

2011

CHANGE.

CHICAGO HOUSING AUTHORITY

**PROPERTY RENTAL ASSISTANCE (PRA)
APPLICATION**

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Property Rental Assistance Application Instructions

Section 1 – Introduction and Overview

1.1. About the Chicago Housing Authority

The Chicago Housing Authority (CHA) is the largest provider of rental housing in the city of Chicago, providing homes to more than 50,000 families and individuals, while supporting healthy communities in neighborhoods all across the city. CHA currently owns and operates approximately 9,500 senior apartments and more than 8,000 units of public housing in traditional family, scattered site, and mixed-income properties. CHA also oversees the administration of approximately 36,000 Housing Choice Vouchers that allow low-income families to rent in the private market.

CHA has completed approximately 72% of the 15-year Plan for Transformation (the Plan), the largest and most ambitious redevelopment effort of public housing in the history of the United States. The cornerstone of the Plan includes building or rehabilitating 25,000 units of public housing by 2015. As part of the Plan, the CHA has led the way in revitalizing neighborhoods by partnering with private sector developers to transform distressed and obsolete housing into vibrant, mixed-income communities.

Over the past decade, the CHA and its partners have:

- Completed construction or rehabilitation of nearly 18,000 units of public housing.
- Improved the social outcomes of CHA residents in employment, income and education by providing access to a wide variety of supportive services.
- Promoted investment and revitalization in neighborhoods across Chicago.

The long-term goal of the CHA, as contemplated in the Plan, is to build and strengthen communities by integrating low-income families into the social, economic and community fabric of Chicago’s neighborhoods.

1.2. Program Overview

The Property Rental Assistance (PRA) program is a component of the CHA’s Housing Choice Voucher (HCV) Program (formerly known as “Section 8”).

- All tenants in the HCV program pay approximately 30% of adjusted household income toward rent and utilities.
- All units in the HCV Program are owned by private landlords who receive a monthly payment from CHA equal to the difference between the fair market rent for that unit and the tenant’s income-based rent.

The most common type of Housing Choice Voucher is the “tenant voucher” which allows a tenant to choose an apartment in the private market.

In contrast to the tenant-based HCV program, the Property Rental Assistance program is based on a long-term contract for a specific number of units within a property.

Owners of selected properties will enter into a Housing Assistance Payment (HAP) contract, (“Contract”) with the CHA to receive rental subsidy for a number of specific units.

- The contract rent for the unit is equal to the market-rate rent in the neighborhood for comparable units. Annual increases to the contract rent are based on changes in market rents.
- The rental assistance remains with the property for the term of the Contract, as long as:
 1. The units are occupied by eligible tenants, and
 2. The units meet physical condition standards of the program.
- Different eligible tenants may rent the assisted unit during the term of the Contract.
- CHA wants to provide affordable units for the long-term and therefore is aiming for Contract terms of 15-30 years; but shorter terms will be considered (e.g. 5-year base term with 5-year option renewals). Owners interested in contract terms of less than 5 years are better suited to the tenant-based HCV Program.

1.3. Program Goals

The Property Rental Assistance program has four primary goals:

1. Expand availability of high-quality affordable housing units within healthy and revitalizing neighborhoods throughout Chicago for families/individuals on CHA’s waitlist(s). Consideration will be given to neighborhoods that have lower concentrations of existing affordable housing options. To access a map showing CHA properties locations, visit www.thecha.org/PRA.
2. Provide housing options for:
 - Working Families
 - Supportive Housing (with social services) for specific populations:
 - Family Supportive
 - Senior (Assisted/Supportive)
 - Intergenerational/Grand-families
 - Individual
 - Veterans
 - Seniors (CHA may limit the amount of Senior Housing at CHA discretion)

3. Provide owners with reliable and straightforward rental income to operate their properties.
4. Ensure units remain affordable for the long-term at quality properties in healthy neighborhoods.

The CHA is seeking applications from a variety of Multi-Family Apartments properties, including:

- Low-rise
- Walk-up
- Courtyard-style
- Elevator Buildings
- Multi-property Portfolios

The PRA program is flexible to allow for Contracts on properties in all stages of development or operations, including:

- Established / Existing Apartment buildings in good condition (“Existing”)
- New Construction or Substantial Rehabilitation properties (“New/Rehab”)

The mix and distribution of assisted bedroom sizes at a property should be relatively proportionate with the mix of bedroom sizes within and across the entire property.

The PRA program is flexible in the ratio of assisted units at a particular property.

- Generally up to 25-40% of units for Family housing
- Generally up to 50% of units for Senior housing
- Up to 100% for Supportive Housing (those properties that have social services).

Applications that exceed these guidelines require written justification, without which an application will be deemed non-responsive.

Important Considerations for Existing Housing Applications:

CHA values the mixed-income model for family housing and the PRA program will be instrumental in providing mixed-income housing options for families on the CHA waitlist(s). Therefore, the following information will be considered when establishing the ratio of assisted units at a property:

- Number of tenant based vouchers in use at a property;
- Other assisted or low-income units at a property; and
- Number of vacant units that would be available for CHA referrals after HAP Contract execution.

Important Considerations for Supportive Housing Applications:

CHA defines supportive housing as affordable housing blended with on-site supportive services, including case management, that help people live more stable, productive lives. Supportive housing benefits individuals and families facing complex challenges, including:

- Those who are homeless or at risk of becoming homeless;
- Those facing serious, persistent challenges to a successful life such as alcohol abuse, substance use, mental illness, HIV/AIDS; and
- Those persons with developmental disabilities or the frail elderly.

Respondents interested in submitting supportive housing applications should consult the Dimensions of Quality for Supportive Housing program as established through the Corporation for Supportive Housing (www.csh.org).

1.4. Leasing & Waitlist Process

Owners of participating properties will determine their own property-specific tenant screening and selection criteria, subject to CHA approval. Owner/Manager must apply the same screening criteria to all tenants at a property, regardless of PRA assistance. The lease used at the property must comply with the Chicago Residential Landlord Tenant Ordinance.

For assisted units, the CHA will refer prospective tenants to the owner/manager of properties with HAP Contracts in accordance with its Administrative Plan. Prospective tenant referrals will be:

- 50% from the Public Housing Program with families relocating pursuant to the Plan for Transformation having the highest priority, followed by families on the general public housing waiting list; and
- 50% from the Housing Choice Voucher Program Project-Based Waitlist with geographic preference.

Owner/Manager is responsible for ensuring that all units are leased to qualified families. Leasing assisted units to ineligible tenants is a violation of the HAP Contract and will result in the loss of rental subsidy. Within 5 business days of rejecting an applicant/prospective tenant referred by CHA, the owner/manager shall provide written notification and documentation to CHA.

Owner may lease assisted units from a Site-Based Waitlist after 60-90 days only if insufficient CHA prospective tenant referrals respond or meet selection criteria. CHA must be notified in writing prior to utilization of a site-based waiting list. CHA will monitor the leasing progress to ensure sufficient referrals.

For “Existing” housing, assisted units may be leased to eligible tenants already residing at property if the existing tenants are program and income eligible. However, at turnover those units should be leased using the CHA referral process.

Vacancy Payments for new construction and substantial rehab:

- CHA will pay 50% of contract rent for initial 60-day lease-up period.
- CHA may exercise option to extend initial lease-up period for additional 30 days with 100% payment of contract rent.

Vacancy Payments for new construction, substantial rehab, and existing housing:

- Owner keeps rental assistance if tenant moves out mid-month.
- At turnover, full rent may be available for up to 60 days if vacancy is not due to owner’s fault.

Section 2 – Program Eligibility

2.1. Eligibility Thresholds

In order to be considered for rental assistance under this program, all applications must meet the conditions stated below:

1. Proposed property/development must be located in the city of Chicago.
2. Applications must include a minimum of eight assisted units. Eight assisted units may consist of a portfolio of multiple buildings (i.e. townhomes, 2-6 flats, and single family homes.)

Exceptions to the minimum unit threshold may be granted on a case-by-case basis with written explanation.

3. Assisted units must be leased to families earning 80% or less of the Area Median Income (AMI). See table below for 2010 income maximums. For 100% LIHTC projects, tax credit income restrictions will apply.

Household Size	1	2	3	4	5	6	7	8
2010 Income Limits	\$42,100	\$48,100	\$54,100	\$60,100	\$64,950	\$69,950	\$74,550	\$79,350

4. Studio and Single Room Occupancy (SRO) units are Program eligible.
5. Properties should be located in neighborhoods with access to a variety of neighborhood amenities that will benefit the target population such as schools, transportation, parks, recreation, retail shopping options and access to jobs and medical facilities. CHA will consider neighborhood characteristics including:

- a. Public and private investments and revitalization efforts occurring in the area.
 - b. Relative concentration of other assisted and/or low income housing in the area.
6. Applicants must own the subject property, or provide evidence of pending ownership/site control. For supportive housing applications, long-term, master-leased units may also be considered in lieu of direct ownership.
7. For new/rehab applications:
- a. Construction must be ready to start within one year of CHA approval.
 - b. Zoning ordinances or regulations must permit the building proposed. Applications that do not have zoning approval should provide evidence that rezoning is likely to be obtained.

2.2. Ineligible Units

Certain housing types are NOT eligible for PRA. These include, but are not limited to the following:

- Transitional housing (including emergency shelters)
- Owner-occupied housing
- Shared housing
- Manufactured housing (e.g., trailer or mobile homes)
- Public housing (either constructed using capital funds or receiving other operating subsidy)
- Units receiving other local, state, or federal rent or operating subsidies (For example, units assisted by the Chicago Low-Income Housing Trust Fund program are ineligible. However, units receiving capital assistance such as TIF loans, or LIHTC equity are eligible)
- Section 202 & Section 236 housing

2.3. Physical Condition & Other Requirements

The property must comply with all applicable building codes.

Physical Condition/Housing Quality Standards (HQS) (Definition in Exhibit B)

The assisted units and common areas of the property must meet the physical condition standards of the program at initial occupancy and throughout the contract term (currently defined as HQS). CHA or its designee will be responsible for initial inspections of the units and common areas.

Annual inspections of each assisted unit and common areas will be the responsibility of the owner/manager. The owner agrees to make all assisted units available to CHA at any time to perform Quality Control inspections and verification, subject to any

required tenant notifications. Information on Housing Quality Standards and CHA's inspection procedures is available upon request.

Lead-based paint requirements

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

Accessibility

For all units assisted under PRA, all units must comply with all local and state fair housing and accessibility regulations and federal requirements of the Fair Housing Act and Amendments and Section 504 for accessible and adaptable units. Under these regulations, the owner is obligated to make reasonable accommodations for disabled residents. Further information on accessibility requirements is available upon request.

Davis-Bacon requirements for construction and rehabilitation

New construction and rehabilitation applications must adhere to Davis-Bacon wage requirements if nine or more units are proposed for PRA subsidy. Further information on Davis-Bacon requirements is available upon request.

Section 3 – Application & Selection Process

3.1. Application Deadline & Process

Owners interested in participating in PRA should submit an application. Applications will be accepted and evaluated on a first-come, first-served basis throughout the year. Based on the review of an application, CHA may contact the owner for additional information or for clarifying documents. All applications require submission of basic information about the property, owner, property manager, and the tenant selection criteria. Applications for Supportive Housing and/or New/ Rehab properties require submission of additional supplemental information.

The CHA shall have no obligation to compensate any applicant for any costs incurred to prepare an Application. The CHA reserves the right to reject any and all applications. The CHA may amend and/or terminate the Application and Selection process at any time.

The CHA will periodically host informational sessions for property owners and developers interested in the program. The dates and times of these sessions will be listed on the CHA website: www.thecha.org/PRA.

All questions must be submitted in writing to PRA@thecha.org. Questions will receive an emailed response and may also be posted on CHA's Frequently Asked Questions (FAQ) website for the Property Rental Assistance program. Selection of questions and answers for the FAQ website will be based upon the general applicability of the subject matter; this determination will be at the sole discretion of the CHA. The CHA website is www.thecha.org/PRA.

3.2. Application Requirements

For each proposed PRA property, applicants are required to submit one original and one copy of the application, each in a three ring binder containing side pockets, plus an electronic version (on a CD, "zip-drive", or via email to PRA@thecha.org).

Submit applications and CD to:

**Property Rental Assistance Program
Chicago Housing Authority
60 E. Van Buren
13th Floor
Chicago, IL 60605**

If sent by messenger service, the drop-off location is:

**Message Center at the CNA Building
Property Rental Assistance Program
Chicago Housing Authority
60 E. Van Buren, 1st Floor
Chicago, IL 60605**

Applications are to be organized in tabs with the correct number and order of tabs, according to the property type. Each tab is to be labeled by **topic** as indicated in Exhibit A. Some application requirements are only necessary for Supportive Housing or New/Rehab properties.

3.3. Non-Responsive or Non-Compliant Applications

If an application is non-responsive or non-compliant with the program, application requirements, or HUD program regulations, the CHA will provide a letter describing the deficiencies of the application within 10 days of receipt of the application. The letter will be emailed and mailed to the Contact Person listed on the Application Exhibit C1.

Submissions deemed non-responsive or non-compliant will be maintained at CHA for a period of twelve (12) months from application date. After the twelve (12) months, these submissions will be destroyed and discarded. Non-responsive or non-compliant applications may be revised and resubmitted at any time; there is no required re-submission deadline. Only complete/compliant applications will be evaluated.

3.4. Selection Process

Completeness: All application documents requirements described in Exhibit A must be submitted in order for an application to be evaluated.

Application Review: CHA will review all applications for responsiveness and compliance with the application requirements and HUD regulations. CHA will provide a letter listing the missing information within 20 days of receipt of the application. Missing information may be emailed or mailed to the addresses in Section 3.2. There is no required re-submission deadline. Only complete/compliant applications will be evaluated.

Evaluation: All complete and responsive applications will be evaluated and scored by an evaluation committee appointed by CHA. Projects are considered independently and scored competitively against the criteria defined in the Program Goals and not against other applications.

3.5. Selection Criteria

CHA will use the scoring criteria in this section to evaluate and select properties that meet the goals and objectives of the program, subject to available funding. Each evaluation factor has an associated point value. The total points awarded to an application will be reviewed as a percentage of the total points available for the type of property proposed. All complete and responsive applications will be evaluated on the following factors as described in Section 1.3 and 1.4 Program Goals and in Exhibit A.

Evaluation Factor	Tab	Max Points
Property Description: CHA is seeking a variety of property types, unit mixes, and sizes. The applicant should have the optimal property description for the targeted population. CHA’s program goal is to ensure long-term availability of affordable housing as provided by the application’s proposed term.	2	25 Points

Neighborhood Description: CHA is seeking neighborhoods that have a demonstrated public and/or private investment in established or revitalizing areas that support the target population.	3	25 Points
Owner/Developer Experience: CHA is seeking an Owner and Developers structure with a demonstrated level of experience and capacity in owning/developing housing similar to the proposed project in the application.	2	20 Points
Property Manager Experience: CHA is seeking a Property Manager with demonstrated ability to manage housing similar to the proposed project in the application.	4	20 Points
Operating Costs: CHA is seeking applications that demonstrate financial feasibility and a proposed rent schedules that is constructed using acceptable methodology.	5	10 Points
Total Possible Points for Existing Housing without Supportive Services		100

Supportive Housing Applications will be also be evaluated on:

Evaluation Factor	Tab	Max Points
Supportive Services Need, Plan & Provider Experience: CHA is seeking comprehensive applications that provide comprehensive, on-site services the appropriate for level of services to the target population.	66	20 Points

New Construction/Rehabilitation Applications will also be evaluated on the following:

Evaluation Factor	Tab	Max Points
Development Plan & Financing: CHA is seeking a variety of applications with feasible development plans, and obtainable financing. CHA will also consider the development timeline, projected operating budgets, results of the market study and Aldermanic support for the proposed project.	7-107-10	20 Points

In summary, the maximum points for various types of applications are as follows:

Property Type	Max Points
Existing Housing without Supportive Services	100
Existing Housing with Supportive Services	120
New Construction/Rehab without Supportive Services	120
New Construction/Rehab with Supportive Services	140

Using the scoring criteria, applications will be classified into the following categories:

- Recommended
- Conditionally Recommended
- No Decision (pending more information)
- Not Recommended

Conditionally recommended applications may be fully recommended subject to specific revisions to proposed elements of the application (for example, unit mix, deconcentration, rent schedule, etc.). The evaluation committee may require additional information to facilitate a final decision. For conditionally recommended applications and for those not decided, the CHA will provide the applicant with a request for clarification or revision.

Recommended applications will be submitted for approval by the CHA Board of Commissioners.

3.6. Notification

For approved applications, the CHA will provide the selected applicant with a copy of the approval documentation.

The CHA will provide timely written notice to all applicants not selected after they have been reviewed by the Evaluation Committee. Owners of properties not selected may participate in a debriefing session about their application if requested in writing within 15 days of notification of not being selected.

Section 4 - Contract Administration

4.1. Contract Award

Properties that are selected for PRA will be awarded assistance subject to CHA funding availability, and in accordance with the Contract.

4.2. Post-Award Conditions and Requirements

- For applications of existing structures, all assisted units will be inspected by the CHA or as otherwise required under the program. Approved units must meet physical condition standards of the program.
- CHA and the owner must agree upon and execute a Contract and other associated documents.
- The Contract may be for a term of up to 30 years, contingent upon the availability of federal appropriations.

The following conditions apply to applications for new or rehabilitated units only:

The Selected Applicant may execute an agreement to enter into a Housing Assistance Payment contract (AHAP). Prior to the execution of the AHAP Agreement, the following items must be approved:

- **Subsidy Layering Review**
Properties that utilize tax credits or other governmental housing assistance for construction or development from federal, state or local agencies are subject to a HUD Subsidy Layering Review (see 24 CFR 983.55) to prevent excessive public assistance. (See 24 CFR 983.55) CHA will provide a Subsidy Layering Review checklist to selected applicants. Applicants shall provide any additional documentation not included in this application that may be required to complete the subsidy layering review.
- **Environmental Review.**
PRA activities are subject to HUD environmental regulations in 24 CFR 983.58. Applicant must supply CHA with necessary documentation for submittal to obtain environmental clearance from the responsible entity that conducts the federal environmental review and approves or categorically excludes the requirements under the National Environmental Policy Act of 1969.
- **Initial Rent**
CHA will estimate the amount of initial Contract rent to owner based on applicant's proposed contract rent per unit and the fair market rents in the neighborhood for comparable units and property types. This estimate will be documented in the

AHAP, but the actual amount of the initial Contract rent will be established at the beginning of the Contract term after construction or rehabilitation is complete.

Prior to the execution of the Contract, the following items must be submitted to CHA:

- Certificate of Occupancy issued by the City of Chicago.
- Architect's Certificate of Completion.
- For applications of new/rehabilitated structures, all assisted units will either be inspected by the CHA or a certificate of occupancy may be substituted for the physical inspection. This substitution will be at the sole discretion of CHA.

Application Requirements & Format

Applicants must organize their submission to CHA by tabs. Each tab is to be labeled by **topic** as indicated below. All applications must include the information in Tabs 1-5. Applications for Supportive Housing are should also required to include Tab 6. Applications for new construction and rehabilitation properties should also include Tabs 7-10.

All Applications must include Tabs 1-5:

Tab 1 – Table of Contents

Tab 2 – Application and Project Summary (Exhibits C, D, and E)

Tab 3 – Site and Neighborhood Characteristics

Tab 4 – Property Management Experience

Tab 5 – Rent Schedule & Financials

Applications for Supportive Housing Services should also include Tab 6:

Tab 6 – Supportive Services

Applications for New Construction / Substantial Rehabilitation properties should also include tabs 7-10:

Tab 7 – Development Plan

Tab 8 – Development Financing

Tab 9 – Market Study

Tab 10 – Aldermanic Consultation

Descriptions of Tabs

Tab 1 **Table of Contents**

Tab 2 **Property Summary & Developer Background**

Application Summary

Complete **Exhibit C1 and C2**, “Application Summary” form and insert here. **Exhibit C2 must be completed for each building listed in the Application.**

Property Summary

Property Name: Indicate the name of the development

Community Area: Example: Bronzeville
Chicago’s near south side

Property Address(s): Specify all addresses in the property

Proposed Contract Term: # of Years

Census Tract: Indicate all census tract numbers

Property Description (written Narrative)

If the application is comprised of multiple buildings, a Property Description must be written for each building. For each building indicate:

- Existing, New Construction or Rehabilitation;
- Building type(s);
- Population served (families, seniors, supportive housing);
- Total number of units in the development at the property (if multiple buildings - the number of units per building);
- Number of proposed assisted units and number/type of any other subsidized units in the building (location in the building of all assisted units);
- Building and site amenities (laundry facilities, security, community space, recreation space, play lots, parking, etc.).

The following photo requirements apply for each building in the application:

- Two exterior pictures showing the front and rear of the building;
- For multifamily buildings - common area photos of entrance, laundry area, etc.
- Typical unit interior for each bedroom size in the application

Developer Property Owner Background and Ownership Structure (written narrative)

Describe the developer's background, length of time in business and level of experience in developing and/or owning affordable housing. Application must provide a brief narrative describing applicant's experience in developing affordable housing, including a list of previous developments and their locations. (Max 5 pages)

Outline the property's ownership structure including the name of the partnership, or other entities (and their principals) that comprise the owner entity and the % of ownership interest for each partner or other ownership participant. (2 pages)

Evidence of Ownership (or site control)

Application must provide evidence of current ownership of the property. Evidence of current ownership must be signed and if appropriate, stamped. Alternatively, application may include evidence of pending site control, option agreements, sales contracts, etc. Complete and attach **Exhibit D** that provides a list of all ownership entities that include the proposed owner/partner/ownership participant for the current application.

Supportive Housing applications using a master lease agreement should provide a summary and copy of that agreement.

Tab 3 Site and Neighborhood Characteristics (1 page)

Provide a written description of the surrounding community including, but not limited to:

- Type of housing stock;
- Proximity to shopping and public transportation
- Employment opportunities
- Educational and childcare facilities (including school names and grade levels)
- Proximity to medical services and health facilities
- Commercial/retail establishments (including grocery stores and pharmacies)
- Parks and recreational facilities
- Social service providers (on site and nearby)
- Number of vacant lots and abandoned buildings on block where the units are located.

If the application is comprised of multiple buildings in multiple neighborhoods, Site and Neighborhood Characteristics must be written for each neighborhood.

Tab 4 Property Management Experience & Tenant Screening Criteria

Applicant must demonstrate the experience of the property management team in managing properties of a similar size, configuration and income mix, including an affordable housing component. A firm's record in property management, including project-based, tenant-based rental assistance and/or low-income tax credit programs (if applicable) will be evaluated.

The following must be included in this tab:

- Name, address, and phone number of property manager
- Address (es) of properties managed. Include number of units and years managed.
- Statement of qualifications of property manager, addressing issues enumerated above.
- Management plan for the property or description of how the property will be managed.
- Summary of tenant screening criteria for the property. (1 page or less)

Tab 5 Rent Schedule & Finances

CHA will review the proposed rent schedule and financial feasibility of the proposed property. The following must be included:

- Proposed rent schedule by bedroom size for the entire building (please also provide income tiering for LIHTC properties if applicable)
- Current subsidies received by bedroom size (if applicable)
- Proposed rent for PRA units by bedroom size
 - Which utilities, services and appliances are included in the rent
 - Which utilities, services and appliances are not included in the rent

Existing property applications only

For existing properties not being rehabilitated, the following should be included:

- Property's current rent roll (with names redacted) that shows unit sizes, rent amounts, and subsidy amounts (if applicable)
- Property's year-end balance sheet
- Property's latest monthly and year-end income and expense statement
- Owner Certification that the mortgage, property taxes, and utilities are current (complete **Exhibit E**)

Tab 6 is required for Supportive Housing Applications Only

Tab 6 Supportive Services

All members of tenant households in Supportive Housing must have easy, facilitated access to a flexible and comprehensive array of supportive services designed to assist the tenants to achieve and sustain housing stability. Service and property management strategies should include effective, coordinated approaches for addressing issues resulting from substance use, relapse, and mental health crises, with a focus on fostering housing stability. Applicants that will provide supportive services must include the following:

- Supportive Service Plan (including target population, staffing, and approach).
- Supportive Service Programming Funding Sources and Uses
- Qualification of service provider experience, etc.

Tabs 7 - 10 are required for New Construction and Substantial Rehabilitation Applications Only

Tab 7 Development Plan

Provide brief overview of the development, building, and/or rehabilitation plan and schedule. Include drawings/rendering and/or maps as appropriate (4-8 pages).

- **Neighborhood Map**
Amenities must be graphically identified by a color-coded map. The proposed development must be shown as the center of the 1-mile radius ring. Each amenity should be denoted (with amenity name) on the map, as accurately as possible, within the 1-mile ring. Corresponding addresses of the amenities, if not able to be displayed on the map, must be attached on a separate sheet.
- **Zoning**
In addition to the above referenced items, applicants must submit documentation establishing that the property is appropriately zoned or in the process of being rezoned for the intended use. If the property is in the process of being rezoned, the application must include evidence that this process has been initiated along with a timetable for completion.
- **Deconcentration Initiatives**
As part of the Plan for Transformation, CHA aims to provide opportunities for low-income families to live in areas with a mix of incomes and backgrounds. Therefore preference for PRA assistance will be given to properties in census tracts that have low concentrations of poverty (20% or less). The application should include a brief discussion of the income mix both within the proposed property and in the surrounding community.

Tab 8 Development Financing

List all funding sources, type of funds (HOME, CDBG, TIF, State Trust Funds, tax credit equity, loans, etc.) and amounts from each source including term, rates, and amortization. Provide commitment letters from all funders; list all commitment letters on the first page of this Tab in the order that they appear, and separate each letter with a blank sheet of colored paper. Letters must indicate accurate funding amounts and disclose all terms. Items that should be included in this tab (if applicable):

- Development Sources and Uses of funds
- Construction Budget
- Tax Credit Allocation Commitment Letter from DCD or IHDA
- Funding/Lender Commitment Letters for major sources of development financing
- Equity Investment Commitment Letter
Letter must include the amount of investment and equity contribution schedule.
- 10-Year Operating Pro Forma
CHA will review the 10-year operating pro forma for the proposed property to determine financial feasibility/stability; the proposed rent structure or actual rents collected; proposed operating expenses or actual operating expenses; proposed net operating income (NOI) or actual NOI; and proposed debt service coverage and actual reserve contributions.

Tab 9 Market Study or Comparable Rent Analysis

Applicants must provide a market study or analysis of comparable rents. The study must include a minimum of five comparable properties within two miles of the subject property. If the two-mile radius does not include the minimum number of comparable properties, the rent analysis area should be expanded to include those properties in closest proximity that are most comparable with the subject property. If the market analysis uses a comparable property that is located outside of the two-mile radius, applicant must include a justification for doing so. New construction/Substantial Rehab applications without a market study will be deemed incomplete.

Tab 10 Consultation with City Officials

Application should include information about consultation with applicable City Officials regarding the proposed property/development.

Definitions

Agreement to enter Housing Assistance Payment Contract (AHAP or Agreement)

The Agreement is a written contract between the public housing authority (in this case, CHA) and the owner in the form prescribed by HUD. The Agreement defines requirements for development of housing to be assisted under PRA. When development is completed by the owner in accordance with the Agreement, the housing authority enters into a Housing Assistance Payment (HAP) contract with the owner. The Agreement is not used for existing housing assisted under PRA. HUD will keep the public informed about changes to the Agreement and other forms and contracts related to this program through appropriate means.

Contract Units

The housing units covered by a HAP contract.

Existing Housing

Housing units that already exist on the selection date and that substantially comply with Housing Quality Standards on that date.

Grand-family/Intergenerational Housing

Housing where a family is headed by a grandparent or other relative and a child(s) is living in the household. Evidence of legal guardianship is required. In many cases, the parent may still be in the home but cannot function as the primary caretaker, so the grandparent or relative assumes a major role in raising the children and providing for their basic needs.

Housing Assistance Payment (HAP or Contract)

The monthly assistance payment for a PRA unit by a CHA, which includes: (1) A payment to the owner for rent to owner under the family's lease minus the tenant rent; and (2) An additional payment to or on behalf of the family, if the utility allowance exceeds the total tenant payment, in the amount of such excess.

Housing Quality Standards (HQS)

The current minimum physical condition standards for housing assisted under the program. See 24 CFR 982.401 (<http://tinyurl.com/housingqualitystandards>)

Ineligible Properties

According to HUD regulations, CHA may not attach or pay project-based voucher (PBV; in this case, PRA) assistance for units in the following types of housing:

1. Shared housing;
2. Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
3. Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care. However, the PHA may attach PBV assistance for a dwelling unit in an assisted living facility that provides home health care services such as nursing and therapy for residents of the housing;
4. Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students of the institution;
5. Manufactured homes (e.g., trailer or mobile homes);
6. Transitional housing.
7. Owner-occupied units; and
8. Units occupied by an ineligible family. Before a PHA selects a specific unit to which assistance is to be attached, the PHA must determine whether the unit is occupied and, if occupied, whether the unit's occupants are eligible for assistance. The PHA must not select or enter into an Agreement or PBV contract for a unit occupied by a family ineligible for participation in the PBV program.

New Construction Housing

For the purposes of this application, New Construction Housing is defined as units that do not exist on the selection date and are developed as proposed in the application and the Agreement to enter into a Housing Assistant Payment contract.

Rehabilitation Housing

To qualify as rehabilitation, the proposed repairs/upgrades must exceed \$5,000 per unit or total property repairs/upgrades must be in excess of \$100,000. Rehabilitation is defined as reconstruction to cure deferred maintenance; repair or replacement of major building systems or components in danger of failure; and renovation or alteration for the conversion of existing structures for housing use;. Cosmetic improvements alone do not qualify as rehabilitation housing. Rehabilitation must be completed as proposed in the application and the Agreement to enter into a Housing Assistance Payment contract. Further, the terms *rehabilitation* and *substantial rehabilitation* are synonymous for the purposes of this application.

Selection Date

The date the application is approved by the CHA Board of Commissioners.

Supportive Housing

Supportive housing is affordable housing blended with on-site supportive services that help people live more stable, productive lives. Supportive housing benefits individuals and families facing complex challenges, including those who are homeless or at risk of becoming homeless and those facing serious, persistent issues such as substance use, mental illness and HIV/AIDS. Supportive Housing may have specific target populations such as intergenerational families, individuals with developmental disabilities, or veterans.

**Property Rental Assistance
Application Summary**

Company Information		
Development/Property Name:		
Development Address, City, State and Zip:		
Community Area:	Census Tract:	Ward /Alderman:
Owner's Name:	Owner's Email Address:	
Owner's Telephone Number:	Owner's Fax number:	
Owner's Address, City, State and Zip:		
Contact Person Name & Title:		
Contact Person Address, City, State and Zip:		
Email Address:		
Telephone number:	Fax number:	

Development Information						
Application Type	<input type="checkbox"/> New Construction	<input type="checkbox"/> Rehabilitation	<input type="checkbox"/> Existing			
Requested Assistance Contract Term:	<input type="checkbox"/> Thirty Years	<input type="checkbox"/> Fifteen Years	<input type="checkbox"/> Other: _____			
Type of Building (s)	<input type="checkbox"/> Elevator	<input type="checkbox"/> Walk-up	<input type="checkbox"/> Townhouse	<input type="checkbox"/> Single Family		
Structure Type	<input type="checkbox"/> Low Rise (4 or less Story)		<input type="checkbox"/> High Rise (5 or more Story)			
Target Population	<input type="checkbox"/> Working Families	<input type="checkbox"/> Seniors (Housing with Age Restriction)	<input type="checkbox"/> Supportive Housing (Individuals & Families)	<input type="checkbox"/> SH: Veterans	<input type="checkbox"/> SH: Individuals	<input type="checkbox"/> SH: Grand Families
Note: For supportive housing:						
<ul style="list-style-type: none"> • Include a Supportive Service Plan in Tab 6 • Are there on-site any Supportive Services Provided: <input type="checkbox"/> No or <input type="checkbox"/> Yes 						

Complete the following table for each building in the application:

Number of Floors/Level in Building: _____			Number of Buildings in the Application: _____			
Total Number of Units in the Building: _____			Proposed PRA Assisted Units in the Building: _____			
Proposed Number of PRA Units +	Studio:	1 BR:	2 BR:	3BR:	4 BR:	Other Size: _____
	_____	_____	_____	_____	_____	_____
Current Number of units assisted with other subsidies +	Studio:	1 BR:	2 BR:	3BR:	4 BR:	Other Size: _____
	_____	_____	_____	_____	_____	_____
Current Number of Market Rate units (no subsidies) =	Studio:	1 BR:	2 BR:	3BR:	4 BR:	Other Size: _____
	_____	_____	_____	_____	_____	_____
Total Units and Unit Mix in Building	Studio:	1 BR:	2 BR:	3BR:	4 BR:	Other Size: _____
	_____	_____	_____	_____	_____	_____
Unassisted /Market Monthly Rent Amount	Studio:	1 BR:	2 BR:	3BR:	4 BR:	Other:
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Proposed PRA Unit Rent Amount	Studio:	1 BR:	2 BR:	3BR:	4 BR:	Other:
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
COMPLETED BY:	Print Name:			Title:		
	Signature:			Telephone:		
Chicago Housing Authority Use Only						
Date Received:			Application Number:			

Certifications: I (meaning the individual who signs as well as the corporations, partnerships or other parties listed above who certify) hereby apply to CHA as the case maybe, for approval to participate as a principal in the role and project listed above based upon my following previous participation record and this Certification. If you or any of your principals or affiliates have been found to be in noncompliance with any federal requirements, attach a signed statement explaining the relevant facts, circumstances, and resolution, if any.

I certify that all the statements made by me are true, complete and correct to the best of my knowledge and belief and are made in good faith, including the data contained in the application signed by me and attached to this form.

I further certify that:

1. Exhibit D contains a listing of every property I have been or am now a principal for ownership or management:
2. The Owner and other project principals are not on the U.S. General Services Administration (GSA) list of parties excluded from federal procurement and non-procurement programs.
3. The Owner and other project principals have disclosed any possible conflict of interest that would be a violation of the PRA HAP, the PRA HAP contract, or HUD regulations. The Owner and other project principals have a conflict of interest if the Owner (including a principal or other interested party) is currently or was during the 12 months preceding the application:
 - a. A member or officer of the CHA Board of Commissioners (except a resident commissioner);
 - b. A CHA employee, or is a contractor, subcontractor or agent of the CHA, who formulates policy or who influences decisions with respect to the programs;
 - c. A public official, member of a governing body, or State or local legislator, who exercises functions or responsibilities with respect to the programs;
 - d. A member of the Congress of the United States;
 - e. The spouse, parent, child, grandparent, grandchild, sister, or brother of any member of a family residing in a contract unit; or
 - f. A person convicted of a felony and presently, to my knowledge, the subject of a complaint or indictment charging a felony. (A felony is defined as any offense punishable by imprisonment for a term exceeding one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less).

4. To my knowledge I have not been found by HUD or FmHA to be in noncompliance with any applicable fair housing and civil rights requirements in 24 CFR 5.10(a).
5. Statements above (if any) to which I cannot certify have been deleted by striking through the words with a pen. I have initialed each deletion (if any) and have attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which I think helps to qualify me as a responsible principal for participation in this project.

Participant/Principal Name	Signature of Principal	Certification Date (mm/dd/yyyy)	Area Code and Phone No.

All the names of the parties, known to me to be principals in this project(s) in which I propose to participate, are listed above.

This form was prepared by (Please print name)	Area Code and Telephone No.
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I, _____, the Owner/Developer of record for the development/portfolio described in the attached Application, do hereby affirm that:

- The mortgage(s) for the development/portfolio are paid and current;
- The property taxes for the development/portfolio are paid and current; and
- The utilities (water/sewer, gas, electric (if applicable) are paid and current for the property/development.

I understand that should my application for Property Rental Assistance be recommended for approval, I will be required to provide evidence of the above statements prior to HAP execution.

Signed:

(Owner/Developer)

(Date)

(Owner/Developer)

(Date)

(Owner/Developer)

(Date)