

# ***Request For Proposals***

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For the development of new affordable housing on the vacant property on the western side of Mission Street between 15<sup>th</sup> and 16<sup>th</sup> Streets in San Francisco known as

1950 MISSION STREET  
(Assessor's Block 3554, Lot 005)

Deadline for Submittals:  
close of business on **Friday, May 8, 2015**

Issued by:

**City and County of San Francisco  
Mayor's Office of Housing and Community Development  
1 South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103**

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## TABLE OF CONTENTS

<b>I. SUMMARY.....</b>	<b>2</b>
<b>II. IMPORTANT DATES AND SUBMITTAL PROCESS .....</b>	<b>2</b>
A. IMPORTANT DATES AND SUBMISSION PROCESS .....	2
B. PRE-SUBMISSION MEETING .....	3
C. QUESTIONS AND REQUESTS FOR INFORMATION.....	3
D. SUBMISSION DATE AND METHOD .....	3
<b>III. BACKGROUND .....</b>	<b>3</b>
A. SITE HISTORY .....	3
B. THE SITE.....	4
C. SOIL CONDITIONS.....	4
D. ZONING/LAND USE RESTRICTIONS.....	5
<b>IV. DEVELOPMENT PLAN ELEMENTS.....</b>	<b>5</b>
A. FINANCING PLAN .....	5
B. DESIGN AND CONSTRUCTION .....	7
C. PRELIMINARY SITE FEASIBILITY DESIGN CONSIDERATIONS .....	8
D. OCCUPANCY PREFERENCES AND RESIDENT SELECTION .....	11
E. RESIDENT SERVICES .....	12
F. PROPERTY MANAGEMENT/MAINTENANCE AND OVERSIGHT.....	13
G. COMMUNITY OUTREACH.....	13
<b>V. SELECTION PROCESS, CRITERIA AND SUBMITTAL REQUIREMENTS .....</b>	<b>14</b>
A. SELECTION PROCESS .....	14
B. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS .....	14
C. SELECTION CRITERIA.....	16
D. SUBMITTAL REQUIREMENTS .....	19
E. SUBMITTAL DEADLINE AND OTHER IMPORTANT DATES.....	22
<b>VI. TERMS AND CONDITIONS .....</b>	<b>23</b>
A. DEVELOPER RESPONSIBILITIES .....	23
B. ERRORS AND OMISSIONS IN RFP .....	25
C. ADDENDA TO RFP .....	25
D. SUNSHINE ORDINANCE .....	25
E. RESERVATION OF RIGHTS BY THE CITY .....	25

### EXHIBIT A: Insurance Requirements

#### ATTACHMENTS:

1. Proposal Metrics
2. Respondent Description
3. Projected Staffing Workload
4. Service Provider Residential Experience
5. MOHCD Sources and Uses
6. LOSP 1<sup>st</sup> year Operations Budget including 20 year cash flow
7. Disclosures

## I. SUMMARY

The City and County of San Francisco (the “City”), through the Mayor's Office of Housing and Community Development (MOHCD), is seeking submittals from qualified respondents to develop a City-owned, vacant parcel as affordable family rental housing, including units serving formerly homeless families, ground floor commercial space, and possibly second floor office space for nonprofit tenants (the “Project”). The parcel is located at 1950 Mission Street (the “Site”) on the western side of Mission between 15<sup>th</sup> and 16<sup>th</sup> Streets (Block 3554, Lot 005), the former site of a continuation high school operated by the San Francisco Unified School District (“SFUSD”).

Respondents to this Request for Proposals (“RFP”) must be comprised of the following: a non-profit developer with experience developing affordable housing in San Francisco or a for-profit developer working in partnership with a nonprofit developer, of which one of the joint venture partners must have experience developing affordable housing in San Francisco (the “Developer”); a property manager with experience serving the target population; an architect with multi-unit residential experience, and a qualified supportive service provider with experience serving the target population. At least one entity of the development team must have demonstrated experience working in the Mission neighborhood. All members of the Respondent will be evaluated according to the criteria set forth below, including experience with comparable projects, capacity, and the ability to deliver and maintain an excellent Project.

The goals of this RFP are to 1) select a Respondent that can develop, own, and operate the Project in a professional, sustainable, and expert manner; 2) facilitate a Project that is high quality while maintaining development and operational cost efficiencies; and 3) ensure that the Project confers extensive benefits to its future residents and the broader community.

This RFP and the City’s plans for the Site pursue the goals articulated in MOHCD’s Consolidated Plan (2010), as well as San Francisco’s Ten Year Plan to Abolish Chronic Homelessness (2004). Accordingly, 1950 Mission’s development shall proceed under a long-term ground lease with the City, and maximum rents shall be restricted to a level affordable to households earning up to 60% of area median income, as defined by MOHCD. Twenty percent of the Site’s units will serve formerly homeless families referred by the Human Services Agency (“HSA”). Additional Site goals include ground-floor retail provided by locally-oriented small businesses as well as smaller commercial spaces that can potentially accommodate daytime retail activity; possible second floor office space to be made available to one or more community-serving non-profit entities; on-site supportive services available to all households; and school activities and other programming for resident youth. Finally, the selected Respondent must have the ability to successfully conduct neighborhood outreach and secure neighborhood support for the Project, while also meeting the City’s expressed goals.

## II. IMPORTANT DATES AND SUBMISSION PROCESS

### A. Important Dates

RFP issued by MOHCD	<b>Friday, March 13, 2015</b>
Pre-submission meeting at MOHCD	<b>Friday, March 20, 2015</b>
Deadline for questions and requests for additional information	<b>Friday, March 27, 2015</b>
Proposal Submission Deadline	<b>Friday, May 8, 2015</b>
Preliminary Scoring by Selection Panel and Notice to Respondents	<b>Week of May 22, 2015</b>
Developer team interviews	<b>Week of June 8, 2015</b>
Director of MOHCD review/approval of recommended development team	<b>Friday, June 19, 2015</b>

### B. Pre-Submission Meeting

A pre-submission meeting will be held at MOHCD (1 South Van Ness Avenue, 5th floor), on **Friday, March 20, 2015 at 3:00pm**. The purpose of the meeting is to ensure that all teams understand the programmatic design, financing, scoring and submittal requirements. Although attendance at the Pre-Submission Meeting is not mandatory, it is highly recommended.

### C. Questions and Requests for Information

Questions raised at the pre-submission meeting may be answered orally. If any substantive new information is provided in response to questions raised at this meeting, it will also be posted on the MOHCD website (<http://sf-moh.org/index.aspx?page=322>) and will be emailed to all parties that have attended the Pre-submission meeting or otherwise requested that they be included on the RFP emailing list. Subsequent to this meeting questions or requests for interpretation will only be accepted by email and all questions and responses will be answered by email and posted on the MOHCD website. No questions or requests for interpretation will be accepted after **Friday, March 27, 2015 at 5:00pm**. Emailed questions and information requests should be submitted to Teresa Yanga at: [teresa.yanga@sfgov.org](mailto:teresa.yanga@sfgov.org) and Kevin Kitchingham at: [kevin.kitchingham@sfgov.org](mailto:kevin.kitchingham@sfgov.org).

### D. Submittal Date and Method

Submittal of **5 (five)** hard copies of the Proposal must be received by the MOHCD receptionist and an emailed copy sent to the [teresa.yanga@sfgov.org](mailto:teresa.yanga@sfgov.org) and to [kevin.kitchingham@sfgov.org](mailto:kevin.kitchingham@sfgov.org) no later than **5:00 p.m. Friday, May 8, 2015**.

## III. BACKGROUND

## **A. Site History**

The Site is an abandoned school facility with temporary movable classroom buildings and surface parking currently on site. In June 2007, the SFUSD Board of Education approved a Resolution designating 1950 Mission as surplus, finding that the SFUSD does not foresee any current or future uses of the Site for educational purposes. Pursuant to the California Education Code, the SFUSD offered the Site for sale to the required public and governmental agencies and the MOHCD was the only public agency that expressed its interest in purchasing the property. In September, 2014 the San Francisco Board of Supervisors approved the purchase of the Site by MOHCD for the purpose of developing affordable housing on the Site.

In January, 2009 the City adopted the Eastern Neighborhoods (“EN”) Plan including general plan amendments and zoning changes that affect land use requirements and entitlements in the Mission District, including 1950 Mission. The EN community planning process began in 2001 with a series of workshops in each of 4 eastern neighborhoods, including the Mission, eastern South of Market, Potrero/Showplace Square and the Central Waterfront with the goal of developing new zoning controls for the industrial portions of these neighborhoods. Starting in 2005, the community planning process expanded to address other issues critical to these communities including affordable housing, transportation, parks and open space, urban design and community facilities. In response to the goals and ongoing community input, an Area Plan was created for each neighborhood and these Area Plans became a part of the city's General Plan.

The EN Mission Area Plan includes among its objectives, the following:

- Strengthen the Mission’s existing mixed use character, while maintaining the neighborhood as a place to live and work. (Objective 1.1)
- In areas of the Mission where housing and mixed use is encouraged, maximize development potential in keeping with neighborhood character. (Objective 1.2)
- Continue and expand the City’s efforts to increase permanently affordable housing production and availability. (Objective 2.)

The Eastern Neighborhoods Plan can be found at:  
<http://www.sf-planning.org/index.aspx?page=1673>.

Pursuant to these goals, the City expects to develop new affordable rental housing over neighborhood-serving commercial space at 1950 Mission Street.

## **B. The Site**

The Site is a single, rectangular relatively flat 36,400 square foot lot, 200’ long (along Mission Street to the east and Wiese Alley to the west) by 182’ deep (along its north and south sides) in the middle of the block between 15<sup>th</sup> and 16<sup>th</sup> Streets. There are 12 temporary classroom structures situated around the Site’s perimeter with asphalt covering the entire site.

There is a two-story commercial building to the north of the Site and a mid-rise multi-family residential building with ground floor commercial space to the south. Also on the block are

additional mid-rise multi-family residential buildings with ground floor commercial spaces. There are 4-story apartment buildings to the west across Weise Alley and 3 to 4 story mixed use buildings to the east across Mission Street.

It is currently being used by the Human Services Agency as a temporary homeless shelter/service connection point under a Memorandum of Understanding with MOHCD. This interim use will be terminated prior to commencement of construction by the selected Developer. Demolition of the existing temporary classroom buildings should be assumed to be the responsibility of the Developer as part of its development plan for the Project.

### **C. Soil Conditions**

A Preliminary Geotechnical Investigation of the Site can be found on the MOHCD website at: <http://www.sfmohcd.org/Modules/ShowDocument.aspx?documentid=8734>

For purposes of this RFP, it is assumed that soil and subsoil conditions on the Site are sufficient to support a development that complies with the maximum allowable height, bulk and density limitations of the Site's applicable zoning requirements.

A Phase 1 Site Assessment Report can be found on the MOHCD website at:

Part 1 – <http://www.sfmohcd.org/Modules/ShowDocument.aspx?documentid=8738>

Part 2 – <http://www.sfmohcd.org/Modules/ShowDocument.aspx?documentid=8739>

Part 3 – <http://www.sfmohcd.org/Modules/ShowDocument.aspx?documentid=8740>

The report does not include soil characterization. The report assumes that the age and condition of the existing improvements indicate the presence of lead based paint. The report contains an Asbestos survey for the existing improvements.

### **D. Zoning/Land Use Restrictions**

The Site is currently zoned Mission District Neighborhood Commercial Transit (“NCT”). A map showing the location and configuration of the Site can be found at: <http://propertymap.sfplanning.org>. (Enter “3554/005” or 1950 Mission Street in the Search box).

The applicable zoning and land use controls for the NCT district are to be found in the Planning Code Section 736:

[http://www.amlegal.com/nxt/gateway.dll/California/planning/article7neighborhoodcommercialdistricts?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:sanfrancisco\\_ca\\$anc=JD\\_736.1.](http://www.amlegal.com/nxt/gateway.dll/California/planning/article7neighborhoodcommercialdistricts?f=templates$fn=default.htm$3.0$vid=amlegal:sanfrancisco_ca$anc=JD_736.1.)

Developers should consult the EN Mission Area Plan for additional design/use goals and restrictions. Some key zoning and land use provisions:

- Conditional Use (CU) authorization required due to size of lot (sec. 121.1)
- Height limits: 85’ along Mission Street and 45’ along Weise Alley.
- Height Limits for Narrow Streets and Alleys in NCT Districts (sec. 261.1(b)1)
- No parking required for residential or commercial uses; maximum: 0.5 spaces/unit (0.75/unit with Conditional Use), 1 space per 1,500 sf commercial space; no curb cuts permitted on Mission Street (sec. 155(r)(2)(I).
- No maximum density restriction.

- Ground floor commercial space frontage along Mission Street is required; 5,999 sf permitted, CU required for 6,000 sf or more; maximum 75' continuous frontage, minimum 25' depth and minimum floor-to-floor 14 feet height (sec. 145.1(c)(4)(C)).
- Licensed child care facility for any number of children is a permitted use.
- Assembly and Social Service space which provides social, fraternal, counseling or recreational gathering services to the community is also a permitted use.

#### IV. DEVELOPMENT PLAN ELEMENTS

##### A. Financing Plan

1. Sources & Uses Budget. Developers should create a feasible Sources & Uses budget for the Project that includes but is not limited to the following:

- Total development costs, including, but not limited to, environmental remediation, if any; utility connections and site work; demolition, grading and shoring; the full costs of vertical construction; architectural and engineering expenses; all permitting and applicable City fees; financing costs; and marketing and lease-up costs.
  - Respondents should determine construction type. Construction cost estimates should reflect current construction costs and exclude escalation assumptions.
  - Respondents should include sources and uses for development of all commercial spaces in a manner that is consistent with MOHCD's Commercial Space Policy. See: <http://sf-moh.org/Modules/ShowDocument.aspx?documentid=4881>.
- 4% low-income housing tax credits and tax-exempt bond financing (9% LIHTC proposals will not be accepted).
- Federal Home Loan Bank Affordable Housing Program funds.
- Additional, non-MOHCD sources of funds that meet the City's affordability goals and reduce to the greatest extent feasible required MOHCD gap funding.
- MOHCD gap funds (in the form of a 55-year, residual receipts loan), minimized to the greatest extent feasible by other funding sources.
- A *maximum* rent level for all units of 60% of the unadjusted Area Median Income ("AMI") for HUD metro fair market rent area (HMFA) that contains San Francisco, as established by MOHCD see: <http://www.sf-moh.org/modules/showdocument.aspx?documentid=7571>.
  - Developers are encouraged to balance financial feasibility and a tiered rent schedule, so that rent for some non-homeless units may be less than 60% AMI

- Formerly homeless households will contribute 30% of their incomes in rent; Developers should assume tenant-paid rents (exclusive of utilities) of \$200 PUPM for 1BR units and \$225 PUPM for 2BR and 3BR units
- Funding from the City’s Local Operating Subsidy Program (“LOSP”), through a 15-year contract with MOHCD, to cover the difference between the costs to operate the homeless set-aside units and the formerly homeless tenants’ contributions. (Developers should make this assumption only for the purpose of modeling their submissions; in order to control LOSP contract values, the City may require cross-subsidization from higher-income units to offset operating expenses.)
- A 20-year cash flow that includes
  - Tenant-paid rents
  - Annual LOSP subsidy payments sized to capture the difference between tenant-paid rents in LOSP units and operating expense attributable to LOSP units *only*. LOSP operating subsidies should account for, on a pro-rata basis, all typical costs of operations; required reserves deposits; mandatory administrative fees required by HCD financing, if any; deferred developer fee, if any; partnership management fees; and investor management fees. LOSP subsidies may not be used to pay hard debt service.
  - Operating expenses reflecting full costs to operate the Project, hard debt service payments, reserves deposits, and all other residual receipts waterfall distributions typical for 4% tax credit transactions that conform with MOHCD’s Underwriting Guidelines (see Section IV.A.4, below). The operating budget should exclude support services such as case management and counseling but may include one FTE Services Coordinator/Connector. Respondents should highlight any innovative operating cost controls and their relationship to the leveraging of conventional debt.
  - Sufficient lease revenue from commercial space leases to cover their operating costs including reserves pursuant to MOHCD’s Underwriting Guidelines (p. 5).

2. Services Funding. Respondents should submit a separate services budget that includes:

- Services staffing information (number of FTEs or percent thereof, type of services staff, roles of services staff), for both the homeless and non-homeless units. Please see Section IV.D. Resident Services below, for further information regarding required social services.
- \$350 per unit per month in services funding provided by HSA for the homeless units. HSA will provide these funds through a direct contract with the Project’s services provider, conditioned on continuous compliance with terms of the Respondent’s LOSP agreement with MOHCD.
- Additional services funding sources beyond assistance provided by HSA if available.



3. Ground Lease. Respondents should assume a 75-year initial term ground lease agreement (with an option to extend to a total of 99 years) with MOHCD for the Site. Annual rent shall be set at 10% of the appraised value. An annual Base Rent payment of \$15,000 shall be payable as an operating expense, with the balance of Annual Rent paid from surplus cash, if any. Annual Rent shall be re-determined every fifteen years, as determined by an MAI appraiser.
  - MOHCD’s eventual transfer of the Site to the selected Developer under a ground lease will be “as is” with respect to physical, environmental and regulatory conditions, including, but not limited to, any liabilities for remediation of toxic materials that may be present.
4. Underwriting Guidelines. All submissions must conform to MOHCD’s most current version (<http://sf-moh.org/Modules/ShowDocument.aspx?documentid=2578>) and other published MOHCD policies, such as its Developer Fee Policy.
5. Predevelopment Funding. MOHCD will provide up to \$2,000,000 in predevelopment funding to the selected Respondent, subject to the Respondent’s demonstration of its compliance with the City’s vendor requirements and approval by the San Francisco Citywide Affordable Housing Loan Committee.

#### **B. Design and Construction**

MOHCD is seeking excellent architectural design and construction standards that represent an awareness of the Site’s location in a high-density, well-established, mixed-use neighborhood. The successful Respondent will maximize housing opportunities while also creating a strongly supportive environment with adequate amenities and open spaces to enhance the lives of residents. Respondents and their designs should also acknowledge that the Mission neighborhood is nearly 100% built out, so its design and construction will have a significant impact on the surrounding community. (Note: *Some portion of the architectural costs associated with this architectural analysis may be reimbursable by MOHCD. See Section VI. E. 4. below for more information.*)

#### **C. Preliminary Site Feasibility Design Considerations**

Certain major factors will affect design and total unit count, all of which will be considered in evaluating and scoring proposals:

##### **1. Height Limits/Building Location and Massing**

The Site is in two different height districts, and faces two streets of very different character. The application of the height limits may generate a building stepping pattern, but there are many possible ways to undertake the stepping. The Site could accommodate housing in many different configurations. The massing concept and location of open spaces should strive to provide excellent responses to the following challenges and opportunities:

- Mission St. environment – east-facing, very long frontage, noise and heavy traffic flow; [https://www.google.com/maps/@37.7655645,-122.4197585,3a,75y,91.21t/data=!3m4!1e1!3m2!1sqes7RRHTOB3BH2\\_Cm\\_XwAQ!2e0](https://www.google.com/maps/@37.7655645,-122.4197585,3a,75y,91.21t/data=!3m4!1e1!3m2!1sqes7RRHTOB3BH2_Cm_XwAQ!2e0)
- Weise Alley environment – west-facing, very long frontage, extremely narrow alley fronted by mostly 4 story residential buildings with nearly continuous garages and fencing; probable location for vehicular access to housing and commercial spaces (if any) since no curb cuts are allowed on Mission St. frontage. <https://www.google.com/maps/@37.765551,-122.4205346,3a,75y,78.73t/data=!3m4!1e1!3m2!1ss7uYsoE62S6jGtEnlrFZAg!2e0>
- North side – existing four-story east-facing residential building with rear yard fenced parking abuts the site; [https://www.google.com/maps/@37.7661417,-122.4198077,3a,75y,252.84h,86.96t/data=!3m4!1e1!3m2!1sWELD\\_99dLfbRj7QO0EkxTQ!2e0](https://www.google.com/maps/@37.7661417,-122.4198077,3a,75y,252.84h,86.96t/data=!3m4!1e1!3m2!1sWELD_99dLfbRj7QO0EkxTQ!2e0)
- South side – existing two story east and west facing structures abut the site. <https://www.google.com/maps/@37.7657439,-122.4197738,3a,75y,265.47h,87.86t/data=!3m4!1e1!3m2!1s7ZlaFhaHh4VqyV9nP6NaZw!2e0>

## 2. Parking and Alternative Transportation

The Site has no parking minimum, and Respondents can expect neighborhood support for no to very-low parking for the Project given its proximity to mass transit. Community members also support the provision of alternative transportation vehicles, e.g., thoughtfully designed bicycle parking and car-sharing space.

## 3. Neighborhood Amenities

The Site's NCT zoning requires ground floor commercial space along the Mission Street frontage. A larger community facility, oriented to the public, is also a permitted use, as is a small or large child care facility open to non-resident children (and with spots for more than 13 attendees), or an after-school program open to older non-resident children. Respondents are encouraged to consider including such a facility in their plans for Site and pursuant to MOHCD's Underwriting Guidelines, may include the cost of developing the basic infrastructure or "shell" for such uses but not the tenant improvements.

## 4. Unit Mix and Interior Resident Amenities

- The EN Mission Area Plan recommends that 40% of the units be 2-bedroom units. It encourages Developers to include 10% of the units as 3-bedrooms.
- Project sponsors should propose a list of resident amenities and services, describe who they are intended to serve, and show their general location, size, and accessibility to

residents. Examples include teen computer labs; counseling rooms; community gathering spaces, etc.

## 5. Resident Useable Open Space

Planning Code minimums for the overall combined areas of common and private spaces determine threshold open space requirements. Rear yards shall be provided at the lowest story containing a dwelling unit, and at each succeeding level or story of the building (sec. 134(a)(C), though potentially, a variance could be sought. Respondents should design open spaces (at grade and other levels) by considering what passive and active outdoor activities will best support the tenants at differing ages. Open space decisions should also take into consideration existing public open spaces within walking distance and the Site's physical context, e.g., sun angles, wind, the character of adjacent streets, and residents' general comfort and safety needs.

## 6. Resident Livability

The overall habitability of the Project and the comfort, security and housing stability of its residents may be facilitated by a number of architectural considerations such as:

- Interior resident amenities – need for a creation of a strong tenant community while anticipating great diversity within the tenant population;
- Interior court open spaces – accessibility, analysis of sun/shade patterns, relationship to adjacent interior uses, lobby, resident interior amenities, public amenities, proposed activities;
- Upper floor open spaces – some potential views and vistas, relationship to heights of surrounding structures, access to sun but also wind.

## **Other Design Considerations**

- Historical Resources Influence. Several properties in the vicinity of 1950 Mission have been identified as individual historic resources, most notably 1939-1943 Mission, across Mission Street from the Site, which “appears eligible for listing in the California Register of Historical Resources.” <https://www.google.com/maps/@37.766043,-122.4197993,3a,75y,79.39h,97.99t/data=!3m4!1e1!3m2!1sblGqdkr64eBmsU021T17HA!2e0>
- Eastern Neighborhoods Mission Area Plan policies and design guidelines: Respondents should take into consideration the “Built Form” objectives, policies and design guidelines of the EN Mission Area Plan. As the Plan states:

“The many cultures, land uses, architectural styles, street grids and street types that exist within the Mission neighborhood define its character and set it apart from other areas of San Francisco. Indeed it is the coexistence and commingling, at times chaotic, of all these different elements that attracts most residents to the Mission. Urban design is central to defining how such a diverse physical and social environment is able to function, and will

determine whether new additions contribute to, or detract from, the neighborhood’s essential character.”

The Plan’s Built Form guidelines particularly address the issues of height, architectural design and the role of new development in supporting a more ecologically sustainable urban environment.

See: [http://www.sf-planning.org/ftp/General\\_Plan/Mission.htm#MIS\\_BUF](http://www.sf-planning.org/ftp/General_Plan/Mission.htm#MIS_BUF)

### **Green Design Guidelines**

The City seeks to maximize the overall sustainability of the Project to the extent possible through the integrated use of sustainable building elements. Development plans that improve indoor air quality, reduce resource consumption, and approach zero-energy consumption are desired. At a minimum, Projects should meet the requirements of the 2013 San Francisco Green Building Code, California Title 24, and the California Tax Credit Allocation Committee regulations regarding sustainable buildings. Buildings that exceed this measurement and achieve net-positive sustainability strategies are highly encouraged. Among other resources, respondents may obtain more information at <http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities/resources/tools>, <http://www.greenaffordablehousing.org/>, and [www.ecodistricts.org](http://www.ecodistricts.org).

### **Priority Permit Processing**

Pursuant to San Francisco Department of Building Inspection (“DBI”) policy, this project qualifies for “priority permit processing” because 100% of the units will be affordable. The selected Respondent must understand this preference and secure all available priority processing benefits.

### **D. Occupancy Preferences and Resident Selection**

As stated elsewhere, Respondents must set aside 20% of the units for homeless families referred by the Human Services Agency. The following additional preferences will apply to the Project’s lease-up, in the order provided:

<b>Preference</b>	<b>Respondent Category</b>
1.	Certificate of Preference Holders
2.	San Francisco Residents
3.	Non-San Francisco Residents

The selected Respondent will retain final selection authority over all resident respondents.

### **Formerly Homeless Families**

HSA will refer homeless families with children under the age of 18, and homeless pregnant women for residency in the Project. Single individuals and households without minor children are not eligible for the HSA referral units.

HSA will follow the definition of “homeless” provided in the chart below to determine eligibility. In addition, households can only be referred by HSA for occupancy at the Project if their annual household income does not exceed 30% of AMI.

The term "HOMELESS" includes individuals or families who lack a fixed, regular, and adequate nighttime residence and who have a primary nighttime residence in one or more of the following categories:	
Category	Description
Shelter	Anyone staying in a mission or homeless or domestic violence shelter, i.e., a supervised public or private facility that provides temporary living accommodations. Anyone displaced from housing due to a disaster situation.
Street	Anyone staying outdoors; for example, street, sidewalk, doorway, park, freeway underpass.
Vehicle	Anyone staying in a car, van, bus, truck, RV, or similar vehicle.
Make-Shift	Anyone staying in an enclosure or structure that is not authorized or fit for human habitation by building or housing codes, including abandoned buildings ("squats") or sub-standard apartments and dwellings.
Doubled-Up	Anyone staying with friends and/or extended family members (excluding parents and children), because they are otherwise unable to obtain housing, <b>or</b> , any family with children staying in a Single Room Occupancy (SRO) hotel room - whether or not they have tenancy rights, <b>or</b> , anyone staying in temporary housing for less than 6 months, and the accommodations provided the person are substandard or inadequate, for example, garage, small room, overly crowded space.
Transitional	Anyone staying in a Single Room Occupancy (SRO) hotel room <u>without</u> tenancy rights, <b>or</b> , anyone formerly homeless (formerly in one of the above categories) who is now incarcerated, hospitalized, or living in a treatment program, half-way house, transitional housing, <b>or</b> , anyone formerly homeless (formerly in one of the above categories) who has obtained supportive housing or permanent housing for less than 30 days.

## **E. Resident Services**

The successful provision of support services for 1950 Mission residents is critical to the overall success of the development program. On-site supportive services and associated service space should be incorporated into the Project and address the elements of this Section IV. D.

### **1. Minimum Requirements**

- An understanding of the housing and service needs of the eligible population.
- A clear program design that incorporates: non-mandatory, tenant-centered services; access to and coordination of mainstream community services, subcontracted and/or partner services; and a description of the minimum services to be provided such as those listed below in Section D. 3. “Service Activities”.
- An understanding of employment issues as they relate to homeless families.
- The inclusion of services programming specifically geared for school-age children, such as after school homework and /or tutoring help, arts and crafts, and other enrichment activities. Submissions should acknowledge the special needs of formerly homeless children.
- Experience providing required services in a housing setting.

- A commitment by the service provider to coordinate with the property management through regularly scheduled meetings to ensure sound operational and building management practices.

2. Organizational Capacity. The successful Respondent will have or provide:

- A track record or other demonstration of effective collaboration that illustrates the ability of the Respondent to effectively coordinate and deliver services and other resources needed by families being served within a housing program.
- Commitment(s) from housing and/or service providers; additional funders (public or private), describing in-kind, leveraged, or matching funds for proposed services that will complement the Respondent's contribution, and a plan for securing additional resources over time. Agencies will be looked upon to strengthen partnerships with other providers in their community to enhance services delivery.
- Demonstration of the ability to implement and maintain a client-to-staff ratio that reflects the level of case management and other services proposed. Respondents must justify their proposed ratio in their proposal pursuant to the Submittal Requirements described below in Section V. D. 6., providing an overview of how full-time equivalent ("FTE") hours will be allocated.

3. Service Activities. Respondents should specify the types and estimated frequency of proposed services for the site, indicating, as appropriate, services specifically geared for homeless households and those targeted for the non-homeless households. Examples of services activities include:

- Access to City benefits programs
- Ongoing outreach and engagement to the tenant population
- Help accessing benefits and educational opportunities as appropriate
- Substance abuse treatment with a focus on harm reduction
- Referrals and assistance with accessing primary medical care and other community services as needed
- Access to basic needs such as clothing and food
- Eviction prevention counseling and advocacy, including money management, life skills
- Referral to or provision of supported pre-vocational/vocational activities appropriate for the skill level of residents of the building
- Early intervention or problem solving on issues that may affect housing stability
- Advocacy or assistance in solving legal, financial or school system problems
- Coordination of tenants involvement with property management
- Adult education, employment skill development, and job placement and retention services
- Mental health and substance use management and recovery
- Parenting support and life skills counseling
- Conflict resolution among tenants
- Recreation, community building, social, and/or other group programming
- Children and youth services including academic support, after school enrichment, recreation, youth developments and counseling services

- Providing opportunities for building resident leadership and nurturing resident engagement in the surrounding civic life of the neighborhood and community.

#### **F. Property Management/Maintenance Oversight**

Respondents must provide information regarding the proposed property management team's experience – including previous work with family rental housing. The preferred Respondent will include a property management company that has demonstrated successful approaches to managing buildings with some component of formerly homeless people, many of whom will continue to struggle with behavioral, health and medical issues.

#### **G. Community Outreach**

It is critical to the success of the development program that the selected Developer conducts extensive community outreach and establishes positive links with surrounding neighbors and the larger community throughout the development process. As one of the largest remaining undeveloped parcel in the inner Mission neighborhood, concerned citizens and well-established neighborhood groups closely monitor the Site. The selected Developer will be expected at a minimum to provide periodic updates and present the proposed design to members of the community for their input. The Respondent must provide a Community Outreach plan as part of the response to this RFP.

### **V. SELECTION PROCESS, SELECTION CRITERIA AND SUBMITTAL REQUIREMENTS**

#### **A. Selection Process**

MOHCD staff will review all submittals for completeness and satisfaction of minimum experience and capacity requirements.

A Selection Panel will be appointed by the Director of the Mayor's Office of Housing and Community Development composed of persons with expertise in the areas of development, affordable housing financing, architecture, property management and resident supportive services, at least one of which will be familiar with the Mission community. The Selection Panel will review all qualified responses and preliminarily score each qualified submittal. The Selection Panel will interview all Respondents, at which time Respondents will be asked to present and explain the major characteristics of their proposal, particularly as they relate to the Scoring Criteria, and respond to questions from the Selection Panel. After all interviews have been completed, the Selection Panel will meet to determine the final ranking of all responses and present this ranking to the Director.

The Selection Panel's scoring of each proposal will be done by consensus and will be final: no appeals of the scores decided on by the Selection Panel will be accepted.

The Director will then select a development team, and MOHCD will exclusively negotiate an option to lease the Site for purposes of its development in accordance with the terms of this RFP.

## **B. Minimum Experience and Capacity Qualifications**

All respondents must meet the following Minimum Experience and Capacity Qualifications in order to qualify for selection under this RFP:

1. Development Team Characteristics: The proposed Development Team must include:
  - At least one community-based non-profit development entity as sole developer or joint-venture partner, defined as a nonprofit organization whose mission includes the development of affordable housing in low income communities, with experience developing housing for low and very low-income families in San Francisco;
  - A lead architectural firm with experience in design and construction of multifamily housing, preferably with residential experience in San Francisco. While the lead architect's LBE status will not be considered in scoring responses to this RFP, it will be counted toward the Project's overall procurement goals, which will be set at a later date.
  - A property management entity with experience managing low- and very low-income affordable housing in San Francisco, in a culturally and linguistically competent manner;
  - At least one community-based, service-providing entity with experience providing culturally and linguistically competent services appropriate for low-income families and for homeless households.
  - At least one entity of the development team must be based in the Mission neighborhood or possess extensive experience serving the Mission community.

*Letters of Intent or Memoranda of Understanding from service providers and property management entities that are not affiliated with the developer must be submitted with the application.*

2. Development Team Minimum Experience Qualifications

Minimum experience must be demonstrated by identifying specific **Qualifying Projects** in which team members have participated, as further described below.

For Developer, Owner and Property Manager, a **Qualifying Project (QP)** must have all of the following characteristics:

- new construction
- mixed use including residential
- a majority of multiple bedroom units
- at least 50 units in size
- at least partially Type I construction type
- location in San Francisco
- affordable to low and very low income families
- financed by use of Low Income Housing Tax credits



For the Architect, the last three characteristics of a QP (location in SF, affordability and tax credit financing) are not required.

***Minimum Developer Experience:*** The proposed Developer must have completed within the past five years or have under development at least one Qualifying Project in San Francisco targeting low and very low income families and using financing sources similar to those proposed for development of the Site.

For joint-venture Developer teams, the experience of the lead entity may suffice for the joint-venture partnership. A Memorandum of Understanding between joint-venture Development partners must be submitted with the application.

Furthermore, a Respondent can qualify for development experience by contracting with a development consultant for comprehensive project management services. Project management services should include financial packaging, selection of other consultants, selection of construction contractor and property management agent, oversight of architectural design, construction management, and consultation on major aspects of the development process. The contract for development services must be submitted with the RFP response and must be acceptable to MOHCD.

***Minimum Ownership Experience:*** The proposed Owner (the Developer or other entity if the proposal includes turning ownership over to a different corporate entity upon completion of development) must have owned at least one Qualifying Project in San Francisco for at least 5 years prior to the Submittal Deadline of this RFP. The project must have targeted low and very low income families and utilized financing sources similar to those proposed for development of the Site. For purposes of this requirement, the general partner of a tax credit partnership intended to take ownership of the completed project is the proposed "Owner".

***Minimum Property Manager Experience:*** The proposed property manager must have managed at least three Qualifying Projects in San Francisco, each for at least 24 months, all of which must have targeted low and very low income families and including at least one project that was financed with Low Income Housing Tax Credits.

***Minimum Architectural Experience:*** The proposed lead architectural firm must have completed at least two (2) Qualifying Projects.

***Minimum Service Provider Experience:*** The proposed service provider must have at least 48 months experience providing supportive services to low-income families in San Francisco, preferably in the general vicinity of the Site. This experience should include linking clients to the City's safety net of services and supporting their efforts to access those services.

***Note Regarding Experience:*** For any Respondent team member, the experience of key staff members may be substituted for the experience of the organization as a whole as long as the staff members' experience in other firms was substantive and involved responsibilities similar to what they are anticipated to perform during the proposed development of the Site.

### 3. Minimum Developer and Architect Capacity Qualifications.

The proposed Developer and Architect must document their capacity to successfully plan, design, and develop the housing they propose to develop, throughout the period of development, either through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. This documentation should include a description of the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff. In addition, the Developer or other proposed owner (as general partner of a proposed tax credit partnership) must provide evidence of its capacity to own and asset manage the proposed project or specific plans for increasing its capacity if necessary.

**C. Selection Criteria – (100 points possible):**

All applications that meet the minimum experience and capacity requirements will be rated and ranked according to the following scoring criteria (see Scoring Criteria details below):

	<b>Category</b>	<b>Points</b>
(1)	Experience:	40
a.	Developer Experience (20 pts)	
b.	Architect Experience (10 pts)	
c.	Property Management Experience (5 pts)	
d.	Service Provider Experience (5 pts)	
(2)	Development Concept and Preliminary Site Plan:	40
(3)	Financing and Cost Control Innovations:	10
(4)	Services Plan:	10
	<b>TOTAL POSSIBLE POINTS</b>	<b>100</b>

**(1a) *Development Experience* -- (20 points possible):**

Respondents will be scored according to the number of Qualifying Projects that are affordable to low or very low income families completed or under development in excess of the minimum and whether or not their experience includes as least one project that included units targeted to homeless persons (singles, seniors or families).

One Qualifying Project for very low income families completed or under development in excess of the minimum required QP.	<b>10 Points</b>
Two or more Qualifying Projects for very low income families completed or under development in excess of the minimum required QP.	<b>15 Points</b>
At least one completed project that includes units targeted for formerly homeless persons (singles, seniors or families)	<b>5 additional points</b>

**(1b) *Lead Architectural Firm Experience* – (10 points possible):**

Points will be awarded only to lead Architects who have completed at least 3 Qualifying Projects. Proposals will be scored according to whether the Architects' experience includes work in San Francisco and experience developing housing for low and very low income families.

Experience in San Francisco and but none with affordable housing for low and very low income families.	<b>5 points</b>
Experience with affordable housing for low and very low income families but none in San Francisco	<b>7 points</b>
Experience with affordable housing for low and very low income families in San Francisco.	<b>10 points</b>

**(1c) *Property Management Experience* – (5 points possible):**

Points will be awarded only to Property Managers whose experience includes managing housing for formerly homeless persons in San Francisco (seniors, families or single persons) for at least 24 months.

One point will be earned for every 12 months experience managing housing in San Francisco for formerly homeless persons.	<b>2 to 5 points</b>
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**(1d) *Service Provider Experience* – (5 points possible)**

Proposals will be scored according to the amount of experience (length of time) the service provider has successfully provided services to low- and very low-income families. This experience should include linking clients to the City's safety net of services and supporting their efforts to access those services. A Letter of Interest from each service provider must be submitted with the application.

One point will be earned for every 12 months experience providing services for low-income families in excess of the 48 months minimum requirement.	<b>Up to 5 points</b>
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**(2) *Development Concept and Preliminary Site Plan* – (40 points possible):**

Proposals will be scored according to the degree to which the preliminary site and development plan maximizes housing opportunities while also creating a strongly supportive environment with adequate amenities and open spaces to enhance the lives of the residents and to promote the long-term livability of that housing.

The Selection Panel will base its evaluation on how well the Development Concept and Preliminary Site Plan address the Design Considerations and Guidelines described above in section IV. B. and will score each respondent's plans using the following scoring system:

Outstanding	<b>40 points</b>
Very Good	<b>32 points</b>
Good	<b>24 points</b>
Fair	<b>16 points</b>
Poor	<b>8 points</b>
Inadequate	<b>0 points</b>

**(3) Financing, Cost Control and Innovations – (10 points possible):**

Proposals will be ranked according to the degree to which they propose a financing plan that is feasible and consistent with the requirements, limitations and opportunities associated with its proposed sources; minimizes MOHCD's permanent financing; proposes innovative sources or financing instruments; and uses innovative (i.e., non-standard, routine or commonly used) but practical materials or methodologies designed to reduce development, construction and/or operating costs, either directly or indirectly, without reducing the overall quality of the completed project.

Top ranked proposal re: financial and cost control innovations:	<b>10 points</b>
2 <sup>nd</sup> ranked proposal	<b>7 points</b>
All other proposals	<b>5 points</b>

**(4) Services Plan – (10 points possible):**

Proposals will be scored according to the degree to which the Services Plan includes providing access to an array of services appropriate to the diverse needs of low-income families, parents and children, including formerly homeless families; how access to those services will be encouraged and facilitated; the degree to which the Plan relies on coordination with existing services in the neighborhood and community; and the appropriateness of the services budget, using the following scoring matrix:

Excellent	<b>10 points</b>
Very Good	<b>7 points</b>
Good	<b>5 points</b>

**D. Submittal Requirements**

*Responses to this RFP should be organized as follows:*

**1. Summary.** Provide a concise narrative description of the proposal for developing the Site, including the development's overall size, uses, resident and community amenities, general layout, and summarized financing and services plans. Add **Attachment 1, Proposal Metrics**.

**2. Development Team.** Using **Attachment 2, Respondent Description**, Provide the name of each organization, names of the Director and primary contact persons, and phone numbers and email addresses for each of the following:

- Lead Developer
- Co-Developer (if applicable)
- Development Consultant (if applicable)
- Lead Architect and co-architect (if applicable)
- Property Manager
- Service Provider(s)

For each Developer or Co-Developer, submit a current copy of the following documents:

- *Certificate of good standing from California Secretary of State*
- *Certification of 501(c)(3) status from the Internal Revenue Service* (for any nonprofit corporations).
- *The latest two (2) years of audited financial statements* (with management letters, if any).

### **3. Developer Team Experience and Capacity**

3.1. Developer Experience and Capacity. Describe at least one and no more than five (5) Qualifying Projects completed or under development by Respondent, including co-developer or development consultants if any, using one page per Project and including the following information for each Project in the following order:

- Developer or consultant's name and role in the project
- All uses included in the project, including resident or community amenities (e.g. childcare center, tenant services space), commercial uses, etc.
- Total number of units and unit sizes
- Construction Type(s)
- Location of the project
- Target Population, including incomes if applicable
- Summary of financing sources
- Current project status with dates of commencement, completion, as appropriate
- Whether the project was completed on/under/over budget and on/ahead/behind schedule.

3.1.a. Development Capacity: Summarize in one page the organizational structure of the development team that will be responsible for developing the Site, including the roles of Developer, Co-Developer and Development Consultant. Identify and briefly describe the experience of key project development staff. Using **Attachment 3, Projected Staffing Workload**, describe their projected workload for the period of the Site's development.

3.1.b. Ownership Experience and Capacity: Summarize in one page the ownership experience and asset management capacity of the proposed owner of the Project including descriptions of:

- at least one Qualifying Project owned for at least five (5) years by the organization that will assume ownership of the proposed Project on the Site including its location, non-residential uses, number of units, completion dates, capital financing and target population; and the current asset management structure, staffing, and portfolio of the proposed owner, and its capacity for assuming asset management of an expanded portfolio once development is complete.

3.2. Lead Architect Experience. Using no more than one page per project, describe at least two but no more than 3 (three) completed Qualifying Projects, including the projects':

- location,
- number of units,
- type of construction,
- completion dates,
- target population,
- on-site amenities or associated uses (such as child care and/or small scale neighborhood serving commercial uses),

Using **Attachment 3, Projected Staffing Workload**, describe the projected workload of key staff expected to be involved in the development of the Site.

3.3 Property Manager Experience. Using no more than two (2) pages, describe the following:

- at least three Qualifying Projects managed in San Francisco, including at least one project that was financed with low-income housing tax credits that have been managed for at least 24 months. Describe their location, resident population, associated uses and amenities, size, capital financing sources, and relevant dates of service.
- the total number of buildings in the property management company's portfolio and the number years each building has been successfully managed.
- the firm's experience with formerly homeless tenants, as well as its track record providing sound operational and building management, its standard procedures regarding resident meetings and resident outreach, and experience managing successful retail spaces.

3.4 Services Provider. Using no more than two (2) pages, describe the following:

- In general terms, the types of services made available to low-income families; where services are provided; how clients' needs are assessed and how a plan for addressing those needs is developed; how clients are linked to the City's safety net of services and assisted in their efforts to access those services;
- The duration of services contracts with City departments, contact information for any public agency providing funding for services, and documentation of quality of services provided such as contract monitoring reports or funding source evaluations;
- Using **Attachment 4: Service Provider Residential Experience**, describe experience providing on-site or off-site services residents of low income housing, highlighting (under "Population Served" and "Services Provided") any experience serving homeless families.

4. **Development Concept and Site Plan** Please prepare and submit a conceptual design that includes:

4.1. *Narrative Project Concept Description*. In 1,000 words maximum describe the major qualities and features of the project design concept. When describing public and common areas and amenities, indicate what anticipated activities they accommodate. Indicate particular groups

served by the programs and spaces (tots, children, teens, young adults, adults, elderly, disabled etc.) The description should include the following:

- Overall rationale for configuration of building and open spaces on the parcel.
- Interior and exterior tenant amenity and activity spaces – list and describe size and qualities of each
- Interior community serving spaces – list and describe size and qualities of each
- Exterior public open spaces – describe size and qualities
- Response to local environmental factors such as traffic, sun/shade, wind – describe approaches
- Commercial space provision – describe size, parking and loading (if needed)

4.2 Volumetric feasibility analysis with a focus on the interface between the building bulk configuration and the open space configuration, using 3-D digital model views from several vantage points.

4.3 Site plan showing ground level open space system. Show all proposed entries to uses. Ground level and upper level plans are not required except as noted in sec. 4.6 below.

4.4 Overhead/axonometric model views as seen from all four parcel corners showing building massing, and indicating common or private open spaces on upper levels and showing all inner courts. Show floor lines on faces of model. Designate proposed building entry points.

4.5 Conceptual Façade Elevations representing general fenestration, entries and roof lines but not color nor materials.

4.6 Floor plans for the ground floor and each residential floor showing general location of proposed residential lobby and entry level tenant spaces, unit locations and sizes, resident amenities, common areas for residents, and general location of any proposed publicly accessed community serving uses or retail. Indicate approximate square footages for these spaces on the plan.

4.7. Site Sections taken to show public and private grade level open space systems in both north/south and east/west directions, minimum of 4.

**5. Financing and Cost Control Innovations.** Describe the overall financing plan as further described and in conformance with the requirements of Section IV.A. above, with sufficient information to allow MOHCD to fully determine the proposal's feasibility, including:

- 1) Development Sources & Uses budget using **Attachment 5 MOHCD Sources and Uses** form.
- 2) 20-year cash flow, using **Attachment 6 LOSP Operating Budget** form and
- 3) Year 1 operating budget using **Attachment 6 LOSP Operating Budget** form.

Highlight any innovative financing approaches intended to minimize MOHCD's projected capital gap financing. Highlight also any innovative (i.e., non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating expenses, including estimated savings calculations if appropriate.

**6. Services Plan.** Submit a services plan of no more than three (3) pages that meets the requirements of Section IV.D above (p. 12) and includes the following information:

- The service provider’s overall philosophy and plan for providing services to the Site residents, including a listing and brief description of the services to be provided, and highlighting, if appropriate, any innovative approaches it may include;
- The plan for engaging residents and encouraging access to services;
- How services for the Site residents will be coordinated with the existing net of services in the neighborhood and community;
- The proposed staffing model, including staff titles, position descriptions, salaries, and FTE status, and an explanation of how FTE time will be allocated; and
- A services budget that is consistent with the Services Plan.

**7. Community Outreach Plan.** Submit a Community Outreach Plan for engaging concerned citizens, community stakeholders and well-established neighborhood groups in the design of the Project.

**8. Draft Affirmative Marketing Plan.** Submit a draft affirmative marketing plan that will facilitate a robust response during lease-up and ensure engagement with a wide diversity of potential tenants.

#### **E. Submittal Deadline and Other Important Dates**

**Pre-Submittal Meeting:** at the Mayor’s Office of Housing and Community Development, 1 South Van Ness Avenue, 5th Floor, San Francisco. The meeting will include a short presentation on the RFP. Prospective respondents will have the opportunity to ask clarifying questions at this meeting and/or by email to [teresa.yanga@sfgov.org](mailto:teresa.yanga@sfgov.org) and [kevin.kitchingham@sfgov.org](mailto:kevin.kitchingham@sfgov.org). All questions and their answers will be posted on the MOHCD website.

**RFP mailing list:** All attendees at the Pre-Submittal Meeting will be added to a 1950 Mission RFP email list along with any others who may ask to be included. This list will be used to send the RFP itself when it is issued, to notify all interested parties of any Addenda to the RFP, changes in the schedule, and/or RFP-related postings on the MOHCD website that may occur prior to issuance. The same information along with the RFP itself will be posted on the MOHCD website.

**Submittal Deadline:** Deliver 5 (five) hard copies of the Proposal including all attachments to MOHCD, 1 South Van Ness Avenue, 5<sup>th</sup> Floor reception, attention: Teresa Yanga. In addition, email a complete proposal including attachments to:

**Teresa Yanga** ([teresa.yanga@sfgov.org](mailto:teresa.yanga@sfgov.org)), **Kevin Kitchingham** ([kevin.kitchingham@sfgov.org](mailto:kevin.kitchingham@sfgov.org))

**Scoring and Ranking:** All respondents will be notified **the week of May 22, 2015** as to whether their proposal was complete, met the minimum experience and capacity requirements and if so, how they were scored by the Selection Panel. In the event that two or more proposals are given



the same (highest) score, the Selection Panel may ask that an interview be scheduled to assist the Director in his decision regarding who shall be selected.

Interviews: The Selection Panel will schedule interviews with the development teams that met the threshold requirements, which will take place during the week of **June 8, 2015**.

Final Selection: Subject to approval by the Director of MOHCD, selections will be completed by **Friday, June 19, 2015**

## VI. TERMS AND CONDITIONS OF REQUEST FOR PROPOSALS

### A. Developer Responsibilities

The selected developer will be responsible for all aspects of development of the Site, including but not limited to the following:

- Investigating and determining conditions of the Site and the suitability of the Site for the proposed Project.
- Securing all required development approvals, including but not limited to any necessary permits or approvals from the City's Planning Department and Department of Building Inspection, and from federal and State agencies associated with environmental and historic preservation reviews as applicable.
- Obtaining adequate financing for all aspects of the proposed Project, including predevelopment, construction and operation.
- Designing and building the Project in a manner that produces a high-quality, enduring living environment.
- Owning, managing, and operating the Project in a manner that ensures its long-term financial viability and the ongoing satisfaction of residents.
- Complying with the requirements of any financing for the Project, including but not limited to:
  - a. Equal Employment Opportunities – The selected developer will be required to comply with local and federal procurement requirements, including the provision of equal employment opportunities for disadvantaged business consultants, architects, contractors, and other potential development team members to participate in the project. To ensure that equal opportunity plans are consistent with City and Federal procurement requirements, sponsors should meet with MOHCD and San Francisco Contract Monitoring Division (CMD) staff prior to hiring their development team to develop a plan for such compliance. Although the City's Contract Monitoring Division (CMD) does not require prior approval or monitoring of procedures for selecting the architect for purposes of responding to this RFP, the architect's Local Business Enterprise (LBE) status will be counted toward the overall project's procurement goals which will be set at a later date.

- b. Environmental Review - Depending on conditions at the project site and on project plans, the proposed Project may be subject to review under the California Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA) and specifically the Section 106 historical resources preservation review. Department of City Planning design review may also be required.
- c. Accessibility Requirements - Project sponsors will be responsible for meeting all applicable accessibility standards related to publicly-funded multifamily housing under Section 504 of the Rehabilitation Act of 1973, the Architectural Barriers Act, the Americans with Disabilities Act, and certain statutes and regulations of the City and County of San Francisco. At least 50% of all units must be adaptable and a minimum of 10% of the units must be accessible, including units for the visually and hearing impaired.
- d. Prevailing Wages – This project will be subject to applicable local, state or federal requirements with regard to labor standards. Developers should take prevailing wage requirements and labor standards into account when seeking estimates for contracted work, especially the cost of construction, and other work to which the requirements apply, and when preparing development budgets overall.
- e. Employment and Training – The selected development team will be required to work with the CityBuild initiative of the Office of Economic and Workforce Development to comply with local and federal requirements regarding the provision of employment opportunities for local and low-income residents and small businesses during both the development and operation of the Project.
- f. Sustainable Design - The Mayor’s Office of Housing seeks to maximize the overall sustainability of financed projects through the integrated use of “green” building elements in partnership with the Green Communities Initiative established by Enterprise and Natural Resources Defense Council (NRDC) (see <http://www.greencommunitiesonline.org>). The selected development team will be required to pursue any funding that may become available to help pay for the cost of planning and implementing green building components.<sup>1</sup>
- g. Insurance Requirements – see Exhibit A -- Insurance Requirements

## **B. Errors and Omissions in RFP**

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<sup>1</sup> Programmatic goals for projects should focus on durability, energy efficiency, indoor air quality and recycling. Respondents may obtain more information about “green” building strategies and resources from Leadership in Energy and Environmental Design (LEED) program, described at <http://www.usgbc.org>. Additional information on “green” affordable housing initiatives can be found in Alameda County’s *Multifamily Green Building Guidelines* at <http://www.stopwaste.org/home/index.asp?page=291>, and at <http://www.greenaffordablehousing.org>.

Respondents are responsible for reviewing all portions of this RFP. Respondents are to promptly notify MOHCD, in writing, if the respondent discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to MOHCD promptly after discovery, but in no event later than five (5) working days prior to the date for receipt of proposals. Modifications and clarifications will be made by addenda as provided below.

### **C. Addenda to RFP**

MOHCD may modify the RFP, prior to the response due date, by issuing written addenda. Addenda will be sent via email to the last known address of each person or firm listed with MOHCD as having received a copy of the RFP for proposal purposes. MOHCD will make reasonable efforts to notify Respondents in a timely manner of modifications to the RFP. Notwithstanding this provision, the Respondent shall be responsible for ensuring that its proposal reflects any and all addenda issued by MOHCD prior to the proposal due date regardless of when the proposal is submitted.

### **D. Sunshine Ordinance**

In accordance with San Francisco Administrative Code Section 67.24(e), contractors' bids, responses to RFP's and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

### **E. Reservations of Rights by the City**

1. The issuance of this RFP and the selection of a developer pursuant to this RFP are in no way a limitation of the discretion of any City board, commission, department, employee or official with respect to any review or approval required in connection with the proposed Project. The City's selection of a developer is in no way deemed to be the final approval of any project proposed by the developer.

2. The information in this RFP is provided solely for the convenience of respondents.

3. The City expressly reserves the right at any time to do waive or correct any defect or technical error in any response or procedure, as part of the RFP or any subsequent negotiation process; reject any or all responses, without indicating the reasons for such rejection; reissue a Request for Proposals; modify or suspend any and all aspects of the selection procedure, the scope of the proposed project or the required responses, or the processes indicated in this RFP; request that respondents clarify, supplement or modify the information submitted; extend deadlines for accepting responses, or request amendments to responses after expiration of deadlines; negotiate with any, all or none of the respondents to this RFP; make a selection based directly on the proposals, or negotiate further with one or more of the respondents; during negotiation, expand or contract the scope of the proposed project, or otherwise alter the project

concept in order to respond to new information, community or environmental issues; if at any time prior to the execution of binding agreements with the developer MOHCD, in its sole discretion, determines that the selected developer will be unable to proceed with a timely and feasible Project in accordance with this RFP, MOHCD may terminate negotiations with the highest ranked respondent and begin negotiations with the next highest ranked respondent; or determine that no project will be pursued.

4. The issuance of this RFP does not obligate the City to pay any costs whatsoever incurred by any respondent, including but not limited to costs incurred in connection with the preparation or presentation of responses or negotiations with the City. Developer teams responding to this RFP do so at their own expense. **The foregoing notwithstanding, MOHCD will reimburse the cost for architectural analysis and submittal materials required by this RFP as set forth below.**

MOHCD is requiring the submittal of a number of architectural work products as part of this RFP. In order to encourage participation by qualified architects and to mitigate some of the design costs to the developers and architects submitting proposals, MOHCD will reimburse Respondents whose proposals are not selected pursuant to this RFP and which, in the sole discretion of MOHCD, are deemed to have been complete and to have met each of the minimum qualifications described in Section **V. B. *Minimum Experience and Capacity Requirements*** of this RFP. The total aggregate payment for architectural reimbursables by MOHCD shall not exceed \$50,000 and the reimbursement paid to any single Respondent shall not exceed \$5,000. Reimbursement requests may be made upon a Respondent's receipt of notice from MOHCD that its proposal was complete and met the minimum qualifications but was not selected by the Director of MOHCD for implementation on 1950 Mission, upon execution of a grant agreement with MOHCD for these funds, and upon submission of invoices from the appropriate Architects.

5. The issuance of this RFP is only an invitation to submit qualifications, and does not constitute an agreement by the City that any contract will actually be entered into by the City. This RFP does not in any way limit the discretion of any City board, commission, employee or official with respect to any review or approval of any aspect of a proposed project.

6. The City will not approve any ground lease for the Site that would allow for its development until there has been compliance with the California Environmental Quality Act (CEQA), and, as applicable, the National Environmental Protection Act (NEPA). If the proposed Project is found to cause significant adverse impacts, the City reserves absolute discretion to require additional environmental analysis, and to: (a) modify the project to mitigate significant adverse environmental impacts; (b) select feasible alternatives which avoid significant adverse impacts of the proposed project; or (c) reject or proceed with the project as proposed, depending upon a finding of whether or not the economic and social benefits of the project outweigh otherwise unavoidable significant adverse impacts of the project.

7. The City reserves the right to disqualify any respondent to this RFP based on any real or apparent conflict of interest that is disclosed by the responses submitted or on the basis of other information available to the City. This City may exercise this right in its sole discretion.

## **Exhibit A: Insurance Requirements**

### 1. Developer, Contractors.

(a) to the extent Developer or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident, injury or illness;

(b) commercial general liability insurance, with limits no less than One Million Dollars (\$1,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000) annual aggregate limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; products and completed operations; broad form property damage; and explosion, collapse and underground (XCU) coverage during any period in which Developer is conducting any activity on, alteration or improvement to the Site with risk of explosions, collapse, or underground hazards;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance of no less than One Million Dollars (\$1,000,000) per claim and Two Million Dollars (\$2,000,000) annual aggregate limit covering all negligent acts, errors and omissions of Developer's architects, engineers and surveyors. If the professional liability insurance provided by the architects, engineers, or surveyors is "Claims made" coverage, Developer shall assure that these minimum limits are maintained for no less than three (3) years beyond completion of the constructions or remodeling. Any deductible over Fifty Thousand Dollars (\$50,000) each claim must be reviewed by Risk Management; and

(e) a crime policy or fidelity bond covering Developer's officers and employees against dishonesty with respect to the Funds of no less than Seventy Five Thousand Dollars (\$75,000) each loss, with any deductible not to exceed Five Thousand Dollars (\$5,000) each loss, including the City as additional obligee or loss payee;

(f) pollution liability and/or asbestos pollution liability applicable to the work being performed with a limit no less than One Million Dollars (\$1,000,000) per claim or occurrence and Two Million Dollars (\$2,000,000) annual aggregate per policy. This coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Developer's contractor, provided that the policy must be "claims made" coverage and Developer must require Developer's contractor to maintain these minimum limits for no less than three (3) years beyond completion of the construction or remodeling.

### 2. Property Insurance.

Developer must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

(a) Prior to construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all improvements prior to commencement of construction and City property in the care, custody and control of the Developer or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

(b) During the course of construction:

(i) Builder's risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Developer or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such covered perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing, copy of the applicable endorsement to the Builder's Risk policy, if the Builder's Risk policy is issued on a declared-project basis; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

(ii) Performance and payment bonds of contractors, each in the amount of One Hundred Percent (100%) of contract amounts, naming the City and Developer as dual obligees or other completion security approved by the City in its sole discretion.

(c) Upon completion of construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Developer or its contractor. For rehabilitation/construction projects that are unoccupied by residential or commercial tenants, Tenant must obtain Property Insurance by the date that the project receives a Certificate of Substantial Completion.

(ii) Boiler and machinery insurance, comprehensive form, covering damage to, loss or destruction of machinery and equipment located on the Site that is used by Developer for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City as loss payee.

The following notice is provided in accordance with the provisions of California Civil Code Section 2955.5: Under California law, no lender shall require a Developer, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

3. Commercial Space.

Developer must require that all nonresidential tenants' liability insurance policies include Developer and the City as additional insureds, as their respective interests may appear. Throughout the term of any lease of Commercial Space in the Project, Developer must require commercial tenants to maintain insurance as follows:

(a) to the extent the tenant has "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident;

(b) commercial general liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including coverage for contractual liability; personal injury; advertisers' liability; including coverage for loss of income due to an insured peril for twelve (12) months; owners' and contractors' protective; broadform property damage; explosion, collapse and underground (XCU); products and completed operations coverage;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) with respect to any tenant who has (or is required by Law to have) a liquor license and who is selling or distributing alcoholic beverages and/or food products on the leased premises, to maintain liquor and/or food products liability coverage with limits not less than One Million Dollars (\$1,000,000), as appropriate;

(e) special form coverage insurance, including vandalism and malicious mischief, in the amount of 100% of the full replacement cost thereof, covering all furnishings, fixtures, equipment, leasehold improvements, alterations and property of every kind of the tenant and of persons claiming through the tenant; and

(f) full coverage plate glass insurance covering any plate glass on the commercial space.

4. General Requirements.

(a) General and automobile liability policies of Developer, contractors, commercial tenants and property managers must include the City, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the City.

(b) All policies required by this Agreement must be endorsed to provide no less than thirty (30) days' written notice to the City before cancellation or intended non-renewal is effective.

(c) With respect to any property insurance, Developer hereby waives all rights of subrogation against the City to the extent of any loss covered by Developer's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Developer's insurance by the City will not relieve or decrease the liability of Developer under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the City and its officers, agents and employees will not be liable for any required premium.

(f) The City reserves the right to require an increase in insurance coverage in the event the City determines that conditions show cause for an increase, unless Developer demonstrates to the City's satisfaction that the increased coverage is commercially unreasonable and unavailable to Developer.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.



(j) Developer must provide the City with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

ATTACHMENTS:

1. Proposal Metrics
2. Respondent Description
3. Projected Staffing Workload
4. Service Provider Residential Experience
5. MOHCD Sources and Uses
6. LOSP Operating Budget including 20 year cash flow
7. Disclosures