

NOTICE OF FUNDING AVAILABILITY

**Acquisition and Predevelopment Financing for
AFFORDABLE RENTAL HOUSING FOR FAMILIES INCLUDING FAMILIES
EXPERIENCING HOMELESSNESS**

Issue Date: April 25, 2022
Application Due Date: May 23, 2022

*Issued by the Mayor's Office of Housing and Community Development
and the Department of Homelessness and Supportive Housing of the City and County
of San Francisco (City)*

Available Funds: up to **\$16,000,000** for a new construction project serving low and moderate-income families, including at least 50% families experiencing homelessness

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I. INTRODUCTION

In order to promote the development of permanent affordable housing for low-income families, including homeless households, the Mayor's Office of Housing and Community Development ("MOHCD") and the Department of Homelessness and Supportive Housing ("HSH") announce the availability of acquisition and predevelopment funding for the development of new, permanent affordable housing for families, with at least 50% of units provided for families experiencing homelessness. Funding for these activities comes from the Our City Our Home Fund (OCOH) and from The San Francisco Housing Trust Fund (HTF) whose goals include:

- House at least 4,000 homeless people and expand shelter beds by 1,000 within five years, fund legal assistance and rent subsidies to keep San Franciscans housed (OCOH)
- Provide a permanent source of revenue to fund the creation of affordable housing for low and middle income households over the next 30 years (HTF)

This NOFA specifically addresses MOHCD and HSH's common mandate to create new affordable, low-income units for families experiencing homelessness. MOHCD and HSH will select proposals that show a clear ability to meet these goals:

1. Efficiently and quickly produce high-quality and community-serving affordable housing, efficiently and quickly, through demonstrated **Project Readiness**.
2. Maximize the benefit of the City's subsidy dollars through demonstrated **Cost-Effectiveness**, whether via low-to-no land costs, use of efficient construction techniques and/or materials, or other identified cost-saving measures.
3. **Serve at least 50% Families Experiencing Homelessness referred through the City's Coordinated Entry System.**
4. Align with the implementation of **City policies** on anti-displacement, racially inclusive communities, and creating stable housing for vulnerable populations;
5. Ensure that development teams are working within a **culturally competent approach** throughout the development process;
6. Create opportunities for growth of smaller and Black, Brown, Indigenous and other people of color, **(BIPOC)-led organizations** in development role or as members of the development team;
7. Select partners that are able to work with MOHCD and HSH to deploy city resources, tools and expertise **to create developments that are responsive to populations disproportionately impacted by systemic racism.**

Funds issued under this NOFA will be available in the Summer of 2022. MOHCD and HSH reserve the right to select any number of Projects they determine appropriate, given available resources for housing development and in order to fulfill the express goals of the NOFA.

II. IMPORTANT DATES AND SUBMISSION PROCESS

A. IMPORTANT DATES

NOFA Issued	APRIL 25, 2022
Pre-submission conference via Zoom or MS Teams	MAY 3, 2022
Deadline for questions and requests for additional information	MAY 13, 2022
Proposal Submissions Due	MAY 23, 2022
Notification to Project teams who met submission requirements	MAY 27, 2022
Project team interviews, if necessary	EARLY JUNE 2022
Announcement of selection of projects	MID-JUNE 2022
Deadline for Objections	LATE JUNE 2022

B. PRE-SUBMISSION MEETING

MOHCD will hold a pre-submission conference via ZOOM or Microsoft Teams on May 3, 2022 at 2:00 p.m. The purpose of the meeting is to ensure that interested developers understand the minimum qualifications requirements and the selection process. Questions raised at the conference may be answered verbally at that time. If any substantive new information is provided in response to questions raised at the pre-submission conference, MOHCD will issue a written addendum to the NOFA (in the form of a Question and Answers document) with this information to all parties that have registered for the NOFA. No questions or requests for interpretation will be accepted after May 13, 2022. Attendance at the pre-submission conference is highly recommended but not mandatory. Please see below regarding **Attachment C – NOFA Registration Form**.

C. REGISTRATION FOR NOFA REQUIRED

To receive MOHCD's responses to requests for additional information and to questions about this NOFA, and to submit a proposal, all interested parties must submit a completed NOFA Registration Form to MOHCD by May 3, 2022. All addenda, responses and instructions for electronic submission will be distributed to all parties who have submitted a registration form in accordance with Section IIB above. MOHCD reserves the sole right to determine the timing and content of the response, if any, to all questions and requests for additional information. Questions and information requests should be submitted to the contact person identified in Section IIE below.

D. QUESTIONS AND REQUESTS FOR INFORMATION

All questions and requests for additional information regarding this NOFA must be submitted by e-mail to **omar.masry@sfgov.org**. Questions received after the deadline may not be answered. All addenda, responses, and additional information will be distributed to all parties who have submitted a registration form in accordance with Section IIB.

E. CONTACT PERSON, SUBMISSION DEADLINE AND PLACE

All communications about this NOFA should be directed to Omar Masry, at SF MOHCD, at **omar.masry@sfgov.org**.

Respondents to this NOFA must submit one (1) electronic copy of each of their proposals to MOHCD via **SFSecureShare**, no later than 4:00 PM, May 23, 2022. **Proposals are to be delivered by email at omar.masry@sfgov.org by providing a DropBox link. Respondents who submit registration forms will be advised of any information necessary for the electronic submittal process.**

F. FINAL REVIEW AND COMMITMENT OF FUNDS

Selected applications will be scheduled for review and funding commitment by the Citywide Affordable Housing Loan Committee. All commitments recommended by the Loan Committee are subject to final approval by the Mayor. Commitments may be conditional; actual closings and disbursements of funds may be contingent on applicants' achievement of certain development benchmarks or performance goals. The City reserves the right to commit funds to a successful applicant in an amount that differs from the originally requested amount. The City also reserves the right to award an aggregate amount that exceeds the amount identified as available under this NOFA if necessary to fully fund a selected project.

III. PROJECT EXPECTATIONS

A. RACIAL EQUITY GOALS

Pursuant to San Francisco Administrative Code Chapter 47, MOHCD has adopted explicit policies in its Certificate of Preference ("**COP**"), Displaced Tenant, and Neighborhood Resident Preference Programs which provide historically displaced and vulnerable populations who reside within the community preference in obtaining access to quality affordable housing. In an effort to redress past and present inequities, the selection process for this NOFA will favor developers who have direct experience working with COP holders, or populations who share characteristics with the COP population.

The Department of Homelessness and Supportive Housing (HSH) seeks to become an institution that represents the diversity of the communities we serve and fosters a more diverse, equitable, and inclusive (DEI) culture that recognizes and creates belonging for everyone in our Homeless Response Systems across all work functions, levels, and services. Diversity, Equity, and Inclusion is the foundation upon which HSH engages and assists those we serve, builds relations with those who provide services on our behalf, and infuses the values and beliefs that enable our colleagues and contractors to develop their potential and bring their full selves to the work we do to end homelessness in the City and County of San Francisco.

HSH seeks to partner with organizations who demonstrate a deep understanding of and focus on racial equity to achieve different outcomes in the communities HSH serves and pay close attention to those who are often excluded.

Additional expectations for any proposed Project related to Racial Equity include:

- Maximize the number of priority placements (COP holders, etc.)
- Maximize (meet or exceed) the City's requirements for promotion of SBE/LBE organizations with contracts and local hiring with construction labor
- Create opportunities for growth of smaller and Black, Brown, Indigenous and other people of color, (BIPOC)-led organizations in development role or member of development team
- Provide initial draft marketing plans within 18 months of anticipated Temporary Certificate of Occupancy ("TCO"), outlining the affirmative steps Respondents will take to market each Project to the City's preference program participants including Certificate of Preference (COP) Holders, Displaced Tenants, and Neighborhood Residents, as well as how the marketing is consistent with the Mayor's Racial Equity statement and promotion of positive outcomes for African American San Franciscans.
- MOHCD will be requesting demographic data regarding the Boards of Directors of member organizations of the Development Team's and of the staff of the Respondents that are selected. This data will not be evaluated or scored.
- Developer fee will be split per MOHCD guidelines.

B. ALIGNMENT WITH MOHCD AND HSH GOALS

1. **MOHCD.** Respondents should align their development approach with the key findings articulated in MOHCD's Theories of Change as discussed in the 2020-2024 Consolidated Plan at [this link](#). MOHCD has determined that the optimum way to address the City's priority needs is to work towards a set of five interconnected, multidisciplinary objectives that cross program areas and utilize leveraged strategies both internally and across multiple city departments. These five objectives are:

- Objective 1: Families and individuals are stably housed
- Objective 2: Families and individuals are resilient and economically self-sufficient

- Objective 3: Communities have healthy physical, social, and business infrastructure
- Objective 4: Communities at risk of displacement are stabilized
- Objective 5: City works to eliminate the causes of racial disparities

MOHCD has also identified five target populations based on the findings from the Consolidated Plan community engagement process. These are:

- Households experiencing a legacy of exclusion
- Households destabilized by system trauma
- Households with barriers to access to opportunities
- Extremely and very low-income households
- Households at risk of displacement

2. HSH.

HSH strives to make homelessness in San Francisco a rare, brief, and one-time occurrence through the provision of coordinated, compassionate, and high-quality services. The strong partnership with stakeholders allows for this to be a reality for households experiencing homelessness.

All households will be referred by HSH through Coordinated Entry, and/or other initiatives serving high priority individuals in coordination with Coordinated Entry, such as high users of multiple systems of care, individuals being discharged from hospitals or persons with behavioral health conditions. Coordinated Entry organizes the City's Homelessness Response System with a common, population-specific assessment, centralized data system, and prioritization method, and identifies households with acute needs for Supportive Housing.

Respondents should be committed to the following:

- Filling at least 50% of project units with families experiencing homelessness, a population in which Black, Brown, Indigenous and other people of color are disproportionately represented.
- An ability to lead with a Housing First philosophy, which includes principles of harm reduction and low barriers to entry
- A racial equity-based, culturally responsive and trauma-informed approach to setting up programs and process; and
- An ability to collaborate with tenants, providers and the community with the goal of stabilizing households in housing.
- An ability to conduct equity-focused data analyses and use feedback from the served population to enhance the project.

Housing First principles are found in the California Welfare and Institutions Code Section 8255. Under Housing First, tenant screening and selection practices must promote accepting applicants regardless of their sobriety or use of substances, completion of treatment, or participation in services. Tenant applicants must not be

rejected based on poor credit or financial history, poor or lack of rental history, criminal convictions unrelated to tenancy, or behaviors that indicate a lack of “housing readiness.”

Additionally, in 2021 HSH published a [Documentation Policy](#) which addresses HSH’s goals to reduce barriers to housing that might be created with the application process, and this policy is in congruence with Housing First principles. Funded projects will be expected to adhere to this policy when placing homeless families.

C. DEVELOPMENT GOALS:

- Commence construction on the Project as soon as possible, using streamlined ministerial approval processes. For example, SB35 may be used in conjunction with the Affordable Housing Density Program or the State Density Bonus Program.
- Maximization of the number of units and density within a mid-rise construction type (75’ occupied space) and/or limit of per unit City contribution to at or below average of similar, while balancing community input on unit configuration and size. Units for families experiencing homelessness should not be studios or junior one bedrooms;
- Where applicable, provision of ground floor commercial spaces that serve the neighborhood (including the residents of the Project), with specific programming determined through a comprehensive community outreach process where ground floor commercial uses are appropriate and feasible;
- Set aside a minimum of 50% of units for families experiencing homelessness, in units subsidized by the City’s Local Operating Subsidy Program (“LOSP”) and a City services contract. The LOSP will be administered through a 15-year contract with MOHCD, to cover the difference between tenant-paid rents for LOSP units and operating expenses attributable to LOSP units. LOSP operating subsidy calculations should account for all typical costs of operations, reserves and fees on a pro-rata basis. LOSP subsidies may not be used to pay hard debt service, other than qualified minimal debt service payments for state financing. Applicants offering LOSP units will need to apply for funding for provision of services to these formerly homeless households through HSH.
- Maximum rents for the non-LOSP units will be restricted to an unsubsidized average income of 60% Unadjusted San Francisco Area Median Income (“AMI”), as defined by MOHCD. At least 50% of the units must be set aside for homeless households at very low income levels (30%-50% AMI).
- Maximize the number of target population placements into the Project (COP holders, etc.).
- Conduct community outreach to engender support for the Project;
- Secure construction and permanent financing that minimizes City resources to the greatest extent possible, e.g. a State of California, Housing & Community Development (HCD) loan and/or philanthropic contribution;

- Achieve a feasible project within the funding constraints, namely, \$250,000 of City subsidy per unit.
- Provide on-site housing stabilization and case management services to formerly homeless residents referred from Coordinated Entry at a cost-effective case management ratio (approximately 1:20), established in consultation with HSH.
- Deed land in fee simple to the City (subject to final approval by the Board of Supervisors) which will enter into long-term ground leases with the developers.

D. ELIGIBLE USES OF FUNDS

Funding awarded through this NOFA may be used to support a variety of pre-construction housing development activities for the production of new affordable rental housing, including but not limited to the following:

1. Property acquisition and holding costs;
2. Architectural and engineering expenses;
3. Environmental assessments;
4. Appraisals;
5. Legal costs; and/or
6. Project management.

Costs associated with the acquisition or design of commercial, office or community spaces may also be eligible uses of City funds, depending on how the use of these spaces relates to the proposed housing and the extent to which other potential resources for developing these spaces are utilized. Hard and soft costs associated with tenant improvement of such spaces are not eligible for support with these funds.

Projects currently under development that have existing funding commitments from MOHCD, HSH or the Mayor's Office of Community Infrastructure and Investment (OCII) are not eligible for funding under this NOFA.

IV. SELECTION PROCESS, MINIMUM CAPACITY AND EXPERIENCE REQUIREMENTS, SELECTION CRITERIA AND SCORING, AND SUBMITTAL REQUIREMENTS OVERVIEW

A. SELECTION PROCESS

MOHCD staff will review all submittals for completeness and satisfaction of minimum experience and capacity requirements (see Section B below). If a submittal does not meet minimum experience and capacity requirements, the respondent may submit an appeal to MOHCD staff on technical grounds only.

A Selection Panel will be appointed by the Director of MOHCD composed of persons with expertise in the areas of development, affordable housing finance, affordable housing construction management, community development, commercial space development, housing access/marketing, housing and services for homeless households, and public design/arts commission, as well as community representatives.

The Selection Panel will review all qualified responses (see Section C below) and may interview top-scoring Respondents, at which time Respondents will be asked to present and explain the major characteristics of their submittal, particularly as they relate to the Scoring Criteria, and respond to questions from the Selection Panel.

After any 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.

The Director will then select Project(s) for this funding pool and advise the Mayor of these selections. MOHCD and the selected teams will enter into acquisition and predevelopment loan agreements with specific milestone achievement requirements established in accordance with the terms of this NOFA. If MOHCD staff cannot enter into a loan agreement with a selected development team that is in the best interest of the City, the MOHCD Director may terminate negotiations in his sole discretion. If the MOHCD Director terminates negotiations with a selected development team, the MOHCD Director reserves the right, in his sole discretion, to (1) negotiate with the next highest ranked Respondent, or (2) reject any and all other proposals, in whole or in part, prior to award, and (3) may re-advertise the NOFA for the full or partial funding amount under such terms the MOHCD Director deems to be in the City's best interest. MOHCD reserves the right to appoint additional parties to the selected development team should it be determined that the team lacks representation necessary to the achievement of the goals of the NOFA.

B. MINIMUM QUALIFICATIONS

1. MINIMUM DEVELOPMENT TEAM CHARACTERISTICS

The proposed Development Team must include:

- A non-profit developer (or developers) with experience developing permanent supportive housing for formerly homeless families 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 permanent supportive housing for homeless families in San Francisco (the "Developer"); the development team must have demonstrated experience conducting effective community outreach and engagement.
- A property owner entity with experience owning housing for low-income communities, including formerly homeless families;
- A property management entity with experience managing housing for formerly homeless families with Housing First principles, preferably in San Francisco;
- A community-based, service-providing entity with experience providing culturally competent, and trauma-informed services appropriate for formerly homeless families in a supportive housing context.

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. MINIMUM DEVELOPMENT TEAM EXPERIENCE

Minimum experience must be demonstrated by identifying specific **Qualifying Projects** in which team members have participated, as further described below. The proposed Development Team must submit **Form 5 - Qualifying Project Form**, to document how the Qualifying Project characteristics meet each of the experience categories below (developer, owner, property manager, service provider.)

To demonstrate the minimum required development team experience, each team should submit one project for each experience category. When appropriate, teams may submit the same project as evidence of experience across multiple experience categories, or may use different projects to demonstrate experience across categories. In all cases, no more than four (4) total Qualifying Projects should be submitted. **Qualifying Projects will not be scored, but are used to identify if the proposed Development Team meets the minimum development team experience required to develop the Site.**

For Developer and Owner, a **Qualifying Project** must have all of the following characteristics:

- new construction (not a requirement for Minimum Service Provision Experience) in a construction type appropriate for the proposed site development (not a requirement for Minimum Property Manager and Service Provision Experience)
- a supportive affordable housing development for families experiencing homelessness
- financed by use of Low-Income Housing Tax Credits.

3. MINIMUM DEVELOPER AND OWNER CAPACITY REQUIREMENTS

a. Minimum Developer Experience

The proposed Developer must have completed within the past ten years at least **one** Qualifying Project located in San Francisco. The definition of “completed” of a Qualifying Project means having received Temporary Certificate of Occupancy by the date of the issuance of the NOFA. For joint-venture Development partners, the experience of either 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 RFQ response and must be acceptable to MOHCD.

- b. **Minimum Ownership Experience** - The proposed Owner of the Project must have owned at least **one** Qualifying project housing formerly homeless families in San Francisco for at least 5 years prior to the Submittal Deadline of this NOFA. For purposes of this requirement, the managing general partner of the tax credit partnership intended to take ownership of the completed Project and to provide asset management for the Project is the proposed "Owner".

In addition, each proposed Owner must provide evidence of experience with owning housing financed with Low Income Housing Tax credits. This experience does not have to be on the same project that satisfies the 5-year ownership requirement. If the Selected Developer entity is not the same entity as the proposed Owner, MOHCD reserves the right to require that certain members of the Selected Developer remain active in the ownership for whatever length of time MOHCD deems necessary to ensure operating and financial stability.

- c. **Minimum Property Manager Experience** - The proposed property manager for the Project must have managed at least two Qualifying Projects for formerly homeless households, including at least one project in San Francisco, each for at least 36 months. In addition, the Property Manager must provide evidence of experience with managing housing financed with Low Income Housing Tax credits and operating projects with a Housing First approach. The Property Manager must demonstrate effective strategies for working with service providers to collaborate on housing stability of residents.
- d. **Minimum Service Provision Requirements** - The proposed service provider(s) must have at least 36 months' experience providing supportive services to formerly homeless families within a Qualifying Project, including case management and comprehensive services for homeless households in a residential setting. The proposed service provider(s) must demonstrate effective strategies with working with property management to collaborate on housing stability of residents. The proposed service provider(s) must have the infrastructure to supervise and train the onsite staff and their supervisors.
- e. **Other Consultants** – For any Respondent team, the experience of key staff members or "other consultants" may be substituted for the experience of the organization as a whole as long as the staff member's or consultant's experience in other firms was substantive and involved responsibilities similar to what they are anticipated to perform as a member of the Respondent's team.

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 those that they are anticipated to perform during the proposed

development of the Site. Any substitution should be clearly identified in Attachment E, Qualifying Project Form.

The proposed Developer and Owner must demonstrate the financial and staffing capacity to successfully complete the project and manage the asset in the long-term, as further described below.

4. **Financial Capacity:** The proposed Developer (or Guarantor where another entity is providing required guarantees) must demonstrate its ability to obtain competitive financing, as evidenced by submitting the latest (2) years of either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any). The proposed Developer must also submit **Attachment F – Financing Terms for Developer’s Qualifying Project** documenting the equity pricing and debt terms for the Qualifying Project submitted under Minimum Developer Experience.
5. **Staffing Capacity:** The proposed Developer must document its capacity to successfully plan, design, and develop the Project, throughout the period of development, either through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. To document this, the proposed Developer must submit a written narrative **no more than one page** (in Times New Roman font, 12 font size, and 1-inch margins) to document the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff. The proposed Developer must also submit **Attachment G – Projected Staffing Workload Form** to document the work assignments (existing or contemplated) associated with each staff person expected to work on the Project for Developer.
6. **Asset Management Capacity:** The proposed Owner must document its capacity to successfully manage real estate assets in compliance with City regulatory agreements and restrictions. To document this, the proposed Owner must submit a recent Real Estate Owned (REO) schedule, stating the number of projects and average number of units/project currently in Owner’s asset management portfolio, proposed Owner’s current asset management staffing noting job titles, FTEs, and status of each position (filled/vacant) and proposed Owner’s organizational chart.

C. Minimum Proposal Requirements.

Eligible Proposals:

1. Must demonstrate *site control* as evidenced by appropriate documentation. The proposed purchase price must be reasonable in comparison to other sites in the neighborhood, and in comparison to other affordable housing sites in the City. Prior to any disbursement of funds for acquisition, an appraisal supporting the acquisition cost will be required.

2. Must include the opportunity for the City to eventually own the land as ground lessor under a long-term ground lease structure or some other land dedication/ subdivision mechanism that will insure long-term affordable housing as the primary use of the land.
3. Must demonstrate financial feasibility. The project must be financially feasible, including realistic development and operating budget projections that conform to industry standards, including TCAC minimum standards. Each proposed financing source must be realistic, compatible with MOHCD and all other committed or proposed funding sources, and appropriate for the proposed housing. Applicant must demonstrate that there is a reasonable likelihood that all identified development sources will be secured in a timely manner.
4. Must demonstrate – through provision of specific examples of inputs used for estimating - that the project's total development budget, as well as its specific line items, are comparable to recent and similar projects, to industry standards and are compliant with funding source regulations, MOHCD policy and most recent underwriting guidelines. Cost per unit, per square foot (land area and building space), per bed or bedroom will be examined relative to total development cost, City subsidy and construction cost.

Note: The MOHCD underwriting guidelines may be found here:

<http://www.sfmohcd.org/documents-reports-and-forms>

5. Must propose the maximum use of available, non-local funds to achieve the highest reasonable financial leveraging of capital resources for the predevelopment, construction and permanent phase. The amount of City funds requested per unit and the actual or proposed level of funds to be leveraged from other sources will be examined.
6. Displacement or relocation that is required as a condition of site control is highly discouraged, though in some cases may be justified. Proposals that include any displacement/relocation (including any relocation of commercial uses) must include a full relocation plan and budget.
7. Must budget for a supportive services and housing stabilization component that is appropriate for the needs of the anticipated tenant population, and within HSH's funding guidelines for the services contract, assuming at least 50% families experiencing homelessness.
8. Must include a community engagement plan that demonstrates the capacity to generate necessary neighborhood support for the proposed development. Include any evidence of support expressed to date for the project, as well as plans for community engagement going forward.
9. Must express a commitment to pursue racial equity consistent with HSH's (See Section IIIA 0MOHCD's racial equity goals, as follows: through its policies, programs, resource allocation, and practices, MOHCD is committed to working in

partnership with communities, organizations and those that have been most harmed by racial inequity especially Black, Brown, Indigenous and other San Franciscans of Color to: protect against displacement; shape where they live and work; create thriving neighborhoods; and celebrate diverse cultures and unlock economic prosperity.

10. Ability for the project to make use of streamlined entitlements through SB 35 is highly desired.

D. FINANCING PLAN AND AFFORDABILITY RESTRICTIONS

Applicants should incorporate the following terms into their financing plans and submit a detailed sources and uses budget that reflects:

- a. Primary capital funding sources that include 4% low income housing tax credit equity with tax exempt bonds, City subsidy, and Federal Home Loan Bank Affordable Housing Program funds, and that may include any other funding sources developers deem applicable, such as State of California Department of Housing and Community Development (HCD) (for example, MHP and IIG) or CalHFA funds. Do not assume use of No Place Like Home funds.
- b. Rents set at affordability levels appropriate for the target population.
 - a. For the LOSP units serving formerly homeless families, developers should include a projected rent subsidy amount necessary to ensure affordability and to meet the building's operations and maintenance needs, including adequate reserve deposits, asset management and partnership management fees, mandatory hard debt payments to HCD, if any, and a minimum of 5 years of deferred developer fee, as applicable. For purposes of this projection, developers should assume that the actual tenant-paid portion of rental income is **\$250** per unit per month for formerly homeless households. *Future projections may differ given the proposed tenant population and subsidy program available.*

While a commitment of capital funding does not guarantee an award of local operating subsidies, the City will work with the selected developer to leverage the most appropriate subsidies to serve the target population. An application submitted under this NOFA is also considered an application for local operating subsidies should those subsidies be made available and are necessary.

- b. For the non LOSP units serving low income families, sponsors may propose rents up to the maximum tax credit eligible rent under the HUD Unadjusted Metro Fair Market Rent Area that contains San Francisco, as published annually by MOHCD ("MOHCD AMI"). For the LOSP units, sponsors should assume an ongoing rental subsidy sufficient to cover difference between \$250/month tenant payment and 60% MOHCD AMI rent levels.

- c. An operating budget that includes all expenses necessary to properly operate and maintain the building. This budget should include a service coordinator/connector staff position(s), at 1:100, to assist the non-homeless households. A separate budget should be attached for services that will support the 50% of households who were formerly homeless, for which the City will provide funding.
- d. A construction cost estimate that reflects current construction costs and show escalation assumptions as a separate line item.

All proposed financing will be subject to underwriting using the most current version of the Mayor's Office of Housing and Community Development's Underwriting Guidelines, available on the MOHCD website (see <https://sfmohcd.org/housing-development-forms-documents>).

E. DESIGN REQUIREMENTS

Applicants should provide concept-level drawings and/or diagrams that indicate the Project approximate height, bulk, site layout, unit count, and commercial/common space use, which can be printed on 8.5" x 11" paper, no more than 5 pages. The purpose of these diagrams will be to confirm the anticipated unit yield at the site, and its conformance to existing zoning restrictions including any available density bonuses. This information does not constitute a formal design submission. There is no reimbursement for costs related to this requirement.

F. SUPPORTIVE SERVICES REQUIREMENTS

1. Services Funding

This NOFA is part of the City's effort to facilitate the development of affordable permanent housing for low-income and homeless households by coordinating the review and approval of applications for capital resources from MOHCD with the review of funding requests for supportive services and operating subsidies from the Department of Homelessness and Supportive Housing (HSH). Generally, HSH will make direct referrals for any units targeting families that are homeless.

The winning developers will apply for services funding separately at the appropriate time. However, HSH, MOHCD and OCII, where applicable, collaborate closely on funding decisions in order to maximize the use of City resources. Capital funding decisions under this NOFA will include review and approval by representatives of all of these agencies. Successful applicants under this particular NOFA will receive priority for funding from HSH for services and operating subsidies.

2. Services Budget

As stated previously, operating budgets should include 1:100 staffing for the non-homeless residents.

For the 50% of units occupied by formerly homeless residents: assume that services for homeless families will be funded separately by HSH through direct contracts with the Projects' social services providers.

For the purposes of this NOFA only, respondents should budget \$1,000 per unit per month in services funding for the formerly homeless units. This amount may change during underwriting and services negotiations. Assume 1:20 case management staffing ratios for these units.

Services funding will be conditioned on continuous compliance with the terms of the Respondent's Local Operating Subsidies Program ("LOSP") agreements with MOHCD as well as the support services agreement held by HSH.

G. SELECTION CRITERIA AND SCORING

MOHCD's expectations for responsive submittals include a thorough discussion of Respondents' background in developing and managing permanently affordable housing for families and homeless families. Responses should include both a background and a vision statement articulating the application of best practices for the successful development of affordable housing and the achievement of desired outcomes and goals.

All applications that meet the Minimum Experience and Capacity Requirements will be scored and ranked according to the following selection criteria:

	Category	Points
A.	EXPERIENCE:	40
i.	Developer (12 pts) <ul style="list-style-type: none"> ➤ Experience with the following: <ul style="list-style-type: none"> ○ Completing projects on time and on budget ○ Obtaining competitive financing terms ○ Developing Type V/I or III/I construction ○ Developing housing for low-income families and those experiencing homelessness ➤ Building community support through outreach ➤ Current staff capacity and experience to take on this project type 	
ii.	Owner (4 pts) <ul style="list-style-type: none"> ➤ Track record successfully owning housing financed with Low-Income Housing Tax Credits <ul style="list-style-type: none"> ○ Experience owning affordable housing for low-income families and those experiencing homelessness 	

	<ul style="list-style-type: none"> ➤ Effectiveness of current asset management structure and staffing, given portfolio size ➤ Capacity for assuming asset management of an expanded portfolio once the development is complete 	
iii.	<p>Property Manager (8 pts)</p> <ul style="list-style-type: none"> ➤ Experience managing property for low-income families and those experiencing homelessness ➤ Experience achieving high rates of housing retention ➤ Implements low barrier tenant selection policies consistent with Housing First principles and the HSH Documentation Policy ➤ Contributes to long-term sustainability of the development ➤ Achieves cost efficiencies in operations 	
iv.	<p>Service Providers (8 pts)</p> <ul style="list-style-type: none"> ➤ Experience delivering services to low-income families and those experiencing homelessness ➤ Experience linking residents to the City’s safety net of services ➤ Works with property management to achieve high rates of housing retention ➤ Supports positive outcomes for residents around health and economic mobility ➤ If applicable, provides explanation for service contracts terminated prematurely within the last 5 years ➤ Capacity to attract and retain adequate staffing to take on this project 	
v.	<p>Racial Equity (8 pts)</p> <ul style="list-style-type: none"> ➤ Describes level of racial equity awareness ➤ Experience providing housing to COP and neighborhood preference holders ➤ Uses innovative approaches to engagement with COP and neighborhood preference holders ➤ Demonstrates commitment to racially diverse project development teams ➤ Demonstrates experience with serving historically excluded communities of color, including formerly homeless households 	

	<ul style="list-style-type: none"> ➤ Describes approaches to overcoming historical obstacles to communities of color obtaining high quality affordable housing ➤ Describes experience providing access and implementing effective service delivery strategies to historically excluded communities of color, including formerly homeless households 	
B.	VISION:	60
i.	<p>Program Concept (20 pts)</p> <ul style="list-style-type: none"> ➤ Proposes site whose location, size, configuration, and zoning support the development of affordable and permanent supportive housing, including ability to maximize unit yield in a cost-effective construction type and make use of entitlement expediting such as SB 35. ➤ Describes vision for a development program at this site, while best achieving the project goals, and includes: <ul style="list-style-type: none"> ○ A residential program and other envisioned uses; ○ Indicates how the proposed uses and amenities will enhance the lives of the proposed target population and the surrounding neighborhood. ➤ Indicates particular groups served by the programs and spaces (families, families experiencing homelessness, young adults, children etc.). ➤ Describes how the program will contribute to lowering barriers to persons of color seeking and retaining quality housing. 	
ii.	<p>Community Engagement Strategy (10 pts)</p> <ul style="list-style-type: none"> ➤ Describes community engagement strategy and includes: <ul style="list-style-type: none"> ○ The team’s philosophy on community engagement; ○ Process for establishing and/or building positive relationships with surrounding neighbors and the larger community; ○ Efforts designed to engage all interested community members - particularly BIPOC members of the target populations - and 	

	<p>including monolingual non-English speaking members of the community;</p> <ul style="list-style-type: none"> ○ How the Development Team intends to comply with the City’s Language Access Ordinance. <ul style="list-style-type: none"> ➤ Describes the Team’s approach to achieving entitlements for the project expeditiously and the approach to maintaining and building community relationships after entitlements have been achieved and the development is in operations. ➤ Indicates how particular community engagement strategy will address the historical exclusion of communities of color from quality housing, including but not limited to marketing to attract target populations. 	
iii.	<p>Services Delivery Strategy (10 pts)</p> <ul style="list-style-type: none"> ➤ Describes the Development Team’s services delivery strategy and includes: <ul style="list-style-type: none"> ○ The overall service philosophy; ○ Model for providing services to formerly homeless residents (including case management ratio and provision of amenities such as front desk clerks, if applicable); ○ The services goals of the proposed vision. ➤ A brief description of the desired outcome of the services to be provided and innovative approaches to services provision, including the strategy of engaging residents and encouraging access to services. ➤ Describes how services for residents will be coordinated with the existing network of services in the neighborhood and community. 	
iv.	<p>Finance & Cost Containment Approach (10 pts)</p> <ul style="list-style-type: none"> ➤ Describes the Development Team’s financing approach to the project. ➤ Includes the Team’s process for structuring the project and controlling development costs. ➤ Includes innovative strategies intended to minimize MOHCD’s projected capital gap financing. ➤ Describes any innovative (i.e. non-standard, routine or commonly used) direct or indirect cost-cutting 	

	<p>strategies relevant to overall development, construction or operating expenses.</p> <ul style="list-style-type: none"> ➤ Does not include proforma financials. 	
v.	<p>Racial Equity Strategy (10 pts)</p> <ul style="list-style-type: none"> ➤ Explains how vision aligns with the primary goals of this NOFA set forth in the Introduction and Project Expectations. ➤ Proposes a substantive partnership that increases opportunity/capacity for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations ➤ Explains how the Development Team’s model removes barriers to intergenerational wealth, self-sufficiency and resiliency for persons of color, particularly COP holders, African American households and/or households in historically African American neighborhoods. ➤ Describes strategies used to help BIPOC tenants overcome barriers to accessing supportive services and income that mitigate the effects of poverty and lead to improved self-sufficiency. 	
TOTAL POSSIBLE POINTS		100

Projects must receive at least 70 points in order to proceed through the selection and award system.

1. Experience

In **no more than five pages** of written narrative (in Times New Roman font, 12 font size, 1-inch margins), describe how each member of the Proposed Development Team has the most relevant experience for the successful development of the project. **Describe how the Development Team has implemented lessons learned from past affordable housing experience.** Please note that Respondents are not limited to discussing the Qualifying Project(s).

a. Developer: Describe the Developer’s track record successfully developing high-quality affordable housing, including supportive housing. In particular, discuss the Developer’s experience completing housing development projects on time and on budget, obtaining competitive financing terms, developing type V/I or III/I construction, developing for low-income families and those experiencing homelessness and building community support for mixed use projects (affordable residential with ground floor commercial) through outreach for similar projects. Describe the experience and capacity of current staff to take on a project of this type.

- b. Owner:** Describe the Owner’s track record successfully owning housing financed with Low-Income Housing Tax Credits. In particular, discuss the Owner’s experience owning affordable housing for low-income families and those experiencing homelessness and describe the Owner’s current asset management structure, staffing and portfolio, and its capacity for assuming asset management of an expanded portfolio once the development is complete. For purposes of this requirement, the managing general partner of the tax credit partnership intended to take ownership of the completed project and to provide asset management for the project is the proposed “Owner”.
- c. Property Manager:** Describe the Property Manager’s track record successfully managing high-quality affordable housing communities. In particular, discuss the Property Manager’s experience providing management services for low-income families and those experiencing homelessness, including communities of color; experience achieving high rates of housing retention, implementing low barrier tenant selection policies, contributing to the long-term sustainability of the development, experience administering subsidies such as LOSP; and achieving cost efficiencies in operations.
- d. Services Provider(s):** Describe the Services Provider(s)’ track record delivering highly impactful services to residents in affordable and/or supportive housing developments. In particular, discuss the Services Provider(s)’ experience delivering services to low-income families and those experiencing homeless, including communities of color; linking residents to the City’s safety net of services; working with property management to achieve high rates of housing retention; and supporting positive outcomes for residents around health, economic mobility, and housing stability. If the Service Provider(s) have had any services contracts prematurely terminated in the last five years, include an explanation for each termination. Discuss strategies for eliminating barriers that prevent communities of color from accessing quality health care services, employment and educational opportunities.
- e. Racial Equity Strategy:** MOHCD recognizes the oppressive history of racial injustice, especially in housing and community services, the structural inequities that remain today, and the trauma those inequities perpetuate. Please describe the Developer team’s level of racial equity awareness using the guidelines below:
- Understands and communicates that reducing racial inequities is mission critical
 - Routinely collects, disaggregates, and analyzes data by race/ethnicity in programmatic and operational work
 - Views diversity as a value-added feature of organizations, and enquires about the cultural competence of staff and grantees to work with diverse groups
 - Has mechanisms for management accountability for equity, diversity, and inclusion
 - Has mechanisms for staff accountability for equity, diversity, and inclusion

- Describes Development Team's present and future practices to meet MOHCD's racial equity goals as articulated in the racial equity goals of this NOFA
- Describes the Developer's experience with serving historically excluded communities of color
- Has experience providing access and implementing service delivery strategies to historically excluded communities of color
- Describes the demonstrated commitment to racially diverse project development and service teams

2. Vision

In **no more than seven pages** of written narrative (in Times New Roman font, 12 font size, 1-inch margins), describe the Proposed Development Team's vision for the successful development of the project:

- a. Program concept:** Describe how the Development Team's proposed Project will maximize unit yield in a cost-effective construction type and make use of SB35's expedited permitting. Describe the Development Team's vision for a development program while best achieving MOHCD's project expectations and goals. Indicate how the proposed uses and amenities will enhance the lives of the future residents and the surrounding neighborhood. Indicate particular groups served by the programs and spaces (tots, children, teens, young adults, adults, formerly homeless, etc.). Describe how the program will contribute to lowering barriers to persons of color seeking and retaining housing. Applicants should provide concept-level drawings and/or diagrams that indicate the Project approximate height, bulk, site layout, unit count, and commercial/common space use to print on 8.5" x 11" paper, no more than 5 pages. The purpose of these diagrams will be to confirm the anticipated unit yield at the site, and its conformance to existing zoning restrictions including any available density bonuses. This information does not constitute a formal design submission.
- b. Community engagement strategy:** Describe the Development Team's community engagement strategy, including the team's philosophy on community engagement and process for establishing and/or building positive relationships with surrounding neighbors and the larger community. Describe the Team's approach to achieving entitlements for the project expeditiously and the Team's approach to maintaining and building community relationships after entitlements have been achieved and the development is in operations. The strategy should include efforts designed to engage all interested community members, particularly BIPOC members of the target population, and including monolingual non-English speaking members of the community. The strategy should also make clear how the Development Team intends to comply with the City's Language Access Ordinance. Finally, address how the community engagement strategy will address the historical exclusion of communities of color from quality housing.

- c. *Services delivery strategy:*** Describe the Development Team’s services delivery strategy, including the overall philosophy and model for providing services to targeted low-income and formerly homeless populations (including case management ratio and provision of amenities such as front desk clerks), the services goals of the proposed vision, a brief description of the desired outcomes of the services to be provided and innovative approaches to services provision, including the strategy for engaging residents and encouraging access to services, and how services for residents will be coordinated with the existing network of services in the neighborhood and community.
- d. *Financing and cost containment approach:*** Describe the Development Team’s financing approach to the project, including the Team’s process for structuring the project and controlling development costs. Describe any innovative strategies intended to minimize MOHCD’s projected capital gap financing. Also, describe any innovative (i.e., non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating expenses. Do not submit a development budget or pro forma. Scored responses must be in narrative form only.
- e. *Racial Equity Strategy:*** Please submit an overall statement regarding how the Development Team will incorporate the principles of racial equity in the development of the program concept, the community engagement strategy, services delivery strategy and marketing approach. Explain how the strategy aligns with the goals of this NOFA set forth in the Introduction and Project Expectations. Describe any substantive partnership that is part of the NOFA response that increases opportunity/capacity for growth of smaller and Black, Indigenous and people of color, (BIPOC)-led organizations in development roles. Explain how the Development Team’s model removes barriers to intergenerational wealth, self-sufficiency and resiliency for persons of color, particularly COP holders, African American households and/or households in historically African American neighborhoods.

H. SUBMITTAL REQUIREMENTS OVERVIEW

Using **Attachment B – Submittal Checklist**, check boxes of all items that will be submitted. Complete and submit **Attachment C - NOFA Registration Form**. All addenda, responses and additional information will be distributed to all parties who have submitted a registration form in accordance with Section IIB above.

1. Minimum Development Team Characteristics

Submit **Attachment D - Respondent Description** to document the name of each organization, names of the organization’s Director (or equivalent position) and primary contact persons, and phone numbers and email addresses for each of the following:

- Lead Developer and Co-Developers (if applicable)
- Development Consultant (if applicable)

- Owner(s)
- Property Manager(s)
- Service Provider(s)

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

- Certificate of Good Standing** from the California Secretary of State
- Certification of 501(c)(3) status** (for nonprofit corporations) from the Internal Revenue Service.

2. Minimum Development Team Experience

Submit **Attachment E - Qualifying Project Form**, to document how the Qualifying Project characteristics meet each of the experience categories below (developer, owner, property manager, service provider.) The Development Team may submit more than one (1) Qualifying Project for each of the experience categories:

- Minimum Development Experience**
- Minimum Ownership Experience**
- Minimum Property Management Experience**
- Minimum Service Provision Experience**
- Minimum experience in incorporating principles of racial equity into development, management and service experience**

To demonstrate the minimum required development team experience, each team should submit one project for each experience category. When appropriate, teams may submit the same project as evidence of experience across multiple experience categories, or may use different projects to demonstrate experience across categories. In all cases, no more than five (5) total Qualifying Projects should be submitted. **Qualifying Projects will not be scored, but are used to identify if the proposed Development Team meets the minimum development team experience required to develop the Site.**

3. Minimum Developer and Owner Capacity Requirements

- Financial Capacity**
 - Latest two (2) years of either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any).
 - **Attachment F – Financing Terms for Developer’s Qualifying Project** to document the equity pricing and debt terms for the Qualifying Project submitted under Minimum Developer Experience.
- Staffing Capacity**
 - Description of Key Staff Experience – Provide written narrative of **no more than one page** (in Times New Roman font, 12 font size, and 1-inch

margins) to document the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff.

- **Attachment G – Projected Staffing Workload Form**, documenting the work assignments (existing or contemplated) associated with each staff person expected to work on the Project for Developer.
- c. **Asset Management Capacity**
- Proposed Owner’s recent **Real Estate Owned (REO) schedule**, documenting the number of projects and average number of units/project currently in Owner’s asset management portfolio.
 - Proposed Owner’s current **asset management staffing**, noting job titles, FTEs, and status of each position (filled/vacant).
 - Proposed Owner’s **organizational chart**.
- d. **Racial Equity Capacity**
- Demonstrate how developer has met the City’s minimum compliance standards for Equal Employment Opportunities on the **Qualifying Project**.

4. Selection Criteria and Scoring

- a. **Experience** – Provide written narrative of **no more than five pages** (in Times New Roman font, 12 font size, and 1-inch margins).
- b. **Vision** - Provide written narrative of **no more than seven pages** (in Times New Roman font, 12 font size, and 1-inch margins).

Additional documents submitted in this section will not be allowed. The two written narratives above will only be the only documents reviewed and scored by the panel.

5. Evidence of Authority

Provide a certified corporate resolution of the applicant or, in the case of a partnership, the applicant’s general partner, expressly authorizing the applicant to provide a response to this NOFA and, if selected by the City, to enter into negotiations with the City for the acquisition of the site.

6. Disclosure Form

Submit a completed and signed copy of **Attachment H – Disclosures**, which requires any respondent to this NOFA to disclose defaults, lawsuits, legal proceedings, bankruptcy filings or financial interests affiliated with MOHCD staff or Citywide Affordable Housing Loan Committee members. The individual who signs the form must be authorized to enter into legal agreements on behalf of the Respondent.

Note Regarding Submittals: Respondents may amend their response prior to the submission deadline. However, after the submission deadline, corrections are only allowed if immaterial and at the sole discretion of MOHCD.

V. TERMS AND CONDITIONS OF NOFA

A. DEVELOPER RESPONSIBILITIES

The Selected Developer will be responsible for all aspects of development of the site, including but not limited to the following:

- Involving local community stakeholders in the program setting and initial design of the Project.
- Marketing the development to intended target audiences consistent with the goals of this NOFA, most notably outreach to Black communities historically excluded from quality housing or displaced from their neighborhoods.
- Conducting all appropriate due diligence, investigating and determining conditions of the site and the suitability of the site for the proposed Development.
- 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 (including Certificates of Appropriateness) as applicable.
- Obtaining adequate financing for all aspects of the proposed Development, including predevelopment, construction and operation.
- Designing and building the Development in a manner that produces a high-quality, enduring living environment.
- Owning, managing, and operating the Development 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 Development, 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 Development. 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 NOFA, the architect's Small Business Enterprise (SBE) status will be counted toward the overall Development's procurement goals which will be set at a later date.
 - b. Environmental Review - Depending on conditions at the Development Site and on Development plans, the proposed Development will 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 - Development 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. Units must meet TCAC accessibility requirements, which at the time of RFQ drafting require at least 50% of all units to be adaptable and a minimum of 15% of the units to be accessible, including units for the visually and hearing impaired, consistent with TCAC requirements.
- d. Prevailing Wages – This Development 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 Developer 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 Development, including complying with the City’s First Source Hiring requirements.
- f. Sustainable Design – The Mayor’s Office of Housing and Community Development seeks to maximize the overall sustainability of financed projects. 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.
- g. Public Art Requirement - Projects with funding from MOHCD must comply with the Charter requirement to include public art as part of project design. Please see the Underwriting Guidelines for more information.
- h.
- i. Minimum Insurance Requirements – see Appendix A – Minimum Insurance Requirements.

B. ERRORS AND OMISSIONS IN NOFA

Respondents are responsible for reviewing all portions of this NOFA. Respondents are to promptly notify MOHCD, in writing, if the respondent discovers any ambiguity, discrepancy, omission, or other error in the NOFA. 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 NOFA

MOHCD may modify the NOFA, 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 NOFA for proposal purposes. MOHCD will make reasonable efforts to notify Respondents in a timely manner of modifications to the NOFA. 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. OBJECTIONS

1. NOFA Terms. If any interested party objects to any provision or legal requirement in this NOFA, such party must provide written notice to MOHCD at **omar.masry@sfgov.org** setting forth with specificity the grounds for the objection no later than seven (7) calendar days of the date for submitting qualifications (See Section III(A)). Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection to this NOFA.
2. Notice of Non-Responsiveness. A Respondent may object to a determination that its submission of qualifications is non-responsive to this NOFA by delivering written notice to MOHCD setting forth with specificity the grounds for the objection no later than seven (7) calendar days after the date of the written notice to Respondent of MOHCD's determination of non-responsiveness. Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection.
3. Selection of Development Teams for Exclusive Negotiations. A Respondent may object to a selected Development Team and MOHCD Director's authorization to proceed with exclusive negotiations with such Development Team by delivering written notice to MOHCD setting forth with specificity the grounds for the objection by no later than seven (7) calendar days after the selected Development Team has been announced and made public by MOHCD. If a Respondent files a timely objection, the MOHCD Director will review such objection and respond in a timely manner, and MOHCD's authorization to enter into exclusive negotiations with the selected Development Team will not be binding until the MOHCD Director denies the objection. Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection.
4. Delivery of Objections. Respondents must submit objections in writing, addressed to the person identified in this NOFA, and delivered to the MOHCD via email at **omar.masry@sfgov.org** by the dates specified above in order to be considered. Written objections must be transmitted by email and that will provide written confirmation of the date MOHCD received the objections. If a

written objection is delivered by US mail, the Respondent bears the risk of non-delivery by the deadlines specified above.

E. CLAIMS AGAINST MOHCD

No Respondent will obtain by its response to this NOFA, and separately by its response waives, any claim against MOHCD by reason of any or all of the following: any aspect of this NOFA, any part of the selection process, any informalities or defects in the selection process, the rejection of any or all proposals, the acceptance of any proposal, entering into exclusive negotiations, conditioning exclusive negotiations, terminating exclusive negotiations, approval or disapproval of plans or drawings, entering into any transaction documents, the failure to enter into a lease or lease disposition and development agreement, any statements, representations, acts, or omissions of MOHCD, the exercise of any discretion set forth in or concerning any of the above, and any other matters arising out of all or any of the above.

F. SUNSHINE ORDINANCE

In accordance with San Francisco Administrative Code Section 67.24(e), contractors' bids, responses to NOFAs 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.

G. RESERVATIONS OF RIGHTS BY THE CITY

1. The issuance of this NOFA and the selection of developers for funding pursuant to this NOFA 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 development. The City's selection of developers is in no way deemed to be the final approval of any development proposed by the developer.
2. The information in this NOFA 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 NOFA or any subsequent negotiation process; reject any or all responses, without indicating the reasons for such rejection; cancel this NOFA at any time prior to

award and reissue NOFA for the full or partial funding amount; modify or suspend any and all aspects of the selection procedure, the scope of the proposed development or the required responses, or the processes indicated in this NOFA; 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 NOFA; make selections 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 development, or otherwise alter the development 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 selected Development Team, MOHCD, in its sole discretion, determines that the selected Development Team will be unable to proceed with a timely and feasible Development in accordance with this NOFA or will not serve in the City's best interest, MOHCD may terminate negotiations with any selected Development Team and begin negotiations with the next highest ranked Respondent; MOHCD and HSH may require substitution of members of the Respondent team; or determine that no development will be pursued.

4. The issuance of this NOFA does not obligate the City to pay any costs 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 NOFA do so at their own expense.
5. The issuance of this NOFA is only an invitation to submit qualifications and does not constitute an agreement by the City that a loan agreement will actually be entered into by the City. This NOFA 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 development.
6. The City will not approve any ground lease for any sites until there has been compliance with the California Environmental Quality Act (CEQA), and, as applicable, the National Environmental Protection Act (NEPA). If any proposed development is found to cause significant adverse impacts, the City reserves absolute discretion to require additional environmental analysis, and to: (a) modify the development to mitigate significant adverse environmental impacts; (b) select feasible alternatives which avoid significant adverse impacts of the proposed development; or (c) reject or proceed with the development as proposed, depending upon a finding of whether or not the economic and social benefits of the development outweigh otherwise unavoidable significant adverse impacts of the development.
7. The City reserves the right to disqualify any respondent to this NOFA 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. The City may exercise this right in its sole discretion.

Attachment A: Minimum Insurance Requirements

See attached document.

Attachment B: NOFA Submittal Checklist

See attached spreadsheet.

Attachment C: NOFA Registration Form

See attached. Submit one per organization.

Attachment D : Respondent Description

See attached document.

Attachment E: Qualifying Project Form

See attached document.

Attachment F: Financing Terms for Developer's Qualifying Project

See attached document.

Attachment G: Projected Staffing Workload Form

See attached spreadsheet.

Attachment H: Disclosures

See attached document