



Seattle Office of Housing

Summary of Revised Request for Qualifications

2024 Affordable Housing Operating Stabilization Funding

On April 22, 2024, the Office of Housing (OH) revised the 2024 Operating Stabilization RFQ by making the following changes:

- Extended the application deadline to May 13, 2024.
- Expanded eligibility to include for-profit affordable housing organizations that meet the requirement of having at least two (2) OH-financed properties with a total of at least 100 income-and rent-restricted rental homes in their portfolio. As such, GMD Development and Inland Group were added to the list of eligible organizations in the Appendix.
- Added Artspace Projects, Inc. to the list of eligible organizations because it meets the standard for eligibility and was wrongly left off the list of eligible organizations.
- Added clarifying language that OH is requesting “Organizational” audited financial statements.
- Revised the application materials regarding audited financial statements to read: “Please provide the most recent organizational audited financial statement available. If the 2023 organizational audited financial statement is not yet available, please provide unaudited year-end financials for 2023 in addition to the 2022 audited statement.”
- Added information for how to request a recording of the virtual information session on April 11, 2024.
- Added disclaimer language.

OH also published responses to questions received about this RFQ on the [Funding Opportunities](#) Webpage.

Please reach out to Maria Dewees at maria.dewees@seattle.gov with any questions.

Revised Version Posted April 22, 2024

All revisions to the RFQ are in bold and purple text to meet visual accessibility standards.



Seattle
Office of Housing

Request for Qualifications

2024 Affordable Housing Operating Stabilization Funding

Total Funding Available: Up to \$14 million

Published: March 27, 2024

Revised: **April 22, 2024**

Responses Due: **May 13**, 2024, by 5:00 p.m.

City of Seattle
Bruce Harrell, Mayor

Office of Housing
Maiko Winkler-Chin, Director

Objective

Seattle's nonprofit housing providers have faced numerous challenges over the last four years, including increased operating expenses and lost rent revenue. Low-income affordable housing residents are struggling with lingering pandemic impacts from inflation and lost earnings, affecting their ability to pay rent. These circumstances are compounding to affect affordable housing providers' ability to sustain operations on already very tight margins. With Covid Relief funding and rental assistance resources depleted, the Seattle Office of Housing (OH) is making one-time stabilization funding available to sustain operations of the OH's housing partners and the City's affordable housing portfolio.

OH is soliciting applications for one-time funding from eligible organizations to stabilize operations, address deferred maintenance, and make needed repairs in City-financed affordable housing. The financial assistance made available through this RFQ shall only be awarded to eligible housing providers for eligible costs. The intent of this funding is to assist organizations to address operational issues that are occurring throughout the affordable housing ecosystem, and which are beyond the reasonable control of any specific housing provider.

Funding

Up to \$14,000,000 in funding from the Payroll Expense Tax is available for one-time use under this RFQ. The maximum request is limited to \$1,000,000 per organization. Payroll Expense Tax funding used for rent assistance must directly benefit residents earning up to 30% of the Area Median Income (AMI) based on household size. To address the needs of building with households with incomes up to 60% AMI, this funding can pay for associated infrastructure to support the ongoing operations costs for the housing, such as maintenance, including capital costs related to unit turns, unit repairs, deferred maintenance, repairs of major building systems. The funding application for this RFQ ([Attachment 1](#)) asks for the proportion of residents in the properties needing operating stabilization funding who have incomes of 0-30% AMI and the proportion of residents with incomes between 30%-60%.

Funding may be used for approved, eligible expenses incurred between January 1, 2024, and June 30, 2025. **This is a one-time funding opportunity;** as such, OH is asking each applicant to consider how they plan to utilize OH funds with other strategies to improve operating stability of their properties.

Eligible Organizations

To be eligible, organizations must demonstrate financial need for stabilization funds to support affordable housing properties that have faced challenges collecting rent, leasing up new buildings¹, and paying for operating expenses. Eligible organizations must be **an affordable housing organization** or a public development authority that owns and operates at least two OH-financed, affordable properties with a total of at least 100 income-and rent-restricted rental homes in their portfolio. For eligible organizations, OH will consider funding properties within City limits that do not have OH capital investment. See [Appendix A](#) for a list of all eligible affordable housing providers as determined by the OH.

¹ If WBARS table 4 is not available for buildings in lease-up, please provide a comparable financing statement showing operating income and expenses.

Eligible Costs

Eligible costs include:

- Rent arrears
- Rent assistance (Please refer to the guidelines in [Attachment 4](#)).
- Incentives/strategies to encourage on-time rent payments
- Staffing for security and/or maintenance, janitorial, cleaning contractors
- Building maintenance and/or janitorial supplies or equipment
- Facility repairs, property damage, and remediation
- Deferred maintenance
- Deferred replacement reserve deposits
- Other capital needs
- Insurance costs
- Administrative expenses (direct and indirect capped at 10%-or federally approved indirect rate)

Application

Please complete the attached application ([Attachment 1](#)) and provide the required supporting documentation. Please submit only one application per organization (information about multiple properties may be included in a single application).

Please use the following naming conventions for application files:

Application Narrative (PDF or Word)	OrganizationName_OSApplication
Spending Plan (Excel)	OrganizationName_OS_SpendingPlan
WBARS Table 4 Report for each property (PDF)	OrganizationName_OS_WBARS4
Organizational Audited Financial Statements (PDF)*	OrganizationName_Financial_Year

***Applicants that do not have third-party audited financial statements will be required to provide comparable alternate documentation.**

All applications (PDF or Word) and attachments (PDF or Excel) must be submitted by 5:00 p.m. on **Monday May 13**, 2024, to maria.deweese@seattle.gov. Late applications will not be accepted. Please consider using filesharing software if sharing a significant number of files.

Application Review and Evaluation Process

The Office of Housing will consider the following evaluation criteria:

Financial Need: OH will evaluate financial need of organizations based on:

- The application narrative
- Rent arrears (age and amount by building)
- **Organizational** audited financial statements (OH staff will consider the organization’s working capital and debt that cannot be collected as represented in audited financial statements, among other financial information, when assessing financial need.) **Please provide the most recent organizational audited financial statement available. If the 2023 organizational audited**

financial statement is not yet available, please provide unaudited year-end financials for 2023 in addition to the 2022 audited statement.

- WBARS Table 4 (OH staff will consider net operating income, vacancy rates and expense data at the building level)

The information collected from financial statements and WBARS will be considered in conjunction with the funding narrative, recognizing that there may have been changes since data was reported.

Best Practices for Mitigation: OH will consider the organization's incorporation of best practices in mitigating operating stabilization challenge. Examples of best practices may include outreach and resident engagement strategies, efforts to connect residents with services, and incorporation of community partnerships to support the housing stability and wellbeing of residents.

Number of Households Impacted: OH will consider the total number of households that will be impacted by making a funding award. Awards may be made to organizations proportionally according to the size of their eligible housing portfolios, also considering household size and scale of financial need.

Cost Reasonableness: Applications should describe how eligible costs have been determined in the application narrative. Organizations that receive funding will be required to document expenses for cost reimbursement. Applications should demonstrate that operational issues are occurring due to issues beyond the reasonable control of the provider and that the operator has taken reasonable measures to mitigate the issues.

Current or Future Plans to Improve Operating Stability: OH is interested in organizations' plans to use incentives to encourage on-time rent collection. This grant is a one-time funding opportunity and as such OH is asking applicants to consider other strategies to improve ongoing operating stability of their properties. OH is further interested in organizations implementing best practices and other training to encourage on-time rent collection, while also minimizing legal and other administrative costs and impacts associated with evictions and legal actions around rent collections. OH may condition funding upon adoption of practices and policies to ensure improved operations in the future.

If the cumulative requests for stabilization funding exceeds the amount of funding available, OH will prioritize funding organizations based on the age of rent arrears (older arrears will be prioritized relative to rent that is 0-30 days late), acuteness of deferred maintenance or repair needs, and racial and social equity objectives when making a funding award. All awards will be made on a conditional basis, pending confirmation of eligible costs.

The intent of this funding is to assist organizations to address operational issues that are occurring throughout the affordable housing ecosystem, and which are beyond the reasonable control of any specific housing provider. This funding is not intended to address issues specific to a particular organization or which may be arising due to a particular organization's operational practices. Applications which demonstrate needs that are significantly higher or different than other housing providers or which appear unique to a particular organization may be less competitive and the organization may be asked to provide additional information to demonstrate justification for such higher or different needs.

Invoicing, Supporting Documentation, and Reporting

Upon receipt of a conditional award, organizations will be asked to sign contracts. Questions about the contracting process may be directed to Daniel Murillo, Programs and Contracts Division Manager (daniel.murillo@seattle.gov).

Invoicing and reporting will take place quarterly. Invoices must include supporting documentation of expenditures such as copies of general ledgers or rent ledgers. OH staff may request additional supporting documentation to verify costs as needed. OH will work with each recipient organization to ensure appropriate attribution of costs. Following this verification process, OH will finalize and release payment. OH will not provide any advance payments.

Each invoice should be accompanied by a quarterly report documenting rent arrears and rent assistance expenditures. Reports must include demographic information for any households receiving assistance, household income data, amount paid, and the months of assistance provided including the timeframe that the payment covers. A copy of the reporting form is available as an [attachment](#) to this RFQ. At the conclusion of the contract, OH will also request copies of the most recent WBARS Table 4 reports for each property assisted.

Deadlines and Contact Information

Questions about the RFQ can be directed to Maria Dewees at maria.deweese@seattle.gov.

2024 Stabilization RFQ Timeline	
Funding opportunity released	Wednesday, March 27
Virtual information session (a copy of the recorded session is available by request. Please e-mail maria.deweese@seattle.gov for the link).	Thursday, April 11, 3:00 p.m. - 4:00 p.m.
Application deadline All applications must be submitted by 5:00 p.m. on Monday May 13, 2024. to maria.deweese@seattle.gov .	Monday, May 13 , at 5:00 p.m.
Anticipated award notification date*	Friday, June 28

*OH anticipates making funding awards by this date, barring any unforeseen delays. Should award notification be delayed, OH will contact applicants to let them know.

Disclaimers

This RFQ is non-binding and does not guarantee any award of funding. All costs of preparation of responses and all related expenses are at the sole cost and risk of the applicant. No applicant shall have any claim against the City, including for any costs incurred in responding to the RFQ. OH reserves the right to waive immaterial defects, to amend the RFQ process and requirements, to establish additional award criteria, and to cancel the RFQ and initiate a new solicitation as may be needed to meet OH's objectives, all as determined by OH in its sole discretion. Applicants understand that under the State of Washington's Public Records Act (RCW Chapter 42.56), all materials received by the City of Seattle are considered public records and subject to disclosure. Any award of funding will be subject to OH's contracting and funding requirements.

Attachments:

1. Attachment 1: [2024 Operating Stabilization RFQ Funding Application](#)
2. Attachment 2: 2024 Operating Stabilization RFQ Spending Plan Template (Available on website for download)
3. Attachment 3: Operating Stabilization RFQ Reporting Form (to be completed during the invoicing process) (Available on website for download)
4. Attachment 4: [Rent Assistance Guidelines](#)

Appendix

The following organizations are eligible to apply for this RFQ:

1. **Artspace Projects, Inc.**
2. Bellwether Housing
3. Catholic Housing Services
4. Chief Seattle Club
5. Community House Mental Health Agency
6. Community Roots Housing
7. Compass Housing Alliance
8. Delridge Neighborhoods Development Association
9. Downtown Emergency Service Center (DESC)
10. El Centro de la Raza
11. **GMD Development**
12. HumanGood Affordable Housing
13. **Inland Group**
14. InterIm Community Development Association
15. Low Income Housing Institute (LIHI)
16. Mercy Housing Northwest
17. Mt. Baker Housing Association
18. Mt. Zion Housing Development

19. Pike Place Market PDA
20. Plymouth Housing Group
21. Sea Mar Community Health Centers
22. Seattle Chinatown International District Preservation and Development Authority (SCIDPDA)
23. Solid Ground
24. Sound
25. SouthEast Effective Development (SEED)
26. YWCA of Seattle/King County