

	211 North Front Street P.O. Box 8029 Harrisburg, PA 17105-8029
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Request for Proposals

Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund PHARE / Realty Transfer Tax (Act 58 of 2015)

The Pennsylvania Housing Finance Agency (PHFA or Agency) announces a Request for Proposals (RFP) inviting applications to participate in the Pennsylvania Housing Affordability and Rehabilitation Enhancement/Realty Transfer Tax Fund (PHARE/RTT).

The PHARE Fund was established by Act 105 of 2010 to provide a mechanism by which certain funds would be used to assist with the creation, rehabilitation and support of affordable housing throughout the Commonwealth.

Under Act 58 of 2015 (“RTT”), PHFA will receive an allocation of funds equal to the lesser of forty percent (40%) of the difference between the total dollar amount of the Realty Transfer Tax imposed under section 1102-C of the Tax Reform Code of 1971 collected for the prior fiscal year and the total amount of RTT estimated for the fiscal year beginning July 1, 2014. The PHARE/RTT fund will be capped at \$25 million annually.

Eligible Applicants

Eligible applicants for funding include:

- Units of local government (counties, cities, boroughs, townships, town and home rule municipalities)
- Redevelopment and/or housing authorities
- Nonprofit organizations to include economic and community development organizations, housing corporations, etc.
- For-profit community development or housing entities, individuals, partnerships or limited liability corporations.
- Business improvement districts, neighborhood improvement districts, downtown improvement districts and similar organizations incorporated as authorities.

PHARE/Realty Transfer Tax Fund Goals

A. Increase safe, affordable housing opportunities in areas of the Commonwealth

The focus of the revenues from the PHARE/RTT fund shall be distributed to nonprofit, for-profit and government entities to help with the creation, preservation

and maintenance of affordable housing units (and resources across) the Commonwealth.

B. Utilize funds to address the most significant and persistent housing needs in the most effective and efficient manner.

C. Links to comprehensive approaches

In order to achieve measurable impact, proposals need to be developed within the context of a community's overall strategic plans, priorities, goals, and local housing needs.

D. Focus on strategic locations

Proposals should target those areas within communities which have experienced significant divestment of resources while their surrounding suburban communities have experienced growth or areas which may face loss of affordable housing due to gentrification.

E. Maximize the leveraging of resources to the greatest extent possible, including addressing long term affordability based on local housing market conditions and strengthening existing housing stock.

F. Foster sustainable partnerships that will be committed to addressing the housing needs over a significant period of time.

G. Ensure that resources are used in an effective and efficient manner to meet ongoing housing and community needs for reducing homelessness and supporting integrated housing opportunities among vulnerable populations including veterans, re-entry population, persons with disabilities, families and youth.

H. Establish an application, allocation and reporting process that provides transparency to all stakeholders.

I. Provide opportunities for safe, affordable housing to those within a range of incomes.

Each application must provide at least thirty percent (30%) of the PHARE/RTT funds to assist persons (or families) below fifty percent (50%) of the median area income (described below) for the county in which the project/program will be operated. At no point may funds benefit persons (or families) with incomes above two hundred percent (200%) of the median area income for the county in which they reside.

Median area income is determined annually by the U.S. Department of Housing and Urban Development. County median area income figures are available at the below website: (select Pennsylvania and then identify the specified county.) The county median income figure will be used in determining household eligibility.

https://www.huduser.gov/portal/datasets/il/il16/index_il2016.html

The Agency may adjust any of these benchmarks to maximize project's ability to participate in federally subsidized program opportunities.

For further details pertaining to preferences and program requirements, please refer to the Final Amended [2016 PHARE/RTT Plan](#).

**The 2016 Pennsylvania Housing Affordability and Rehabilitation
Enhancement Fund (PHARE/RTT)
Proposal Requirements**

This section outlines the specific requirements for proposals under the Pennsylvania Housing Affordability and Rehabilitation Enhancement/Realty Transfer Tax Fund (PHARE/RTT).

The Agency may reject any application that is incomplete or which fails to provide all information as indicated below.

1. **Narrative:** A summary description of the proposal, its scope, the need for and the expected impact of the funding. All key features of the proposal, including targeting, impact, and how the funds will make safe, quality housing affordable and more readily available should be addressed in this concise summary. Include a description of the existing local housing market (rental and for sale) and how the proposal would address the present needs while providing stability for residents in the future. Supply sufficient market information to evidence the need for the program/project.
2. **Financing:** A detailed plan including all of the following, if applicable;
 - a. A list of sources of matching and/or leveraged funds including percentage of funding support from all other sources;
 - b. The status of the funding availability (requested/committed) including a timeline for access to matching or leveraging funds;
 - c. Letters evidencing commitment of financing from relevant funding sources must be included.
3. **Partnership:** Applicants must provide documentation showing that the program/project will be implemented as part of a larger housing strategy in coordination with local organizations (ex: local government, nonprofit and for-profit organizations.)
4. **Timeline:** Proposals must show an overall timeline for the utilization of the funds. Programs/projects are encouraged to have all funding committed and be prepared to commence within one year of approval for funding through RTT. The Agency may rescind funding for any project or program which does not meet all closing requirements within one year.
5. **Comprehensive Plan:**
 - a. For proposals involving the development of new homes or units or for rehabilitation of existing properties for sale or rent, please provide:
 - i. Evidence of site control or of the ability to acquire the proposed site in a timely manner.

- ii. Evidence that the project complies with zoning ordinances and local land development plans.
- iii. A map of the site and the neighborhood identifying proposed municipal improvements and any private development not part of the proposal.
- iv. A scope of work synopsis which provides a general overview of the proposed construction or rehabilitation of the property. A current appraisal of the property/properties may be required. If one has already been completed, please include a copy.
- v. A complete development budget, including sources and uses. (Identify committed and uncommitted sources and relevant timeframes..)
- vi. Delineation of the income group(s) being targeted for rent or purchase of the homes and the number of units being targeted to each income group.

NOTE: For projects participating in PHFA multifamily housing programs seeking additional funding through PHARE/RTT, funding will be provided and administered through the PennHOMES program. For developments that hold a reservation of LIHTCs or funding commitments from other federal, state or local housing programs; there must be evidence that there has been no substantial modification or change from the initial approved development proposal and updated equity pay-in letters (LIHTC, energy and historic credits). (No funds may be supplanted or replaced with the RTT funds.) For additional information about the PennHOMES program, please refer to the information on PHFA's website.

- b. For proposals involving all other uses of PHARE/RTT Funds, please provide the following:
 - i. A detailed description of the existing program or new program being proposed.
 - ii. Name of the department/agency/entity/organization that will administer the program and a description of their experience administering a program of this nature.
 - iii. A geographical description of where the program will operate.
 - iv. Delineation of the income group(s) targeted by the program.
 - v. For existing programs, provide a copy of the prior year's budget, as approved by the governing body of the administering entity.
 - vi. For new programs, provide a document outlining how funding is anticipated to be spent, including a timeline for disbursements.

6. Overview:

- a. For proposals involving the development of new housing units or rehabilitation of existing properties, complete Appendix A – Fact Sheet.
- b. For proposals involving all other programmatic requests, complete Appendix B – Fact Sheet.

7. Use of Act 58 Funds: In certain circumstances, PHFA may, at its discretion, consider applicant requests for an amount not to exceed five percent of the total amount of PHARE/RTT Funds to be used for administrative purposes.

NOTE: This is typically applicable to program administration applications. PHFA project owners seeking RTT funds, to fill gaps in existing proposed project financings or to support operating budgets in existing projects, will be limited to existing program distribution limitations and developer's fee limits.

8. Reporting: Semi-annual reports will be required in a form and timeframe sufficient to allow PHFA to comply with the provisions of the PHARE (Act 105 of 2010) legislation. Actual reporting requirements will vary based on the project/program and will be included in the contract documents.

**All proposals and supporting documentation must be received by
PHFA no later than 2pm on January 13, 2017.**

The Proposal Submission Process

All questions must be submitted in writing only to Bryce Maretzki at either the address below or via e-mail at Bmaretzki@phfa.org.

Bryce Maretzki
Director of Policy and Planning
Pennsylvania Housing Finance Agency
211 North Front Street, P.O. Box 8029
Harrisburg, PA 17105-8029

PHFA will try to make frequently asked questions and answers available on its website. All applicants are urged to check the website from time to time for available updates and guidance. PHFA reserves the right to contact any applicant for clarification and information, to require third party reports and information and to make adjustments to applications necessary to fulfill the PHARE/RTT Plan requirements. In addition, PHFA may amend, suspend, terminate or otherwise withdraw this RFP invitation and the process described at any time. Funding decisions shall be made by the Agency in its discretion based on the Agency's distribution to project and program types, needs, uses and locations that fulfill the goals of the RTT Fund. PHFA shall incur no liability to any entity for any aspect of its submission. All information submitted shall belong to PHFA and shall be subject to public inspection.

Preliminary approval and funding of applications is contingent upon PHFA's receipt of funds under Act 58 of 2015.

All proposals must submit one (1) complete "hard" copy, in a three-ring binder, and one (1) complete electronic copy (CD) arranged numerically to comply with the requirements above to:

Clay Lambert
Office of Strategic Planning and Policy
Pennsylvania Housing Finance Agency
211 North Front Street, P.O. Box 8029
Harrisburg, PA 17105-8029 (zip code for express deliveries is 17101)

All applications must comply in all ways with the PHARE Plan available at:
http://www.phfa.org/forms/phare_plan_rtt/2016_PHARE_RTT_Final_Plan.pdf

APPENDIX A (New Construction or Rehabilitation)

Fact Sheet

PLEASE NOTE: All information provided in this fact sheet will be the final information used during the funding review process.

1. Project/Development Name: _____

2. Applicant Name: _____

3. Applicant Type: (mark with "x")

- Local Government Redevelopment/Housing Authority
- Non-profit Organization (economic/community development organization)
- Business/Downtown/Neighborhood improvement district
- For-profit real estate developer
- Non-profit real estate developer Other: _____

4. Amount of PHARE/RTT funding requested \$ _____

5. Total Project/Development cost \$ _____

6. Identify the amount of PHARE funds that will benefit persons/families **BELOW** fifty percent (50%) of the median area income "MAI". (**Reminder, no less than 30% of PHARE funds must assist persons/families below 50% MAI.*)

\$ _____

7. Identify the targeted populations to be served by the program
(Example: 50% of the PHARE Funds will assist persons/households below 50% of the county MAI; the remaining 50% of the PHARE Funds will assist persons/households between 50% and 100% of the county AMI)

8. Total number of homes/units _____

Number of new construction homes/units _____

- One bedroom _____ bath _____ Sq. Ft. _____
- Two bedroom _____ bath _____ Sq. Ft. _____
- Three bedroom _____ bath _____ Sq. Ft. _____
- Four bedroom _____ bath _____ Sq. Ft. _____

Number of rehabilitated homes/units _____

- One bedroom _____ bath _____ Sq. Ft. _____
- Two bedroom _____ bath _____ Sq. Ft. _____
- Three bedroom _____ bath _____ Sq. Ft. _____
- Four bedroom _____ bath _____ Sq. Ft. _____

Number VisitAble _____ **Number Accessible** _____

9. Any additional amenities:

Proposed sale or rent prices

One bedroom _____ Two bedroom _____
Three bedroom _____ Four bedroom _____

10. Property address(es) with nine digit zip code(s)

11. Contact information for all entities (municipality, developers, non-profits, etc. that are involved in the project/development) (**Please include one person from the applicant who is able to handle communications regarding contracting and transfer of funds.**)

Name: _____

Address: _____

Phone: _____

E-mail: _____

Name: _____

Address: _____

Phone: _____

E-mail: _____

12. Contact information for the individual overseeing the project/development
(**All required reporting documentation will be sent to the individual listed below**)

Name: _____

Title: _____

Address: _____

Phone: _____
E-mail: _____

13. Contact information of the individual completing the application

Name: _____
Title: _____
Address: _____

Phone: _____
E-mail: _____

Please attach additional pages as necessary.

APPENDIX B (Other Housing Program/Services)

Fact Sheet

PLEASE NOTE: All information provided in this fact sheet will be the final information used during the funding review process.

1. **Program Name:** _____
2. **Amount of PHARE/RTT funding requested:** \$ _____
3. **Applicant Name:** _____
4. **Applicant Type: (mark with “x”)**
 - Local Government Redevelopment/Housing Authority
 - Non-profit Organization (economic/community development organization)
 - Business/Downtown/Neighborhood improvement district
 - For-profit real estate developer
 - Non-profit real estate developer Other: _____
5. **Total program budget:** \$ _____
6. **Number of persons (families) expected to be assisted:**

7. **Average amount expected to be awarded per household:**
\$ _____
8. **Identify the amount of PHARE funds that will benefit persons/families BELOW fifty percent (50%) of the median area income “MAI”. (**Reminder, no less than 30% of PHARE funds must assist persons/families below 50% MAI.*)**
\$ _____
9. **Identify the targeted populations to be served by the program (Example: 50% of the PHARE Funds will assist persons/households below 50% of the county MAI; the remaining 50% of the PHARE Funds will assist persons/households between 50% and 100% of the county MAI)**

10. Brief description of the types of activities proposed

11. Contact information for all entities (municipality, developers, non-profits, etc. that are involved in the program.) **Please include one person from the applicant who is able to handle communications regarding contracting and the transfer of funds.*

Name: _____
Address: _____
Phone: _____
E-mail: _____

Name: _____
Address: _____
Phone: _____
E-mail: _____

12. Contact information for the individual administering the program (**All required reporting documentation will be sent to the individual listed below*)

Name: _____
Title: _____
Address: _____
Phone: _____
E-mail: _____

13. Contact information of the individual completing the application

Name: _____
Title: _____
Address: _____
Phone: _____
E-mail: _____

Please attach additional pages as necessary.