



# HOUSING & COMMUNITY DEVELOPMENT FUND NOTICE OF FUNDING AVAILABILITY (NOFA)



## Tenant-Based Rental Assistance (TBRA)

SERVICES BETWEEN JULY 1, 2017 - JUNE 30, 2020

RELEASE DATE: MARCH 7, 2017



**CITY OF BELLINGHAM HOUSING & COMMUNITY DEVELOPMENT FUND**  
**NOTICE OF FUNDING AVAILABILITY (NOFA)**  
**TENANT-BASED RENTAL ASSISTANCE PROGRAM**

RELEASE DATE: MARCH 7, 2017

## **SERVICES SOUGHT**

Applications are being sought from an organization or agency to provide "tenant-based rental assistance" services in the City of Bellingham. Tenant-based rental assistance (TBRA) is a form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance.

TBRA assistance helps individual households with rental assistance, and is not a program that can be limited to subsidizing any particular rental project. In other words, the TBRA assistance moves with the tenant so long as the housing meets City of Bellingham Housing Standards and the housing is located within the City of Bellingham.

The organization or agency that delivers this service will qualify households based on income and population targets set forth in this NOFA, ensure housing where assistance is provided meets minimum housing standards and other tenant protections of the City, and provide the financial assistance to the household consistent with payment standards.

The target population for the TBRA program are those households earning 30% AMI or less and threatened with becoming homeless; special needs populations, such as victims of domestic violence, would also be eligible with incomes at 50% AMI or less. The agency that facilitates this TBRA program will be required to screen households for income eligibility, as well as other requirements of the funding source and City of Bellingham.

The funding for this rental assistance is federal HOME Investment Partnership funds. Other restrictions and requirements apply to a TBRA program as set forth in HOME Rules. For more information about HOME Rules and the TBRA requirements, visit [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/affordablehousing/programs/home/](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/programs/home/) or <https://www.onecpd.info/home/home-final-rule/section-by-section-summary/>.

## **FUNDS AVAILABLE**

The City anticipates allocating between \$150,000 and \$200,000 per year from federal HOME Investment Partnership funds. These funds include administrative expenses, subject to limits set forth below.

The City anticipates entering into a multiple-year agreement for services commencing on July 1, 2017 through June 30, 2020, subject to appropriation of federal HOME Investment Partnership funds and annual budget authorization from the City of Bellingham.

## I. PROGRAM REQUIREMENTS

1. **Income Targeting.** All funds must benefit households with incomes 50% of Area Median Income (AMI) or below, with preference for those with incomes 30% of AMI or below. There is an exception for special needs populations, such as victims of domestic violence, who may have incomes 60% AMI or below and be eligible for rental assistance. See <http://www.cob.org/documents/planning/housing/hud-income-rent.pdf>.
2. **Target Population.** The target population for rental assistance are homeless families with children, chronically homeless persons, and victims of domestic violence.
3. **Housing Quality Standards.** Tenants may only be placed in housing that meets housing quality standards set forth in 24 CFR 982.401.
4. **Payment Standards/Rent Reasonableness.** The City restricts the amount of rental payments to the Bellingham Housing Authority Section 8 limits. The recipient of this TBRA contract will also be required to complete a "rent reasonableness" analysis to determine that the rents being charged are comparable to unassisted rental units. Households must pay 30% of their monthly adjusted income towards rent, with a minimum payment from the tenant required. The recipient of this TBRA contract will be required to ensure compliance with these HOME Rules.
5. **Tenant and Lease Requirements.** HOME rules require that all tenants be provided a lease term of at least one year unless a shorter period is mutually agreed upon. HOME Rules also provide additional tenant protections by prohibiting certain lease terms. HOME Rules limit student eligibility. The recipient of these funds will be required to ensure compliance with these HOME Rules.
6. **Administrative Expenses.** The City is limited in how much it can charge to administrative expenses under the federal HOME Investment Partnership program. Administrative costs for a tenant-based rental assistance program are included in the limits placed on the City. In order for the City to meet its other HOME administrative obligations, the City will reimburse no more than nine percent (9%) of the direct costs (rental assistance) in this service, not to exceed \$12,500, between July 1 and June 30 of any given year. The City expects that the recipient of these funds may need to identify other funding sources to address additional administrative expenses to deliver these services. The cost of inspecting housing units and determining income eligibility of a household are NOT included in the administrative expense limit of the HOME Rules or this NOFA.
7. **Matching Funds.** A premise of the HOME Investment Partnership program is that providing affordable housing to low-income persons is the responsibility of all levels of government and community partners. The City is required to match federal contributions in an amount equal to no less than 25 percent (25%). The City will require a response as to how this match requirement *may* be met in the delivery of this activity.

8. **Eligible Organizations and Capacity.** The City will consider proposals from nonprofit organizations or public agencies. The agency providing this assistance must have sufficient knowledge and experience in administration of a TBRA program using HOME funding, or other HUD-assisted funding similar to TBRA.
9. **Reports.** The City will require reports that document the number of households served, income of households, number of persons benefitted, race and ethnicity, rental payments and rent reasonableness reviews, tenant leases with required tenant protections, housing inspections and location of the rental assistance.
10. **Project (Rental) Location.** The City restricts the use of all rental assistance to properties within the City of Bellingham.
11. **Insurance Requirements.** Agencies receiving City funding must agree to defend the City, hold it harmless, and indemnify it as to all claims, suits, costs, fees and liability arising out of the acts or work of the agency, its employees, subcontractors, or agents pursuant to the funding agreement, where such liability is incurred as a result of the actions or omissions of such parties. The City must be named as an additional insured and provided with a certificate and endorsement showing such coverage. The following minimum insurance coverage will be expected:
 

|                                       |                        |
|---------------------------------------|------------------------|
| A. Workers Compensation               | Statutory Amount       |
| B. Professional Liability             | \$1,000,000            |
| C. Automobile Liability               | \$1,000,000            |
| D. Broad Form Comprehensive Liability | \$1,000,000/occurrence |
|                                       | \$2,000,000 aggregate  |
12. **Non-discrimination and Equal Opportunity.** Agencies receiving City funding may not discriminate on the basis of race, color, national origin, sex, sexual orientation, gender identity, religion, age, families with children, and disability in employment or the provision of services.
13. **Affirmative Marketing.** It is the affirmative marketing goal of the City to assure that individuals who normally might not apply for vacant rehabilitated, constructed or for sale units, or rental assistance, because of their race or ethnicity: know about the vacancies; feel welcome to apply; and have the opportunity to rent or purchase the units. The recipient of these funds must provide an Affirmative Marketing Plan to the City, consistent with the City's policy found in the [Housing Development Guideline and Procedure Handbook](#), prior to City payment of any incurred expenses.
14. **Compliance with Laws.** The recipient of these services will be responsible for obtaining all notices, licenses and permits required to perform the work.

## II. SELECTION CRITERIA

The following criteria will form the basis upon which evaluation of proposals will be made:

### Mandatory Criteria.

The following are mandatory requirements. Proposals not clearly demonstrating that they meet them will receive no further consideration during the evaluation process.

| Mandatory Criteria  |
|---|
| a) The proposal must meet the program requirements.   |
| b) The City must receive the proposal at the closing location by the specified closing date and time. |
| c) One (1) hard copy (paper) of the proposal must be submitted.                                       |
| d) One (1) electronic copy, in Word, of the proposal narrative must be submitted.                     |
| e) One (1) electronic copy, in Excel, of the project budget must be submitted.                        |

### Project Criteria.

Proposals meeting the mandatory requirements will be further assessed against the following project criteria.

| Project Criteria  | Weight |
|---|--------|
| a) Experience in providing tenant-based rental assistance     | 70%    |
| b) Experience in qualifying households for income eligibility | 15%    |
| c) Experience with HOME Investment Partnership requirements   | 10%    |
| d) Clear budget and understanding of funding limitations      | 5%     |

### III. PROPOSAL FORMAT

In order to qualify for consideration for these services, applicants need to submit a response to the following issues and format as specified.

1. **Cover Letter** - a cover letter that identifies the Request for Proposal being responded to on letterhead of the proponent. Address and contact information, including phone and email, shall be clearly shown.
2. **Written Narrative** - a narrative response that demonstrates understanding of the scope of services being sought by the City, including selection criteria and how many households the applicant anticipates benefitting from these services.
3. **Budget** - a project budget that accounts for project expenses anticipated and consistent with program funding limitations.

#### Submission Format

All applicants must submit the following to the City of Bellingham, Community Development Division as follows:

- One original hard copy of the entire application.
- A CD/DVD or thumb drive that includes one complete electronic application that meets the following:
  - CD or thumb drive is clearly labeled with the applicant and project name.
  - The Project Budget must be in Excel format. Narrative responses must be in Word format. Attachments must be in PDF format.

#### City's Rights to Limit Funding

The decision to reserve and allocate funding rests with the Mayor of the City of Bellingham, with advice provided by the Community Development Advisory Board and Loan Review Board.

#### Application Schedule

|   |                  |
|---|------------------|
| Invitation to Submit Applications .....             | March 7          |
| Applications Due .....                              | March 30         |
| Opportunity for Public Comment on Action Plan ..... | through April 13 |
| Community Development Advisory Recommendation ..... | April 13         |
| Mayor's Award Announcements.....                    | April 25         |
| Council Action on HUD 2017 Action Plan .....        | May 1            |

**Applications are due no later than 5:00 p.m. on March 30, 2017**

## Where to Submit Applications

Please mail or deliver applications to:

Samya Lutz, Housing & Services Program Manager  
Department of Planning and Community Development  
City of Bellingham  
210 Lottie Street  
Bellingham, WA 98225

## Disclosure of Documents

All proposals and related materials become the property of the City upon delivery to the City. State law, RCW Ch. 42.17, provides that public records are subject to public inspection and copying unless specifically exempted. RCW Ch. 42.17 enumerates limited exemptions a public agency's obligation to disclose public records. If the applicant believes that portions of its proposal are exempt from disclosure to third parties, the applicant must clearly label the specific portions sought to be kept confidential and specify an exemption that the applicant is relying on. However, acceptance of an application containing such designations by the City is not an agreement that such material is legally confidential, and the City cannot guarantee that such information will not be disclosed. Marking all or substantially all of an application as confidential may result in the application being rejected.

The applicant recognizes and agrees that the City will not be responsible or liable in any way for any losses that the applicant may suffer from the disclosure of information or materials to third parties, nor for any use of information or materials by third parties. Materials submitted by unsuccessful applicants are subject to disposal unless picked up promptly by the applicant, except that the City will maintain one copy in compliance with public record laws.

## Interpreter Services

Interpreter services for the deaf and materials in alternative formats are available upon advance request. TTY users please call (360) 778-8382 or the Washington State Relay Service at 1-800-833-6388 and ask to be connected with the City of Bellingham, Housing & Services Program Manager at (360) 778-8385.

## Questions

Please contact Samya Lutz at (360) 778-8385 or email [slklutz@cob.org](mailto:slklutz@cob.org) with any questions about the application process.

*The City of Bellingham does not discriminate on the basis of race, color, national origin, sex, religion, age, families with children, and disability in employment or the provision of services. With five business days' notice, special accommodations will be provided. Refer any inquiries or complaints related to HUD regulations implementing Section 504 to the Housing & Services Program Manager. Contact 778-8385 (voice) or 778-8382 (TTY).*