing should align with the Housing Endorsement Criteria of the Metropolitan Mayors Caucus (Exhibit 5).

RHI is a collaboration of the following agencies and organizations:

- BRicK Partners
- Chicago Housing Authority (CHA)
- Chicago Metropolitan Agency for Planning (CMAP)
- DuPage Housing Authority (DHA)
- Housing Authority of Park Forest (HAPF)
- Housing Authority of the County of Cook (HACC)
- Illinois Housing Development Authority (IHDA)
- Joliet Housing Authority (JHA)
- Lake County Housing Authority (LCHA)
- McHenry County Housing Authority (MCHA)
- Metropolitan Planning Council (MPC)
- North Chicago Housing Authority (NCHA)
- Oak Park Housing Authority (OPHA)
- Waukegan Housing Authority (WHA)

Proposed developments must be located in the operating area of one of these housing authorities.

Recent studies have shown that the supply of rental housing for all income groups in the Chicago region is not sufficient to meet demand. In addition, there is an acute mismatch between housing at reasonable price points and jobs in areas high growth. This lack of conveniently located housing, available for entry-level workers, renders the region's job centers less attractive for new business location and the expansion of existing businesses. It also contributes to excessive commutes, congestion and inefficient land use around the region.

For these reasons, the public housing authorities (PHAs) listed above are participating in the Regional Housing Initiative and have agreed to make project based subsidies (RHI vouchers) available for up to 100 rental housing units in developments throughout the metropolitan region.

RHI vouchers fund the difference between reasonable market rents for an apartment and the tenant's rent payment, which is based upon 30 percent of his or her gross monthly income, plus a utility allowance. Funding for RHI units will be governed through a Housing Assistance Payment (HAP) contract with one or more PHAs, including the PHA in whose jurisdiction the development is located, the Lead PHA (Lead PHA). Funding for RHI units may come from any PHA that is a member of RHI (Participating PHAs). Each Participating PHA will refer potential residents to the Lead PHA. The Lead PHA will refer all potential residents to the property owner. Only residents referred by the Lead PHA may lease RHI units. Property owners may refer potential residents to the Lead PHA waiting list. However, the Lead PHA may not be accepting additional individuals to its waiting list. Property owners should check with the Lead PHA.

As RHI is designed to bring housing opportunities closer to employment opportunities, all of the PHAs will establish a preference for tenants who are working, or in training for work, within a 12-mile radius of the apartments, to be referred for RHI units.

Proposals may include existing buildings, buildings needing substantial rehabilitation, or new construction. Up to 25 percent of the total units in multifamily proposals may receive RHI voucher assistance. For developments limited to disabled residents, up to 100 percent of units may receive RHI voucher assistance. Proposals for elderly-only housing will not be considered for assistance, although households headed by elderly persons may be considered for RHI units.

RHI vouchers may be awarded only to proposals made as a result of this application. **Applications are accepted on a rolling basis.**

Please submit your RHI Applications to:

Jonathan Burch
Chicago Metropolitan Agency for Planning
233 S. Wacker Drive
Suite 800
Chicago, IL 60606
Email: jburch@cmap.illinois.gov

Funding availability and eligible proposals

Funding availability

The participating PHAs will make rental voucher subsidies available based on the amount of RHI vouchers available at the time the RHI proposal is submitted. The RHI selection panel may elect, at its sole discretion, to award a lesser number of vouchers than the total available.

Facts You Should Know Before You Apply

- RHI encourages mixed income developments. No more than 25 percent of the total rental apartments in a single development may receive RHI vouchers. This 25 percent cap also applies on a building-by-building basis in developments that comprise multiple buildings.

- Disabled-only developments may receive RHI vouchers for up to 100 percent of the apartments. Please note that, to the extent the proposal includes provision of special services available for disabled tenants, the RHI program does not provide funding for such services.

- RHI applications must request a minimum of five (5) RHI vouchers.

- Applicants and potential applicants to RHI must pay the review and application fees shown in Exhibit 1. Checks should be made out to the Chicago Metropolitan Agency for Planning.

- Developments located in low poverty census tracts are encouraged. Applications for developments in areas of high poverty concentrations may need to receive a waiver from the U.S. Department of Housing and Urban Development (HUD) or the Lead PHA. This may delay award of RHI vouchers.

- RHI units may not overlap with Illinois State Referral Network units.

- For developments that are new construction or substantial rehabilitation, Davis Bacon wage rates apply.

- If RHI vouchers are requested for developments that require residents to be relocated, those residents must be relocated in accordance with the Uniform Relocation Act at the owner's or the development's expense

- For development proposals that require families to be relocated, HUD regulations require that all eligible families be given "absolute" priority to return to the development. If the family qualifies for voucher assistance, it is up to the discretion of each individual PHA as to whether it can prioritize relocatees on its waiting list. Please contact the PHA in the jurisdiction of your proposal.

- RHI vouchers can only be applied to vacant units.

- Owners of properties with RHI units will select tenants from a list provided by BRicK Partners. As part of the Chicago Regional Housing Choice Voucher Initiative, a HUD-funded program, a regional waiting list, managed by BRicK, will be used to refer households the owner. BRicK will refer at least three times as many potential tenants as there are units available, providing the owners with choice in resident selection.

- Owners are responsible for screening prospective tenants for occupancy of RHI units.

- All RHI units must be occupied by residents referred off the RHI waiting list. Property owners may encourage potential residents to apply to the RHI waiting list when it opens, but there priority is given to residents currently on the regional waiting list Property owners should check with the Lead PHA for that development.

- All of the PHAs will establish a preference for tenants who are working, or in training for work, within a 12-mile radius of the apartments and who are unemployed due to reasons of age and disability.

- Owners must comply with all applicable non-discrimination laws and regulations in screening and making offers of housing for assisted and non-assisted apartments.

- RHI vouchers may be requested for a term of up to 15 years. Extensions are at the discretion of the PHAs.

How will rents be determined?

Initial Rents

- Proposed initial gross rents (rent + owner paid utilities) may not exceed 110 percent of the HUD approved Fair Market Rent (FMR). See Exhibit 4 for current FMRs.

- HUD may grant exceptions of up to 120 percent of the FMR in high cost areas.

- In addition to these limits, all proposed initial rents must be determined to be reasonable in relation to the private unassisted rental market as determined by the Lead PHA.

Rents in high cost areas

- Rents up to 120 percent of FMRs may be requested in high cost areas. The RHI selection panel may recommend, and the Lead PHA may determine, whether to request "exception rents" approval from HUD. If exception rents are requested, the PHA can make no guarantee as to HUD approval or the timing of such approval.

Ineligible proposals

Proposals that do not meet the following requirements will not be scored and ranked, or recommended for assistance, under RHI:

- Proposals applying for assistance for less than 5 units

- Proposals with occupancy restricted to seniors only

- Proposals that include apartments that have been subsidized using public housing funds and other forms project based assistance.

- Proposals that do not anticipate, respond to, and work within the program parameters and requirements.

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How the RHI program works and what to expect as an owner

How the subsidy works

The Lead PHA, which has jurisdiction over the area in which the development is located, will be responsible for administering the RHI vouchers through the HAP contract with the owner. In some cases, there may be two HAP contracts, one with the Lead PHA and one with a Participating PHA. The Lead PHA will manage the HAP contracts, performing inspections and other required activities. When a second HAP contract from a Participating PHA is required, the two contracts will be coterminous. The Lead PHA will be the point of contact for the owner with respect to RHI vouchers once they are awarded. Owners need not worry about contacting other participating PHAs. The Lead PHA will coordinate this.

Owners of new construction or substantial rehabilitation developments must execute an *Agreement to enter a Housing Assistance Payment* (AHAP) contract with the Lead PHA and in some cases with a Participating PHA. The AHAP(s) must be executed prior to new construction or substantial rehabilitation proposals commencing construction. The AHAP requires the owner to construct or rehabilitate the housing in accordance with PHA-approved construction drawings and specifications or work write-ups. It also establishes initial contract rents for the RHI apartments that will be included in the HAP contract. The Lead PHA will have responsibility for coordinating the AHAP process in the event there is an AHAP with a Participating PHA. Prior to executing the AHAP, HUD or its designee must perform a subsidy layering review and an environmental review of the proposal.

Once the construction work is complete and the apartments are ready for occupancy, the owner enters into the HAP contract with the Lead PHA and in some cases a Participating PHA. The HAP contract governs the flow of subsidy to the development for the assisted apartments, explains the roles and responsibilities of the agency and owner, term, penalties, and other matters. The HAP contract may have a term of up to 15 years, with further extensions to be determined by the PHAs. All subsidy payments are subject to annual appropriations of voucher funds by Congress throughout the HAP contract term.

It is highly recommended that owners interested in the program review both the AHAP and the HAP contracts prior to submitting their applications. It is in the interest of all parties that owners be fully aware of program requirements and the roles of all parties prior to becoming involved with RHI. Respondents should be aware that HUD dictates the language and form of the AHAP and HAP contracts, and that Lead and Participating PHAs have no flexibility to negotiate them.

Initial and subsequent rents for RHI apartments

The AHAP and HAP contracts set out the rent for the RHI assisted apartments. The rents for assisted apartments may not be more than the lesser of:

1) Reasonable rents for comparable properties, as determined by the Lead PHA,
2) The HUD approved FMR limit; or
3) Rents charged for comparable unassisted apartments in the same development.

Gross rents (rent to owner plus the PHA allowance for tenant-paid utilities) are generally capped at 110 percent of the FMR for the area. These rent limits are set by HUD. With HUD approval, PHAs may be able to establish rent levels of up to 120 percent of the FMR based on current market conditions. Rents for assisted apartments may be adjusted annually, subject to a determination of rent reasonableness.

Current FMRs, 110 percent FMR levels, and approved exception rents for the Chicago Metro Region that includes all RHI are attached as Exhibit 4. To the extent that FMRs and/or exception rents are updated during the course of the selection process covered by this Application, updates will be made available upon request. Respondent submissions using assumptions based on either the Exhibit 4 information or updated information will be accepted.

Tenant payments in RHI apartments

When using project based RHI vouchers, tenants are obligated to pay 30 percent of their adjusted monthly income for rent, plus utilities that are not included in the rent by the owner. Utilities included in the rent are covered under the HAP between the owner and the Lead PHA.

Tenant referrals using RHI

Please note that the federal regulations have been revised and all RHI units **must** be leased to families coming off the housing authority waiting lists. Utilizing the regional waiting list, BRicK and the Lead PHA will refer prospective tenants for RHI units to the property owner/manager. In order to get apartments leased-up initial and fill vacancies as they arise, owners must notify the Lead PHA of a reasonable deadline by which such referrals must be made in order to support timely leasing of the assisted apartments. Owners/ Managers should provide CMAP with marketing materials in a timely manner to assist with the referral process.

The regional waiting lists were formed as part of a regional pilot funded through HUD to generate housing in opportunity areas across the Chicago region. Given lessons learned over the first decade of RHI's existence, the RHI partners have created a regional referral system meant to create efficiencies with the leasing process. In early 2012, the participating PHAs

conducted outreach to a total of over 4,000 households encouraging them to apply for the regional waiting lists and to generate interest in project-based vouchers. All applicants were required to select a regional preference for the RHI developments, broken down as follows: North Cook County, South Cook County, West Cook County, Lake County, DuPage County, Will County, and McHenry County. The waiting lists were updated and expanded in the summer of 2015.

The regional lists are randomized and priority is given to those meeting the following preferences:

1. Attend a job training or vocational program or work within a 12-mile radius of the RHI development.
2. Unemployed due to reasons of disability or age.

For every vacancy, ten households will be contacted and offered a unit and it can be expected that the owner should receive seven prospective tenants per a vacant unit.

Tenant screening and preferences

From the regional waiting lists created as described above, owners are responsible for screening prospective tenants for occupancy of assisted apartments. Owners must comply with all applicable non-discrimination laws and regulations in screening and making offers of housing for assisted and non-assisted apartments (more information on applicable laws and regulations is available from the participating PHAs).

In addition, under RHI participating PHAs must establish a priority for prospective tenants who work within a 12-mile radius of the apartments, or are unemployed for reasons of age or disability. For the purposes of the RHI program, "work" is defined as being: (i) employed by a local employer for at least the past three months and working at least 30 hours a week or (ii) enrolled in a training program certified or endorsed by the local Workforce Development Board that will likely end with employment within a 12 mile radius. The 12-mile radius may be extended in rural jurisdictions.

Tenant right to move

After the end of the first lease term and at the end of successive lease terms thereafter, subsidized tenants have the right to move from RHI apartments and receive tenant-based vouchers if the Lead PHA has tenant-based vouchers available. However, the RHI project-based subsidy will remain with the unit. In the event that tenant leaves the RHI unit, the owner must screen and draw new tenants from the referral list for the RHI apartments it created as described above.

Housing quality standards

Pursuant to the HAP contract, owners must construct (if applicable) and maintain apartments in compliance with Federal Housing Quality Standards. Lead PHAs will be responsible for initial and periodic inspections of the apartments and common areas to verify continued compliance under the terms of the HAP contract. Information on Housing Quality Standards and each participating PHA's inspection procedures is available upon request.

Relocation

For proposals involving rehabilitation of occupied structures, relocation requirements for federally assisted projects apply. Applicants with such proposals are required to submit relocation plans as part of their initial submissions for RHI. Please note that the RHI program offers no resources for relocation.

Please note that recent changes in the regulations that govern the project-based voucher program require owners to offer the right to return to all eligible tenants. However, the Lead PHA must agree to place eligible relocated families on its waiting list and give "absolute" preference to those families when referring tenants to the development. PHAs may be unable to accommodate such a preference, in which case, the project could not receive RHI vouchers.

Please check with the PHA in which the project is located to determine whether the PHA can accommodate this priority. Further information on Federal relocation requirements is available upon request.

Lead based paint requirements

For proposals involving rehabilitation of structures built prior to 1978, federal requirements respecting the treatment or removal of lead based paint apply. Further information on these requirements is available upon request.

Accessibility

For all proposals assisted under RHI, federal requirements of the Fair Housing Act and Amendments and Section 504, for accessible and adaptable apartments and the owner's obligation to make reasonable accommodations for disabled residents, apply. Further information on accessibility requirements is available upon request.

Davis-Bacon requirements for construction and rehabilitation

Employment and wage requirements for new construction proposals or proposals requiring more than $1,000 per unit in rehabilitation must adhere to the Davis Bacon wage requirements. These requirements are set forth in Part B of the AHAP.

Site and neighborhood standards

In making project based assistance available, participating PHAs are required to meet site and neighborhood standards for rehabilitation and new construction that promote quality living situations and seek to lessen concentrations of minorities and disadvantaged people.

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Selection of proposals

All proposals for RHI funding will be reviewed CMAP, BRicK Partners, MPC, and the Selection Panel (i.e. representatives from each of the Participating PHAs and IHDA). For the selection criteria related to Opportunity and Access to Transit, CMAP will provide initial scores to the applicant prior to application submission. Applicants will be responsible for identifying mitigating circumstances in their developments that would allow for those scores to improve through their application materials. All remaining criteria will be scored and ranked by PHA representatives. The rankings of any proposals receiving even scores from the participating PHAs will be scored by CMAP to determine their final ranking.

Selection Factor		Points
Opportunity		**Max. 25**
How does the proposal score on the Opportunity Index that is part of the Fair Housing and Equity Assessment? A site's number from the index is multiplied by 5 to get the score. Developments scoring 20 or lower are eligible for up to 5 "mitigation points", where at the discretion of the scorer, additional points may be awarded for measures proposed by the developer that address or mitigate the factors that resulted in the lower opportunity score.		
Access to Transit		**Max. 5**
How does the proposal score on the CMAP Access to transit index? A site's number from the index is the score. Proposals scoring 4 or lower may be eligible for 1 "mitigation point," where at the discretion of the scorer, additional points may be awarded for measures proposed by the developer that improve transit access at the site that are not reflected in the index.		

FHEA Opportunity Index Factors

Opportunity	HUD Factors	Additional Factors
Housing	Housing Stability Index	Median Home Value
Education	School Proficiency Index	Percentage of Post-High School Degrees
Employment	Job Access Index	Unemployment Rate,
		Poverty Rate
Transportation	Transit Access Index	Mean Travel Time to Work
Fiscal Capacity		Equalized Assessed Value

Selection Factor (cont.)		Points
Local and regional plan implementation		**Max. 15**
The application advances the implementation of a plan. For the purposes of scoring, plan is broadly defined, including but not limited to comprehensive plans, transit-oriented development plans, interjurisdictional reports, neighborhood plans, capital improvement programs, and zoning ordinances. Scoring should focus not only on the presence of a plan, but also indications that the plan helps ensure the development is well sited and integrated into the community (e.g. is located within close proximity to key commercial or civic destinations, is designed in a fashion respectful of its surroundings, and includes non-auto infrastructure that connects the proposed development to these destinations). In general, the more explicit the connection between the proposal and the plan, the more comprehensive the plan, and the more the plan has been implemented, the better a development will score.		
Mix of incomes		**Max. 10**
The proposed development includes units accessible to low income and moderate income families along with market rate units in the same financing or complex. Particular consideration will be given to applications that include market rate units as well as those for low and moderate income families. If low and moderate income housing is documented by the developer as being sufficiently scarce in the surrounding community, the RHI selection panel will evaluate how the addition of a development containing predominantly low and moderate income units would create a mix of incomes in the neighborhood.		
Management		**Max. 15**
Previous experience of the developer/owner and/or management agent in developing, leasing, and managing properties such as the property proposed, including a track record in project based or tenant based Section 8, and low income housing tax credit programs.		
In cases for which assisted rental units are proposed in conjunction with for-sale units, previous experience in selling and managing housing in a similar context will also be considered. Developers/owners setting aside for-sale homes for purchasers assisted by vouchers will receive particular consideration.		

Selection Factor (cont.)		Points
Services and amenities		**Max. 10**
The proposed development includes a mixture of services and amenities appropriate for the population served that helps foster a sense of community with the development and integration into the neighborhood. Services could include social services, job training, or connections assistance for area resources. A particular focus is placed upon developments that provide needed services of a longer duration and help residents thrive in their new home. Amenities can include both public and community spaces, including green space, or other building features that foster a sense of community.		
Financial Plan		**0, 5, 10, 15, or 20**
The reasonableness of the applicant's proposed plan to finance the development, taking into consideration the developer's experience accessing the proposed sources, the amounts to be requested, and the timeframe for the requests. If the proposal includes relocation, the budget includes sufficient money to pay for relocation costs.		

The Selection Panel reserves the right not to recommend, and Lead PHAs reserve the right not to approve, any proposal that is not, in their sole discretion, likely to meet the requirements of the laws and regulations covering the project based voucher program.

Recommendations to approve RHI awards to specific proposals by the selection panel are not final. The award of RHI vouchers is final when the allocation of vouchers is approved by the Lead PHA and in some cases a Participating PHA.

Communications during the selection process

All communications related to the RHI owner application process must be directed to CMAP, as follows:

Jonathan Burch
Chicago Metropolitan Agency for Planning
233 S. Wacker Drive
Suite 800
Chicago, IL 60606
Email: jburch@cmap.illinois.gov

All contacts or questions directed to participating PHAs or IHDA will be referred to CMAP, to ensure that consistent information is provided to potential applicants.

Application requirements and deadlines

Owners and/or developers of RHI proposals ("Owners") must read and understand the proposal parameters and selection criteria set forth in this Application.

RHI applicants will be required to submit:

A check for the required application fee

AND

One original signature copy of the four required certifications.

AND

An electronic version of the RHI submission materials and required certifications on a CD-ROM or flash drive, or as an e-mail attachment (if necessary, use ZipCentral to compress electronic files).

Applications are accepted on a rolling basis.

Please submit **binder(s) and printed copies OR electronic versions** to:
Jonathan Burch
Chicago Metropolitan Agency for Planning
233 S. Wacker Drive
Suite 800
Chicago, IL 60606
Email: jburch@cmap.illinois.gov

Submission requirements and formats

Applicants should include information in the order listed below.

1. **Proposal summary, contact information, and acknowledgment of RHI program parameters and requirements (Certification 1)**

2. **Proposal description**
   - Number of units by size (square footage)
   - Bedroom and bathroom count
   - Sketches of proposed housing or photos of existing property
   - Unit plans, if available
   - Listing of amenities and services
   - For new construction and rehabilitation, estimated completion date
   - For existing properties, number of occupied units

3. **Site and neighborhood characteristics**
   - For new construction, a description of proposed site, site plan, and neighborhood
   - For rehabilitation, a description of existing development, rehabilitation plan, and neighborhood
   - For existing properties not being rehabbed, a description of the existing property and neighborhood

4. **Evidence of site control, including copies of deeds or option agreements**

5. **Zoning - For new construction and substantial rehabilitation: evidence of zoning or that rezoning is likely/ will not delay proposal**

6. **Proposed contract rent per unit**
   - Which utilities, services, and equipment are included in rent
   - Estimates of average monthly cost of utilities not included for each unit type in first year of occupancy

7. **Relocation plan, if applicable**
   - Number of persons occupying property as of application
   - Number of persons to be temporarily or permanently displaced
   - Estimated costs of relocation activities
   - Funding sources for proposed relocation activities
   - Organization that will carry out relocation activities
   - Acknowledgement from Lead PHA that it will give priority to relocates
   - Discussion of how relocation/re-occupancy plans comply with referral and occupancy criteria for RHI-assisted units (see section on program requirements and parameters).

8. **Principal information**
    - Identity of owner and other proposal principals
    - Names of individuals and organizations serving as officers and principal members, shareholders, investors and other parties having substantial interest
    - Information on qualifications and experience of the principals
    - Certification that parties are not excluded from Federal programs (Certification 2)
    - Disclosure of any possible conflicts of interest by any parties that would be a violation of the HAP (Certification 3)
    - Fair housing certification (Certification 4)
    - List of rental properties owned, including addresses

9. **Management and maintenance**
    - Name, address and phone number of property manager
    - Address of properties managed
    - Qualification of property manager
    - Management plan for the property

10. **Financing**
    - For new construction or substantial rehabilitation:
        - Evidence of financing or lender/equity investor interest, and proposed terms.
        - Sources and uses of funds
        - Operating pro forma
    - For existing properties not being substantially rehabilitated:
        - Copy of mortgage
        - Property's balance sheet
        - Property's income and expense statement

11. **Proposed term of the HAP contract and requested extension periods (for details see Program Requirements and Parameters)**

12. **Neighborhood map identifying relationship, distances and connections between the property and the following, with particular attention to features that respond to the factors listed under the site and neighborhood characteristics**
    - Employment centers
    - Transportation, i.e. CTA, Metra and Pace lines and highway access
    - Schools, including names
    - Parks
    - Other public amenities or services

13. **Relation of property to RHI factors listed under the site and neighborhood characteristics, including, if applicable**
    - Placement of buildings, locations of assisted and other types of housing units

- Any community, commercial, or other non-residential structures
- Pedestrian and transit improvements within the development
- Access to outside transit and other amenities
- Any other factors that respond to RHI selection factors

14. Brief discussion of income mix

- Within the proposed development
- Between rental and home ownership (if any) components of the property
- Between the property and the surrounding community
- For properties located in areas with high concentrations of poverty or minority residents, articulate what measures will be taken to connect residents of assisted units with jobs in the area where the development is located
- Other factors

15. <u>Relation of Proposal with Scoring Criteria</u>

In order to consistently score RHI proposals, applicants must submit a short (one to two pages) explanation of how the project responds to the criteria that will be used to score the development. These criteria are designed to allow for the consistent evaluation of RHI proposals using factors that over time distinguish "good" developments, while remaining true to the core principles that underpin the RHI process, including those that are part of the Metropolitan Mayor's Caucus Housing Endorsement Criteria (see Exhibit 5).

Describe how your proposal addresses the following:

- **<u>Opportunity:</u>**
  During the pre-application meeting, each applicant received an initial score for the proposal based on the Opportunity Index that is part of the *Fair Housing and Equity Assessment: Metropolitan Chicago* (FHEA) prepared by CMAP in partnership with the Chicago Area Fair Housing Alliance. This score is based on the following ten factors.

FHEA Opportunity Index Factors		
Opportunity	**HUD Factors**	**Additional Factors**
Housing	Housing Stability Index	Median Home Value
Education	School Proficiency Index	Percentage of Post-High School Degrees
Employment	Job Access Index	Unemployment Rate,
		Poverty Rate
Transportation	Transit Access Index	Mean Travel Time to Work
Fiscal Capacity		Equalized Assessed Value

The index breaks the region down into areas with scores of 1 to 5, with higher scores for areas with higher opportunity. A site's number from the index is multiplied by 5 to get the score. Areas of low opportunity correspond to areas of racially or ethnically concentrated poverty. More detail about the index can be found on pages 43 to 49 of the FHEA.

The pre-application materials distributed at the pre-application meeting will indicate both the overall site score and the relative scores for each of these factors. Developments scoring 20 or lower on the initial opportunity score are eligible for up to 5 "mitigation points", where at the discretion of the scorer, additional points may be awarded for measures proposed by the developer that address or mitigate the factors that resulted in the lower opportunity score. Please explain any features or factors that could result in the awarding of mitigation points.

- **Access to Transit:**
  During the pre-application meeting, each applicant received an initial score for the proposal based on CMAP's Access to Transit Index. For a specific area, this index measures the relative level of access residents have to the transit system regardless of mode, factoring in the presence of service, frequency of service, destinations served, and station pedestrian access. The intent of this new index is to provide a more complete measure of how residents view transit access by including multiple factors that contribute to one's perception of transit accessibility, while maintaining a metric that is still easily comprehended. Factors include frequency of service, activities that can be reached without transfer, proximity to transit access, and pedestrian friendliness of the surrounding area. Locations around the region are scored on a scale of 1 to 5, with higher scores for better transit access. More detail about the index can be found on pages 56 to 60 of *GO TO 2040 Update Indicator Methodology Appendix*. Proposals scoring 4 or lower may be eligible for 1 "mitigation point," where at the discretion of the scorer, additional points may be awarded for measures proposed by the developer that improve transit access at the site that are not reflected in the index. Please explain any features or factors that could result in the awarding of mitigation points.

- **Local and regional plan implementation:**
  RHI believes strongly in the importance of local planning as a tool for the efficient and effective allocation of scarce resources. Groups throughout the region have and will continue to engage in planning. Such efforts should be broadly defined, including not only traditional planning activities like comprehensive plans, but also capital improvement programs, zoning ordinances, and other attempts to coordinate future priorities. Implementation of these efforts should be rewarded. Proposals will be scored on the extent that a development advances a plan. In general, the more explicit the connection between the proposal and the plan, the more comprehensive

the plan, and the more the plan has been implemented, the better a development will score under this metric. Please explain how the development advances a plan.

- **Mix of incomes**
  Integration of multiple income levels into a single development or a neighborhood has been a focus of the RHI program from the beginning. Please explain how the development mixes families of all income levels either within the development or within the neighborhood.

- **Management**
  Evaluating development management is an important part of ensuring good developments that fit well into the community. Please describe your organization's experience to date as a property manager of similar properties, including how you promote the community stability and self-sufficiency of the residents served. Pay particular attention for the community development plan and how the proposal will connect new units with supportive services provided in the area.

- **Services and amenities**
  The PHA partners are particularly interested in developments that allow residents to successfully integrate into the neighborhood and thrive in their new home. Please describe the mixture of services, amenities, and project management requirements, appropriate to the population served, that helps foster a sense of community with the development and integration into the neighborhood. A particular focus is placed upon developments that provide needed services of a longer duration.

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Certification 1

Proposal Summary, Principal and Contact Information and Acknowledgement of RHI Program Parameters and Requirements

RHI PROPOSAL INFORMATION

Proposal sponsor: _____

Proposal name: _____

Address of development: _____

Census tract #:_____

Total number of units in the development: ___

Number of RHI subsidies requested: ___

Is this proposal applying for Low Income Housing Tax Credits? Yes☐ No☐

Type of housing (check all that apply):

New Construction ☐ Rehabilitation ☐

Existing property (less than $1,000 per unit rehabilitation required) ☐

Is this a multi-family housing development? Yes ☐ No ☐

Does the development include a supportive housing element? Yes ☐ No ☐

Is the development currently occupied? Yes ☐ No ☐

If yes, are there existing Project Based Vouchers or Housing Choice Voucher holders? Yes ☐ No ☐ If yes, how many? ___

Does the property receive any other form of subsidy? Yes ☐ No☐

If yes, please describe.

Please briefly describe the project.

PRINCIPAL INFORMATION

Identity of owner and other proposal principals and names of individuals and/or organizations serving as officers and principal members, shareholders, investors and other parties having substantial interest.

If the proposal is for an existing building, please provide the name and address of the property manager.

Please indicate if the owner or manager has experience with the Section 8 program. If so, provide the addresses of the properties.

CONTACT INFORMATION

Organization(s)/Firm(s): _____
_____
Contact person: _____
Address: _____
Telephone Number: _____ Fax Number: _____
E-mail address: _____

RHI PROGRAM PARAMETERS AND REQUIREMENTS

I have read and understand the RHI Program Information section of this application.

_____

- Name Title

Certification 2

Form of certification that organizations and individuals with an interest in the proposal are not excluded from participation in Federal programs

CERTIFICATION REGARDING EXCLUSIONS FROM FEDERAL PROGRAMS

By submission of this Affidavit, the Respondent hereby certifies that, to the best of its knowledge and belief, no organization or individual listed in the Respondent's submission pursuant to the requirements relating to Proposal Principal Information are on the U.S. General Services Administration list of parties excluded from Federal procurement and non-procurement programs.

Under penalty of perjury, I certify that I am authorized to execute this Affidavit on behalf of the Respondent set forth below, that I have personal knowledge of all the certifications made herein and that the same are true.

Signature:

Name and title:

Telephone number:

Notary:

State of:_____)

County of:_____)

Signed and sworn to before me this ___ day of _____, 20__ by

_____(Name) as _____(Title)

of _____ (Respondent).

Certification 3

Form for disclosure of any possible conflicts of interest by organizations and individuals with an interest in the proposal

DISCLOSURE OF ANY POSSIBLE CONFLICT OF INTEREST

Respondents must disclose any potential conflicts of interest for organizations and individuals listed in its submissions listed under the heading Proposal Principal Information in the RHI Owner Application, and to the extent not listed there for the owner, developer, builder, architect, management agent (and other participants, officers and principal members, shareholders, investors and other parties who will have a substantial interest in the AHAP or HAP contract.

Conflict of interest means that no present or former member or officer of the PHA (except tenant-commissioners), no employee of the PHA who formulates policy or influences decisions with respect to the Section 8 Program, and no public official or member of a governing body or State or local legislator who exercises functions or responsibilities with respect to the Section 8 Program, shall have any direct or indirect interest, during his or her tenure or for one year thereafter, in the AHAP or HAP contract. This provision may be waived by HUD for good cause.

Party:

Potential conflict of interest:

Party:

Potential conflict of interest:

Party:

Potential conflict of interest:

Party:

Potential conflict of interest:

Certification 4

Fair housing certification

CERTIFICATION REGARDING FAIR HOUSING

By submission of this Affidavit, the Respondent hereby certifies that it will, if its proposal is selected for assistance, comply with Federal prohibitions against discrimination and fair housing requirements with respect to the marketing and leasing of both assisted and non-assisted units in the proposal.

Prohibitions against discrimination include that the owner may not refuse to lease units to, or otherwise discriminate against any person or family in leasing of a unit, because of race, color, creed, religion, sex, national origin, disability or familial status (i.e. because the family includes children). Also, the owner may not refuse to lease contract units to, or otherwise discriminate against any person or family in leasing a unit, because members of the family are unwed parents, pregnant women, children born out of wedlock, or recipients of public assistance. The owner must also comply with Federal requirements as set forth in the HAP contract.

Under penalty of perjury, I certify that I am authorized to execute this Affidavit on behalf of the Respondent set forth below, that I have personal knowledge of all the certifications made herein and that the same are true.

Signature:

Name and title:

Telephone number:

Notary:

State of:_____)

County of:_____)

Signed and sworn to before me this ___ day of _____, 20__ by

_____(Name) as _____(Title)

of _____ (Respondent).

Exhibit 1

RHI Fee Structure

The following fees are due prior to each of the corresponding steps in the process. Checks should be made out to the Chicago Metropolitan Agency for Planning.

- Pre-application interview: $500
- Application fee: $2,000
- Re-application fee for previously supported projects within last two years: $1,000

Exhibit 2

Form of Housing Assistance Payments contract (HAP) Documents #52530-A and #52530-B

New Construction or Rehabilitation
HUD-52530-A, PBV Housing Assistance Payments (HAP) Contract

HUD-52530-A PBV HAP Contract - New Construction Or Rehabilitation Part I, Part II

Existing Housing
HUD-52530-B, PBV HAP Contract

HUD-52530-B PBV HAP Contract - Existing Housing Part I, Part II

Exhibit 3

Form of Agreement to enter Housing Assistance Payments contract (AHAP)
Documents #52531-A and #52531-B

PBV Agreement to Enter into HAP (AHAP) Contract,
New Construction or Rehabilitation, Part 1

HUD-52531-A PBV Agreement to Enter into Housing Assistance Payments Contract, Part I

PBV Agreement to Enter into HAP (AHAP) Contract,
New Construction or Rehabilitation, Part 2

HUD-52531-B PBV Agreement to Enter into Housing Assistance Payments Contract, Part II

Exhibit 4

Fair Market Rents for the Chicago Metropolitan Area

The following table shows the Final FY 2016 FMRs by unit bedrooms for Chicago-Joliet-Naperville, IL HUD Metro FMR Area:

Final FY 2016 FMRs By Unit Bedrooms					
	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
	$860	$1,001	$1,176	$1,494	$1,780

Exhibit 5

Housing Endorsement Criteria

Approved by the Metropolitan Mayor Caucus

Metropolitan Mayors Caucus

Northeastern Illinois

HOUSING ENDORSEMENT CRITERIA

For our region to remain competitive, we must diversify our housing stock. By securing broad-based support for these Housing Endorsement Criteria, municipal leaders, neighbors, employers and community based organizations can more effectively attract, identify and promote proposals for quality developments. To promote housing and mixed-use developments that meet community needs while also addressing broader regional sustainability and livability goals, new and rehabbed housing should meet most of the principles and criteria below:

GENERAL PRINCIPLES

Promote Economic Development and Workforce Housing

Housing, when appropriately located, encourages the expansion of existing and the location of new businesses and industries within the region. The mismatch between where the jobs are and where workers can afford to live has significant costs. Increasingly, employers recognize that local housing for all levels of their workforce promotes stability and productivity for the workers as well as the individual company.

Encourage an Array of Quality Housing Options throughout the Region

Redevelopments and new housing accessible to a wide range of income levels are needed to provide the local workforce and residents with a housing supply that is critically needed and currently lacking. By the year 2040, our region is expected to grow significantly, adding over 2 million people, and the housing market must be stabilized and expanded at all price points to accommodate this dramatic growth.

Support Innovative Community Development and Design

Quality residential and mixed-use developments maintain, enhance, or create livable streets, neighborhoods and public spaces oriented to the pedestrian. A variety of housing types provides a healthy mix of residents from different age groups, racial and cultural backgrounds, income levels and household types. New developments foster a sense of community, while promoting people's choice of housing, privacy and convenient access to nearby amenities.

Provide for Mixed Uses Within a Neighborhood

In order to enhance community livability and decrease auto-dependency, a mix of land uses within a neighborhood combines residential with retail, restaurants, schools and other amenities in close proximity. The location of schools, entertainment districts, parks, businesses, institutions, and recreational facilities will be consciously integrated with new and existing residential developments to encourage ease of pedestrian access.

Minimize Cost of Municipal Services

Clustering housing near existing infrastructure minimizes the per capita costs of municipal services by allowing for more efficiency and economies of scale.

Promote the Use of Public Transit

Housing, together with commercial space and public amenities, should be planned for, and built first, within walking distance of existing or planned transit service in order to strengthen transit ridership and decrease traffic congestion.

Encourage Sustainability and Livability

There are ample opportunities within existing service areas of our older cities and suburbs to provide for a portion of projected housing needs over the next 30 years. Infill development and redevelopment within

existing municipal areas and conservation developments are of tremendous value. Adhering to development policies that encourage compact, mixed-use development will promote an array of housing types and expand individual choice. This will advance other regional and community needs, such as the protection of open space and the growth of the local tax base.

SPECIFIC CRITERIA

Location

Infill development and redevelopment within existing cities and towns, as well as new conservation developments, will receive preference. In order to maximize compatibility with public transit and minimize auto use, housing within one mile of major transit services, a job hub or town center, provides a future market for transit. The project may be within two miles of a rail transit station if provisions are made to provide ongoing shuttle services to the future residents. Major transit service is defined as a bus or rail stop with peak period wait times of no more than 30 minutes. Major transit service also includes, funded, but not yet built, fixed rail stations.

Land-Use

New developments and redevelopments that aim to cluster housing in an efficient manner, in context with the surrounding community, to preserve natural resources and open space will be given priority attention. Higher densities and mixed uses are particularly appropriate near Metra and CTA stations to reduce the growth of traffic congestion on local and regional roads.

Attainability

Mixed-income housing developments, which include units accessible to moderate-income working families and to households with lower incomes, along with market rate units in the same complex, will be given preference. Developments that help balance affordability levels within communities, while assuring consistent quality and design, will receive strong support.

Design

New developments that stress quality design and construction to help ensure its long-term contribution to the improvement of the neighborhood will be given preference. The proposed buildings will fit their setting, complementing and enhancing the existing neighborhood, and promoting a sense of community, pedestrian friendly design and the other principles of good village design. Proposals will address transit use and access and, where appropriate, the potential for mixed-use.

Management

The management and maintenance of developments are as critical as the initial design and construction to meeting the goals of enhancing communities. Therefore, the capacity of the development team to successfully address long-term needs, as evidenced by its track record in selling, leasing and managing development properties, and its history with neighborhood and/or tenant relations, will also be considered.

Metropolitan Planning Council

Metropolitan Mayors Caucus

The Housing Endorsement Criteria is a joint initiative of the Metropolitan Planning Council and the Metropolitan Mayors Caucus Housing and Community Development Committee. For more information, contact Allison Milld Clements, Director of Housing Initiatives, Metropolitan Mayors Caucus, at 321-201-4507 or amilld@mayorscaucus.org.