



REQUEST FOR PROPOSALS (RFP) AFFORDABLE HOUSING REDEVELOPMENT

Issued by:

Strategic Housing Finance Corporation of Travis County
502 E. Highland Mall Blvd.,
Suite 106 B
Austin, TX 78752

Issued on October 11th, 2022

Responses due: December 12th, 2022

1. INTRODUCTION

General Information

Strategic Housing Finance Corporation of Travis County (“SHFC”) hereby requests proposals from qualified and experienced multifamily residential housing developers interested in redeveloping and/or acquiring an affordable housing property. Details on the Project are provided below in this Request for Proposals (“RFP”).

SHFC is seeking housing developers capable of developing high-quality affordable housing who demonstrate an understanding of the Austin – Travis County community, its affordable housing needs, and the unique attributes and opportunities of the Austin area. Developers should provide evidence of successful experience in developing and managing affordable/mixed income housing and a commitment to an inclusive and informative public participation process.

Interested developers must submit a detailed proposal for the proposed redevelopment. Proposals will be reviewed by staff and approved by the Board of Directors. If a proposal results in an approved project, SHFC and selected developer will negotiate an agreement for conveyance of a fee simple interest in the Project. The agreement will set forth additional detail regarding the property disposition, performance milestones for the developer, project redevelopment timeline, indemnities and insurance requirements, ongoing affordability covenants, financing plan, tenant selection plan, and any other SHFC requirements for the development.

SHFC Objectives

Travis County is facing a significant affordable housing crisis, and SHFC is mission-driven to expand the supply of high-quality, affordable housing through new development, preservation of existing assets, and the promotion of self-sufficiency. The goals of this RFP are to:

1. Identify a developer who will commit to ongoing affordable housing at the Project.
2. Identify a proposal that features a significant investment in modernizing the Project; and
3. Ensure tenant participation in the management of the Project.

2. ELIGIBLE RESPONDENTS

Eligible respondents may include one entity or a development team, including for-profit and non-profit housing developers. Respondents that include several entities must include a lead entity which has demonstrated experience and capacity in the redevelopment and management of affordable/mixed income housing. The respondent shall have successfully completed at least three housing developments of similar size and complexity as the subject property. The three redevelopments must have been completed within the past five years for a proposal to be deemed eligible for review. Developers with prior experience redeveloping affordable/mixed income housing developments in Austin are encouraged to submit proposals.

Developer’s capacity and experience will be evaluated based on, but not limited to the following:

- Prior experience and technical competence of the developer in completing and managing affordable/mixed income housing redevelopments of similar scope, complexity, and magnitude as the Project.
- Developer’s experience in partnering with the Texas Department of Housing and Community Affairs (“TDHCA”), other municipalities, or local or state agencies.
- Developer’s track record in compliance with Low-Income Housing Tax Credits (“LIHTC”).
- Developer’s experience in working with the residents to garner support for the redevelopment of affordable housing.
- Developer’s financial standing as evidenced by financial references, proof of funds in excess of the purchase price, and other financial status information.
- Developer’s capacity to work cooperatively with SHFC representatives and the community in the design and completion of the proposed redevelopment; and
- Developer’s track record in obtaining required financing, regulatory approvals, and permits within project schedules and time frames set forth in redevelopment proposals.

PLEASE NOTE: Any proposals using federal or state funds will be required to comply with applicable state and/or federal procurement, wage, and contracting requirements.

3. PROJECT SCOPE

SHFC is soliciting proposals from qualified developers committed to and experienced in the development of affordable/mixed income housing. The Project is a property known as Rosemont at Oak Valley, located at 2800 Collins Creek Drive, Austin, TX 78741. The Project is currently owned and operated by SHFC Oak Valley LLC (the "Owner"), the sole member of which is SHFC.

Site Control

SHFC prefers a 100% fee simple transaction, conveying the Project to a Developer related entity.

Development Parameters

A. Overview

The Project is a 280-unit development constructed in 2003 using Low-Income Housing Tax Credits and Tax-Exempt Bond financing, and the property is subject to the associated aforementioned regulatory agreements [See Attachments].

The property is currently 60% occupied and restoring from damage sustained during the winter storm in February of 2021.

Unit Mix: The Project consists of 120 two-bedroom units (approx. 950 sqft), 104 three-bedroom units (approx. 1,090 sqft), and 56 four-bedroom units (approx. 1,216 sqft).

B. Affordability Requirements

The LIHTC regulatory agreement restricts 100% of the units to 60% of AMI. The Bond regulatory agreement further restricts 100% of the units to 50% of AMI. Income levels are defined using the income limits published by the Housing and Urban Development (HUD) for low-income households in Travis County.

Interested developers need to provide a detailed plan showing how residents are treated when affordable housing restrictions mature. Consideration will be given to developers who express a desire to preserve affordability beyond the required term, and to developers who will not exercise the Qualified Contract option.

C. On-Site Amenities

Proposals that include resident amenities within the development, consistent with City zoning to improve the quality of life of residents of the proposed housing development and/or the surrounding neighborhood, are encouraged.

D. Special Populations, if Applicable

Proposals shall describe special populations served by the project, if any. SHFC supports diverse populations and does not discriminate in housing based on race, color, religion, sex, national origin, physical or mental handicaps, or family status.

E. Tenant Protections

SHFC prefers proposals that make specific commitments to some, or all the tenant protections featured in the City of Austin Rental Housing Development Assistance Lease Addendum. A copy of the Lease Addendum is included at the end of this RFP.

Financial Terms and Assumptions

A. Terms

Proposals will be evaluated on a variety of financial factors including the viability of the proposal financing structure, desirability of the public benefits of the proposed development, and financial feasibility. Interested developers will need to provide proof of funds in excess of the purchase price. The current occupancy and property condition may not support debt and thus proposals without a financing contingency may be prioritized; potential purchasers should take this into consideration when preparing their proposals. If any City/State funds are contemplated in the proposal's financing plan, the proposal shall indicate what type of City/State funding is contemplated, the amount received, and proposed use. A timeline indicating when such funds would be required by the developer should also be included in the proposal.

B. Assumptions

Developers should submit a 15-year pro forma outlining initial capital investment into the Project, operating budgets, and future rent assumptions.

Environmental Review

An Environmental review of the proposed site will be necessary. If federal funding is included in the proposal's financing plan, the required environmental review must be conducted according to the guidelines under the National Environmental Protection Act (NEPA).

Other Legal Matters

Any selected developer will be required to take full responsibility for the costs and execution of any activities needed to take possession of and redevelop the Project, which may need to be cleared of

structures, vegetation, or other debris. The Project will be conveyed “as is” to the selected developer, who may have full responsibility for completing/updating a survey, environmental review, site preparation, permits, environmental remediation, if needed, and any other pre-development activity. Any property tax liability following developer’s taking possession of the project site shall be the sole responsibility of the Developer.

3. EVALUATION AND SELECTION CRITERIA

SHFC will evaluate proposals received by the submission deadline. Based on the qualifications of the developers for the redevelopment proposals, commitment to affordability and tenant participation, and how well the proposals respond to the requested criteria, SHFC will select a proposal.

4. SUBMITTAL REQUIREMENTS

RFP response packages must be submitted via electronic drop box and must include a cover letter with a signature from a principal or executive director of development entity.

PLEASE NOTE: *SHFC may, at its sole discretion, request that proposers modify or supplement their proposal with additional information following initial submission. SHFC reserves the right to reject any or all proposals submitted, to cancel this RFP, and/or to modify and reissue the RFP at any time.*

PUBLIC RECORDS

Pursuant to the Texas Public Information Act, all documents submitted in response to this RFP will be considered public record and will be made available to the public upon request.

1. Statement of Interest: Provide a statement of developer’s interest in development of the site; highlights of the developer’s qualifications; developer’s understanding of the objectives of the RFP; and a brief description of development team. Please limit Statement of Interest to two pages.

2. Applicant Qualifications: Provide an organizational chart describing the entities and key personnel on the team; resumes for lead personnel; and a brief description of similar projects completed by the team in the past five years. The description of similar projects should not exceed two pages.

3. Project Terms: Provide a narrative description of the redevelopment concept of the Project. Proposals should include, but are not limited to, the following items.

- Purchase Price
- Amount of Deposit
- Overview of redevelopment concept (one page preferred)
- Timeline
- Financial Contingencies
- Physical Property Contingencies
- Regulatory Contingencies
- Commitment to Tenant Protections

- List of due diligence documents necessary to complete transaction and the estimated time to close on sale

SHFC CONTACTS

For further information about this RFP, please contact Patrick B. Howard at (512) 854-1885 or at patrickb.howard@traviscountytexas.gov.

Proposals must be submitted electronically by 5:00pm Central Time on December 12th, 2022. Proposals submitted after this time will not be considered.

6. DISCLOSURES AND CHANGES TO RFP PROCESS

All proposals will become the property of SHFC and may be reproduced **in full or in part and/or published** online and/or on paper for public review and will not be returned to the proposers. Proposals will be public records. Please do not submit any information that is confidential.

SHFC reserves the right to request additional information from applicants, reject all submissions, waive any irregularities in the submission requirements, or cancel, suspend, or amend the provisions of this RFP at any time. If such an action occurs, SHFC will notify all applicants, and any other parties requesting such notice, by posting updates online.

7. Request for Proposals Schedule

Activity	Scheduled Date
Post RFP	October 11, 2022
Proposal Submission Deadline	December 12, 2022
SHFC Review	December 19, 2022
SHFC Approval (Anticipated)	Week of December 19, 2022