

Request For Proposals

For the development of new affordable housing for families and seniors on two undeveloped parking lots on the block bounded by Broadway, Front, Vallejo and Davis Streets in San Francisco

One parcel is located at 88 Broadway and is also known as:

SEAWALL LOT 322-1
(Assessor's Parcel Number 0140/007)

The second is a rectangular parcel adjacent to the first, running east from Seawall Lot 322-1 to Davis Street and is also known as:

DPW LOT
(Assessor's Parcel Number 0140/008)

Deadline for Submittals:
Monday, February 29, 2016 by 5:00 p.m.

Issued by:
**City and County of San Francisco
Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103**

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I. SUMMARY

In collaboration with and on behalf of the Port of San Francisco (“Port”), 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 the Port-owned, vacant parcel located at the corner of Broadway and Front Streets (the “Port Site”) on the northern side of Broadway (Block 0140, Lot 007) and the City-owned vacant parcel adjacent to the Port Site and on its eastern side. This adjacent parcel (the “DPW Site”) is perpendicular to the Port Site and runs east from the Port Site to Davis Street (Block 0140, Lot 008). The DPW Site is also currently a parking lot owned by the Department of Public Works (“DPW”). DPW will transfer the DPW Site to MOHCD.

MOHCD and the Port are making these two sites available for simultaneous development of the following two Projects (collectively, the “Development”):

- affordable family rental housing over a ground level podium (the “Family Project”); and
- affordable senior rental housing over a ground level podium (the “Senior Project”).

MOHCD currently anticipates the Family Project will be developed on the Port Site and the Senior Project will be developed on the DPW Site. Both Projects will be “mixed use”, with ground level commercial space and potentially community-serving social service space on all four street frontages. The Family Project may also include parking as required by the Planning Code for the commercial space plus additional public parking if feasible. Additional parking may be included in the Senior Project assuming Building and Fire Code requirements permit access across the property line between the two sites.

The City desires that the Family and Senior Projects be designed and built simultaneously and as efficiently as possible. This goal appears best achieved with one lender and one investor within separate limited partner ownership structures. However, the City will support alternative financing/ownership arrangements to achieve the greatest cost efficiencies. Furthermore the large size of the two combined sites and the timing of their implementation during an unprecedented housing crisis across virtually all income levels has created the need for MOHCD to deviate slightly from its typical development goals. MOHCD’s goal for this development is that it addresses a wide range of housing needs in the most cost-effective way possible. Income targeting will be broader than typical, making the need for efficient design paramount. Details on particular objectives follow below in Section IV.

MOHCD and Port are seeking a Development that enhances the quality of life for its residents and its neighbors by providing high quality affordable housing along with vibrant retail activity and community-serving facilities in a development that is designed to fit well into its urban context.

Respondents to this Request for Proposals (“RFP”) must be comprised of the following: one or more San Francisco based non-profit developers in a joint venture where at least one of the nonprofit developers is San Francisco-based, or a qualified for-profit developer working in partnership with a San Francisco-based nonprofit developer (the “Developer”); a property manager; an architectural team with San Francisco experience; a retail/commercial designer/planner/consultant; and one or more qualified supportive service providers with

experience serving the target populations. All members of each team (collectively the “Respondent”) will be evaluated according to the criteria set forth below, including experience with comparable Family and Senior Projects, proposed development concepts, and financing and resident services plans.

On April 30, 2014, the Port and MOHCD entered into a Memorandum of Understanding (“MOU”) setting forth the terms and conditions under which the Port allowed MOHCD to solicit a developer to enter into a lease with the Port for the development of affordable housing on Seawall Lot 322-1, the Port Site. MOHCD has accepted this delegation of the Port’s required solicitation process and this RFP incorporates the appropriate terms and conditions typically included in the Port’s development opportunity offerings.

The Port Site’s development will proceed under a long-term ground lease with the Port or MOHCD, subject to Port Commission approval. The Lease will be consistent with the Port’s standard leasing provisions as delineated in Exhibit B. Overall asset management and oversight of the lease will be delegated by the Port to MOHCD should the lease be between the Port and the selected developer. The actual terms of the Lease will be negotiated with Port staff and are subject to final approval by the Port Commission and by the San Francisco Board of Supervisors (the “Board”). Pursuant to the MOU, the Port’s compensation for the land will be Jobs Housing Linkage Program (“JHLP”) credits from MOHCD to be used to offset JHLP obligations of future private developments on other Port-owned properties.

The DPW Site’s development will proceed under a long-term ground lease with MOHCD. The Lease will be consistent with MOHCD’s standard leasing provisions.

The selected Respondent under this RFP must agree to promote community participation and ensure openness and transparency in the development process by consulting with and regularly updating the Northeast Waterfront Advisory Group (“NEWAG”), the Seawall Lot 322-1 Working Group, and other neighborhood groups expressing a desire to participate in the planning of the Development.

The Goals of this RFP are:

- (1) To pursue the affordable housing production goals articulated in the Housing Element of the City’s Master Plan (adopted April 27, 2015) http://www.sf-planning.org/ftp/general_plan/2014HousingElement-AllParts_ADOPTED_web.pdf and in MOHCD’s 2015 Consolidated Plan <http://sf-moh.org/modules/showdocument.aspx?documentid=8270>.
- (2) To select a qualified Respondent that can develop, own, and operate the Development in a professional, sustainable, and expert manner;
- (3) To ensure that the Development will be developed in a manner consistent with the Development, Design and Financial Objectives described in this RFP.

II. IMPORTANT DATES AND SUBMISSION PROCESS

A. Important Dates

RFP issued by MOHCD	Friday, December 4, 2015
Pre-submission meeting at MOHCD	Thursday, December 17, 2015 at 3:00PM
Deadline for questions and requests for additional information	Monday, December 21, 2015
Proposal Submission Deadline	Monday, February 29, 2016
Preliminary Scoring for Minimum Qualifications by Selection Panel and Notice to Respondents	By Friday, March 11, 2016
Developer team interviews (if necessary)	Week of March 21, 2016
Director of MOHCD review/approval of recommended development team	Week of April 4, 2016

B. Pre-Submission Meeting

A pre-submission meeting will be held at MOHCD (1 South Van Ness Avenue, 5th floor), on **Thursday, December 17, 2015 at 3:00 p.m.** 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 **5:00 p.m. Monday, December 21, 2015**. Emailed questions and information requests should be submitted to Teresa Yanga at: teresa.yanga@sfgov.org and Faith Kirkpatrick at faith.kirkpatrick@sfgov.org.

D. Submittal Date and Method

Submittal of **10** hard copies of the Proposal must be received by the MOHCD receptionist and an emailed copy sent to teresa.yanga@sfgov.org and to faith.kirkpatrick@sfgov.org no later than **5:00 p.m. February 29, 2016**.

III. BACKGROUND

A. Port Site History

The Port Site is subject to the public trust requirements set forth in the Burton Act and administered by the California State Lands Commission. Trust-consistent land uses include maritime, public open space and recreation, and visitor-oriented uses that attract people to the waterfront. Residential uses are not generally consistent with the Trust. Construction on Port property is subject to the requirements of the Port Building Code, as enforced by the Port's Chief Harbor Engineer, and is not subject to the City's Building Code. However, the Port will consider using the City's Department of Building Inspection (DBI) as a consultant to handle the permitting/enforcement responsibility of the Port Building Code for the Development. The Port will retain jurisdiction and will stamp the permits/approvals with DBI carrying out the review and inspection.

Today, the original maritime and industrial uses that once occupied the privately owned portions of the Northeast Waterfront Area have been converted or redeveloped for housing and commercial uses. The Port Site is one of the few remaining Port-owned seawall parcels on the west side of The Embarcadero and represents one of the last remnants of this former industrial district. The Port's Waterfront Land Use Plan anticipates that development of its remaining seawall lot parcels in the area will eventually include a similar program of development that complements the development trend in the area, including Golden Gateway, Barbary Coast, Levi's Plaza, and the Northeast Waterfront Historic District.

In 2007, State Senate Bill 815 authorized the Port to lease certain seawall lots for non-Trust purposes including housing, for a period of up to 75 years at fair market value to generate revenues for the Port's Harbor Fund. The bill found that certain seawall lots were no longer useful to the public trust because they were cut off from the water and represented a small portion of the Port's Trust portfolio.

In 2012, State Assembly Bill 2649 (AB 2649) added Seawall Lot 322-1 to the SB 815 lots that could be temporarily leased for non-Trust uses and authorized the Port to lease the Port Site at less than fair market value as long as the State Lands Commission finds, among other things, that: (1) Seawall lot 322-1 is no longer necessary for public trust or Burton Act trust purposes; and (2) lifting the use requirement of the public trust, the Burton Act trust, and the Burton Act transfer agreement until January 1, 2094, is in the best interest of the state. Under AB 2649, the Port is authorized to provide a rent credit or the waiver or deferral of rent in connection with a nontrust lease of Seawall Lot 322-1 at an effective rent that is below fair market value if the California State Lands Commission finds that: (a) the nontrust lease is for affordable housing, and, if the affordable housing is within a mixed-use project, the non-residential uses do not also benefit from the rent credit, waiver, or deferral; and (b) the Port applies the value of the rent credit, waiver, or deferral that it provides for the nontrust lease of Seawall Lot 322-1 as an offset against fees or other exactions or obligations that would otherwise be levied or imposed on development projects at Pier 70. AB 2649 also requires that as a condition for commencing vertical construction on Seawall Lot 322-1 after the above noted findings have been made that the Port must obtain a certificate of appropriateness or a comparable determination of

compatibility of the development with the historic character of the surrounding area, as provided under the City's Planning Code. Developer will be subject to the requirements and limitations imposed by AB 2649 and must cooperate with MOHCD and Port to comply with such requirements and limitations.

In the same year, the Board of Supervisors adopted Ordinance No. 232-12, authorizing the Port and MOHCD to enter into an MOU providing for the Port to receive Jobs Housing Linkage Program ("JHLP") credits equal to the difference in value between a Port below-market lease to an affordable housing developer of the Port Site and the Port Site's fair market value. The ordinance also authorized the Port to use these credits to offset JHLP obligations of future private developments on other Port non-Trust lands.

According to a 1998 Phase I Site Assessment of Seawall Lot 322-1 and other adjacent parcels, both the Port and DPW Sites were part of the San Francisco Bay until at least 1853. Between 1853 and 1884 the area, along with all other seawall lots, was filled and cut off from the waterfront by the construction of the great seawall as part of the Embarcadero Roadway Project. Historic uses of this and adjacent sites include a wood and coal yard, a blacksmith shop, a gasoline service station and automobile parking.

B. The Development Site

The Port Site and the DPW Site are collectively referred to as the "Development Site."

The Port Site (Block 0140, Lot 7) is a single, paved, flat, rectangular, 37,813 square foot lot, 275' long (along Front Street between Broadway and Vallejo) by 137.5' deep on the southwest corner of Broadway and Front Streets. The DPW Site (Block 0140, Lot 8) is also a single, paved, flat, rectangular lot, measuring approximately 137.5 long by 78.58' wide (approximately 10,805 square feet), with its eastern edge running along the western side of Davis Street mid-block between Broadway and Vallejo. <http://50.17.237.182/BlockBooks/AssessorBlock0140.pdf>

Both Sites are currently being used as surface parking lots.

C. Soil Conditions

For purposes of this RFP, it is assumed that since the Port Site and DPW Site are located on former tideland, piles will be needed to support any significant development.

The 1998 Site Assessment of Seawall Lot 322-1 found it likely that some or all of the soil excavated from the site would be classified as hazardous and recommended a targeted subsurface soil and groundwater investigation prior to any construction activities at the Development Site. Depending on the findings of future investigation, special soil/groundwater management, worker health and safety measures, and/or remediation are likely to be required during construction. The Baseline Environmental Consulting, Phase I Site Assessment Report, October 1998 can be found on MOHCD's website along with this RFP

(<http://www.sfmohcd.org/index.aspx?page=322>). It is assumed the DPW Site has similar soil conditions.

D. Zoning, Land Use Restrictions

The Development Site is currently zoned C-2 Community Business with a 65-X height limit.

<http://www.sf-planning.org/index.aspx?page=1582>.

See also: Planning Code Section 213. Uses Permitted in C, M, and PDR Districts.

http://www.amlegal.com/nxt/gateway.dll?f=templates&fn=default.htm&vid=amlegal:sanfrancisco_ca.

Among Planning and zoning requirements are the following:

- FAR: 5 to 1; maximum gross square feet of development potential is 189,000 square feet for the Port Site, 50,829 square feet for the DPW Site.
- Street Frontages: Active uses must line all public frontages, in this case three sides of the Port Site and one side of the DPW Site, for a depth of at least 25 feet. Active uses include offices, stores, restaurants, bars, cafes, lobbies, etc. Residential uses are considered active uses above the ground floor and on the ground floor as long as certain conditions are satisfied. (see Planning Code Section 145.1) Additionally all ground floor uses are subject to MOHCD's approval.
- Ground level Fenestration: All street frontages containing active uses must be fenestrated with transparent windows and doorways for no less than 60 percent of the street frontage at the ground level and allow visibility to the inside of the building.
- Ground level Ceiling Height: Non-residential uses must have a floor-to-floor height of at least 14 feet.
- Curb Cuts: No curb cuts are permitted on Broadway.
- Commercial Parking: Will require Conditional Use Authorization.
- Licensed childcare facility serving non-resident children is a permitted use.
- Community-serving social service facility of a "charitable or public purpose nature" is a permitted use.

The Development Site is located in the Northeast Waterfront Historic District and is subject to the Secretary of Interior Standards and to the requirements described in Appendix D to Article 10 of the SF Planning Code and the Conservation Guidelines in Policy 6.8 of the San Francisco General Plan which state that "*New development in historic or conservation districts should respect the existing development pattern and scale, height of adjacent buildings, open space corridors in the interior of the block, facade design and rhythm, and special features characteristic of buildings in the particular district.*"

The Development Site is also located in Waterfront Special Use District 3 and is subject to the Waterfront Design Review Process as described in Planning Code Section 240(c)(1).

Additional relevant controls and design guidelines include the following:

- The Port's Waterfront Land Use Plan, <http://www.sfport.com/index.aspx?page=199>

- The City Planning Department’s Northeastern Waterfront Subarea Plan, http://www.sf-planning.org/ftp/general_plan/NE_Waterfront.htm; and
- The Planning Department’s Northeast Embarcadero Study: <http://sf-planning.org/index.aspx?page=1662>.

A January 2015 analysis of the zoning controls and requirements for Seawall Lot 322-1 by Planning Department staff can be found on MOHCD’s website along with this RFP (<http://www.sfmohcd.org/index.aspx?page=322>).

E. 2015 Massing Design Study

In the spring and summer of 2015, an analysis of the neighborhood and a massing design study of the Development Site was completed by Mark Cavagnero Associates / Cary Bernstein Architects joint venture, and presented at a community design workshop to elicit community feedback. The community workshop presentation containing the massing design study and neighborhood analysis and the community feedback received at the workshop can be found on the MOHCD website along with this RFP (<http://www.sfmohcd.org/index.aspx?page=322>).

At the time this massing design study was undertaken it was not yet certain that the DPW Site would be made available. Consequently the massing design study presents development on the DPW Site as an alternative to developing only the Port Site. The massing design study and community feedback informed this RFP’s design goals and objectives and should be taken into account in the proposed design submittal for this RFP.

IV. DEVELOPMENT PLAN ELEMENTS

A. DEVELOPMENT PROGRAM

1. Development Program Objectives:

a) HOUSING:

- To provide badly needed housing while enhancing the ambience and attractiveness of the neighborhood within the context of other development, design and financial objectives.
- To provide family rental housing affordable to low- and very low-income families and housing affordable to moderate-income families to the extent it can be funded by appropriate local financing sources.
- To provide senior rental housing affordable to low- and very low-income seniors and housing affordable to moderate-income seniors to the extent it can be funded by appropriate local financing sources.
- To provide permanent supportive housing for formerly homeless households by setting aside 20% of the units for such households. Homeless families will have at least one minor child under the age of 18 and be referred by the Human Services Agency (HSA). Homeless seniors will be referred by the Department of Public

Health (DPH). Inclusion of homeless set-asides for both Projects is dependent upon HSA/DPH funding. In addition, if requisite City funding becomes available, the City may require the developer to expand the 20% set-aside for the Family Project to include households at-risk of homelessness due to severe rent-burden and over-crowded occupancy in SRO units.

- To provide access to appropriate supportive services for residents of all ages and incomes in need, but particularly the formerly homeless residents to facilitate housing retention, personal and family educational, social and economic growth and to encourage the building of a safe, secure and stable community.

b) **COMMUNITY BENEFITS:**

- To the extent they are feasible, to include in the Development, community-oriented amenities, such as a child care center or an after-school program open to residents and non-resident children and a senior center open to resident and non-resident seniors. A child care center serving infants and toddlers is encouraged.

c) **COMMERCIAL USES:**

- To maximize to the extent feasible ground floor active commercial uses along all street frontages after accounting for other priority uses such as a community center accessible to the public, with preference for neighborhood serving retail such as a cafe, small market, hardware store, or bookstore. Space should be designed so as to appeal to a broad range of possible commercial tenants.

d) **PARKING:**

- To include parking in the area remaining on the ground floor after accounting for (1) retail/commercial space located on the perimeter of the Development along all adjacent streets; (2) ground level community facilities, if any, such as a senior center open to non-residents as well as residents; and (3) other building services needs such as space for mechanical and electrical equipment, trash collection, loading and unloading, and circulation with the parking spaces screened from the street by the retail and other spaces that wrap around them. Assume no residential parking.
- To assign parking to building uses as a first priority. All other available parking spaces to be leased by the Port to a parking operator. The parking that can be leased to a parking operator is subject to Port's financial feasibility determination at its sole discretion.
- To include Car Share parking either sheltered (under the podium) or on one or more adjacent streets.

2. Housing Program Objectives:

a) **INCOME TARGETING:**

- Middle income units will be required for both sites, in an amount not to exceed 25% of total units, though a lower percentage is acceptable. The goal here is to create a meaningful component of middle income units while maintaining financial feasibility.

- For the Family Project, up to 25% of all units may be targeted to moderate-income households, those households earning up to 120% of San Francisco Area Median Income. The remaining units, except for the units for the formerly homeless households, should be targeted to households earning up to 60% of San Francisco Area Median Income.
- For the Senior Project, up to 25% of all units may be targeted to moderate-income households, those households earning up to 70% of San Francisco Area Median Income (these units should be eligible for Low Income Housing Tax Credits). The remaining units, except for the units for the formerly homeless households, should be targeted to households earning up to 50% of San Francisco Area Median Income.
- 20% of units in the Family Project must be set aside for formerly homeless families and 20% of the units in the Senior Project must be set aside for formerly homeless seniors, both of which groups will earn no more than 30% of San Francisco Area Median Income.
- For both Projects, respondents are encouraged to offer units at a range of income levels below the maximum to the extent it is financially feasible to do so.

b) **MAXIMUM RENTS:**

- Maximum rents will be set at 30% of the targeted incomes and only families and seniors whose incomes are at or below the targeted incomes will be eligible to occupy the housing.

c) **MINIMUM NUMBER, MIX AND SIZES OF HOUSING UNITS:**

- At least 120 units must be proposed in the Family Project, including 15% of the units as 3-BR units;
- At least 50 units must be proposed in the Senior Project, with 70% 1-BR units and 30% studio units.
- All unit sizes must meet or exceed the CTCAC Tax Credit Program regulations with respect to unit sizes for Large Family and Senior housing.

d) **OCCUPANY PREFERENCES:**

- The selected Respondent will retain final selection authority over all resident applicants. Nevertheless, apart from the units set aside for homeless or other special needs families, the following preferences will apply to the Development's lease-up, in the order provided below.

Preference	Respondent Category
1.	Certificate of Preference Holders
2.	Ellis Act Certificate of Preference Holders (unless State HCD funding is used), subject to proposed amendments.
3.	Neighborhood Preference, subject to Board of Supervisors approval.

e) **AFFIRMATIVE MARKING PLAN:** Respondents must include a draft Affirmative Marketing Plan in their responses to this RFP. The plan may include specific outreach toward North-Beach/Chinatown/Telegraph Hill-based tenants displaced by Ellis Act evictions.

3. Design Objectives: The overall development concept and preliminary site plans proposed by Respondents will be evaluated on the basis of the degree to which they achieve the Design Objectives described below.

These Design Objectives were developed with input from the Seawall Lot 322-1 Working Group and community stakeholders who participated in the Community Design Workshop. These Design Objectives apply to the Development taken as a whole and will be used to evaluate and score Respondents' development concept and preliminary site plans.

(Note: Some portion of the costs associated with the architectural analyses required to respond to this RFP may be reimbursable by MOHCD. See Section VI. E. 4. below for more information regarding potential MOHCD resources for this purpose.)

a) **HOUSING HABITABILITY:** to ensure the overall habitability of the housing and the comfort, security and stability of its residents by providing:

- Appropriately sized units and unit layouts;
- Appropriately located and accessible interior resident amenities such as on-site laundry facilities, teen computer labs, counseling rooms, community gathering spaces, front desk, large welcoming lobby area, etc.;
- Exterior amenities such as open spaces accessible only to residents that take into consideration 1) what passive and active outdoor activities will best support the tenants at differing ages; 2) analysis of sun/shade patterns; 3) potential views and vistas; and 4) relationship to adjacent interior uses.

b) **URBAN DESIGN:**

- To maintain the overall scale and basic character of the Northeast Waterfront Historic District by considering the Secretary of Interior Standards as fundamental criteria for the design along with Appendix D to Article 10 of the SF Planning Code:
[http://www.amlegal.com/nxt/gateway.dll/California/planning/planningcode?f=templates\\$fn=default.htm\\$3.0\\$vid=amlegal:sanfrancisco_ca\\$sync=1](http://www.amlegal.com/nxt/gateway.dll/California/planning/planningcode?f=templates$fn=default.htm$3.0$vid=amlegal:sanfrancisco_ca$sync=1).
- To conform to the urban design of the adjacent area including the stepping down of building heights in the area from west to east along Broadway towards the waterfront.
- To locate residential entrance(s) on Front, Vallejo or Davis but not on Broadway. If parking is provided, consider locating the parking entrance on Vallejo.
- To reinforce the city street pattern, including mid-block passages, provision of substantial street trees and plantings along the sidewalks, and thoughtful landscaping.

- To provide separation and visual transition between adjacent buildings by providing publicly accessible mid-block pedestrian alleys and pocket parks or equivalent alternative design concepts.

c) HEIGHT, BULK AND MASSING:

- To build within the 65 ft. height limit on the Port Site with massing step-downs toward the waterfront and build within 50 ft. height on the Davis Street frontage of the DPW Site.
- To avoid creating a “wall-like” effect on any façade facing a public street, but particularly Broadway and Front Streets by breaking the façade with setbacks on the upper floors and/or other architectural details to reduce apparent visual massing.
- To ensure that the construction type and materials relate to the Developments’ context and location in the Northeast Waterfront Historic District as outlined in the Neighborhood Analysis findings in the community design workshop presentation. See: <http://www.sfmohcd.org/index.aspx?page=322>.
- To consider the scale of neighborhood warehouse buildings when making massing adjustments.
- To consider the appearance of the roof(s) from above (i.e. from Telegraph Hill) by minimizing roof structures, including elevators, stair and mechanical penthouses, and incorporating attractive potential resident amenities such as roof decks, landscaping, open space.

d) FACILITATION OF ACTIVE USES ALONG STREET FRONTAGES:

- To comply with the site’s C-2 zoning requirements for active uses along the Broadway, Front, Vallejo and Davis Street frontages by exceeding the code required minimum 25 ft. depth for such uses wherever feasible.
- To design the commercial spaces at ground level in a manner that will facilitate neighborhood-serving retail such as a cafe, small market, hardware store, or bookstore with an emphasis on commercial uses on Broadway.
- To further encourage activation of street frontages where feasible by maintaining sidewalks wide enough to accommodate seating for commercial space customers.

e) NEIGHBORHOOD/COMMUNITY AMENITIES:

- To provide benefits to the broader community by incorporating, to the extent they are feasible, community-oriented amenities such as an after-school program open to older non-resident children and a senior center open to non-resident seniors.
- To provide design amenities such as “pocket parks”, landscaped open space at least visually accessible to the public, or a mid-block corridor or alley for pedestrian passage through the Development during daylight hours.

f) SUSTAINABILITY:

- To maximize the overall sustainability of the Development to the extent possible through the integrated use of sustainable building elements, including those that improve indoor air quality, reduce resource consumption, and approach zero-energy consumption.

- To meet or exceed the requirements of the 2013 San Francisco Green Building Code, California Title 24, and the California Tax Credit Allocation Committee regulations regarding sustainable buildings. See: <http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities/resources/tools>, <http://www.greenaffordablehousing.org/>, and www.ecodistricts.org.

B. RESIDENT SERVICES

1. Services Plans:

a) Respondents must include a trauma-informed systems services plan (“Services Plan”) for each Project that demonstrates an understanding of the housing and services needs of low-income families and seniors respectively, including formerly homeless households who have experienced chronic trauma.

b) The Services Plans should include access to and coordination with mainstream community services, subcontracted and/or partner services, and a commitment by each service provider to coordinate with onsite supportive services and property management through regularly scheduled meetings to ensure sound operational and building management practices.

c) The Services Plans must include a description of the minimum services to be provided and the estimated frequency of proposed services, indicating, as appropriate, services specifically geared for homeless households and those targeted for the non-homeless households. Examples of the services activities the supportive services staff performs may include:

- Early intervention with Property Management in Resident Selection to conduct assessments.
- Ongoing outreach and engagement of the tenant population, with specific emphasis on children, teens and seniors.
- Assist families with overcoming disorganization due to homelessness, mental health concerns and adverse childhood experiences.
- Engage with service providers that promote safety and stability in home and in community residing within the building.
- Collaborate with other trauma informed services providers to teach self-reliance and empowerment with adults and teens.
- Conduct aggressive outreach to outside providers to teach, coach and mentor adults and teens on various key areas, i.e. hoarding and cluttering, domestic violence and hunger security.
- Establish connections with key service providers such as nursing programs, workforce development, legal aid and beauty and barber.
- Help accessing benefits and educational opportunities as appropriate.
- Trauma informed system that includes ongoing training for services staff and property management teams

- Develop knowledge, skills and ability to engage and assess formerly homeless families and individuals in collaboration with property management during the resident selection period.
- Substance abuse treatment with a focus on harm reduction.
- Referrals and assistance with accessing primary medical care and other community services as needed and connection with neighborhood community clinics.
- Referrals and assistance with accessing to basic needs such as clothing and food.
- Eviction prevention support and referrals.
- Referral to supported pre-vocational/vocational activities appropriate for the skill level of residents of the building.
- Early intervention on issues that may affect housing stability.
- Referral to or assistance in solving legal, financial or school system problems.
- Coordination of tenant's involvement with property management.
- Adult education, employment skill development, and job placement and retention services.
- Referral to learning opportunities for adults where literacy issues have been noticed or requested.
- Referral to and onsite support for mental health and substance use management and recovery.
- Parenting support and life skills coaching using trauma informed parenting providers.
- Conflict resolution among tenants using trauma informed principles.
- Recreation, community building, social, and/or other group programming.
- Children and youth services including academic support, after school enrichment, recreation, youth development and counseling services.
- Referral to services for seniors such as Meals on Wheels, IHSS, and senior-specific activities and services providers.

d) The Services Plans must also include staffing information (number of FTEs or percent thereof, type of services staff, roles of services staff), for both the homeless and non-homeless units. Services for the homeless units must be provided through a case manager to unit ratio of no less than 1 case manager for every 35 units.

2. Services Funding:

a) For the non-homeless residents: services must be funded through at least 1 FTE coordinator position in the operating budget.

b) For the formerly homeless residents: services for families will be funded separately by the Human Services Agency ("HSA") and services for seniors will be funded by the Department of Public Health ("DPH"), up to a 0.5 FTE, through direct contracts with the Projects' service providers.

c) Respondents should budget \$350 per unit per month in services funding for the formerly homeless units.

d) Services funding will be conditioned on continuous compliance with the terms of the Respondent’s Local Operating Subsidies Program (“LOSP”) agreements with MOHCD.

C. COMMUNITY OUTREACH AND TIMELINE

1. Community Outreach:

- a) The selected Respondent will be required to consult with the Northeast Waterfront Advisory Group (“NEWAG”), the Seawall Lot 322-1 Working Group, and other neighborhood groups in the planning of the Development and to update the community on the Development’s progress.
- b) The selected Respondent will be required to do targeted outreach to community stakeholders and organizations in the Chinatown neighborhood and other low-income communities of color and provide language translation for any mono-lingual participants of targeted stakeholder outreach.
- c) The Respondent will also be required to participate in Port-sponsored community outreach meetings for stakeholders to provide comments on the proposed Development. Prior to the Commission’s consideration and approval of the proposed ground lease and necessary related rights. Respondent will be required to update the Port Commission on Respondent’s efforts to engage the community in the planning process
- d) Respondent will be expected to meet with community representatives at least twice during the Schematic Design phase and at least one during the Design Development phase.
- e) Respondent must submit a community outreach plan that outlines outreach efforts required above and any additional outreach the Respondent plans to undertake during the development process.

2. Timeline for Implementing the Development:

	Target
Port Determines Parking Garage Feasibility	Within 120 days of MOHCD selecting developer and receipt of all documentation necessary to determine feasibility
Port Approval of Ground Lease and necessary associated rights with Selected Developer. The lease term will include the approximately 2-year construction period.	Within 36 months from MOHCD entering into predevelopment loan with Selected Developer

D. PRELIMINARY FINANCING PLANS

Because the Family Project and the Senior Project will be owned and financed separately, Respondents must provide a complete and separate Preliminary Financing Plan for each Project. These Plans must have a goal of maximizing economies of scale and efficiencies with development and construction and will be scored on the basis of their overall feasibility, the degree to which they minimize local gap financing and the degree to which they reflect innovative thinking about sources and uses, including creative ways to save on both capital and operating costs. The Plans should include the following elements.

1. Residential Sources & Uses Budget. Respondent should submit a feasible Sources & Uses budget for each Project that includes the following:

- a) HOUSING DEVELOPMENT SOURCES, including, but not limited to:
- 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, including State of California Affordable Housing and Sustainable Communities (AHSC) funding.

For purposes of preparing Preliminary Financing Plans in response to this RFP, Respondents should assume that no reduction in the calculated maximum AHSC award will be required by MOHCD at the time of application.

- MOHCD gap funds (in the form of a 55-year, residual receipts loan), minimized to the greatest extent feasible by other funding sources.
- b) HOUSING DEVELOPMENT COSTS including:
- All soft and hard construction costs that are exclusive to each Project such as architectural and engineering expenses for the interior spaces, the full costs of vertical construction of each level of the Family and Senior Project, permitting and applicable City fees exclusive to each Project, financing costs, and marketing and lease-up costs that pertain to each Project.
 - All soft costs that are shared by both Projects, such as the shared schematic architectural plans for the entire Development and the soft and hard costs of environmental remediation, if any, but reflected separately in the Family and Senior financing plans.

For purposes of preparing Preliminary Financing Plans in response to this RFP, all shared costs should be assigned to each Project based on each Project's relative Gross Square Feet ("GSF"). For example, if the Family Project is 97,000 GSF (excluding foundation and podium) and the Senior Project is 45,000 GSF, such costs should be assigned 68% to the Family Project and 32% to the Senior Project. This approach to

assignment of shared costs is only for purposes of responding to this RFP and may be modified once Respondent has been selected and development of final financing plans is undertaken.

- Respondents can assume they will receive two developer fees for the separate financing plans but the developer fee of both Projects must be consistent with MOHCD's Developer Fee Policy for Tax Credit projects.
- Construction cost estimates should reflect current construction costs and exclude escalation assumptions.

c) 1ST FULL YEAR HOUSING OPERATING BUDGETS:

- Operating Income, including:
 - Tenant-paid rents for formerly homeless households (exclusive of utilities) of \$200 PUPM for 1BR units and \$225 PUPM for 2BR and 3BR units. Actual tenant-paid rents for formerly homeless family units will be based on 30% of their incomes and tenant-paid rents for the formerly homeless senior units will be based on 50% of their incomes.
 - Tenant-paid rents for non-homeless households at appropriate AMI levels (see RFP Section IV.A.2.) set according to the current MOHCD "Maximum Monthly Rent by Unit Size" schedule found on MOHCD's website: . <http://www.sf-moh.org/index.aspx?page=24>.
 - Revenue from commercial space for-profit activities that cross-subsidize Housing Operations.
 - Funding from the City's Local Operating Subsidy Program ("LOSP"), through a 15-year contract with MOHCD, to cover the difference between tenant-paid rents in 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.

Developers should assume LOSP subsidies based on a pro-rata share of expenses 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.

- Operating Expenses, including:
 - 24-hour desk coverage for the Family Project every day; modified coverage for the Senior Project.
 - All typical costs of operations, including annual reserves deposits, administrative and management fees, hard debt service payments, and other expenses in conformance with MOHCD's Underwriting Guidelines.
 - The operating budget should exclude support services such as case management and counseling but may include one FTE Services Coordinator/Connector.
 - For scoring purposes, Respondents should highlight any innovative operating cost controls and their relationship to the leveraging of conventional debt.

- A 20-Year Cash Flow Projection, including:
 - Annual income increases at 2.5%
 - Annual expense increases at 3.5%
 - Typical waterfall surplus cash distributions including, as applicable, deferred developer fee, soft lender payments, incentive management fees, and ground lease payments, all in conformance with MOHCD’s Underwriting Guidelines and Asset Management Fee Policy.

2. **Commercial Space Financing, including:**

a) CAPITAL SOURCES AND USES (one for each of two types of commercial space):

- For development of commercial spaces to be occupied by tenants engaged in profit-making activities, such as commercial retail activities that are strictly for-profit and do not cross-subsidize the residential Projects above the podium, such as public parking from which the Port collects the revenue. (“Non-Public Benefit Spaces”).

Non-Public Benefit Spaces must be wholly and separately financed, including the commercial space shell costs, pro-rated shares of foundation and podium costs, and tenant improvement costs. See MOHCD’s Policy on the Development and Funding of Commercial Space in Housing Developments Funded by MOHCD at <http://sf-moh.org/Modules/ShowDocument.aspx?documentid=4881>.

- For development of spaces to be occupied by tenants engaged in public benefit activities, such as a senior center, childcare center, or after school program or by for-profit retail activities that cross-subsidize housing operations or other public benefit activities (“Public Benefit Spaces”).

The unfinished commercial shells of Public Benefit Spaces may be financed in whole or in part with housing capital financing such as low income housing tax credits and MOHCD financing to the extent such financing satisfies the conditions described in MOHCD’s Commercial Space policy and tax credit regulations.

b) 1st FULL YEAR OPERATING BUDGETS FOR EACH CATEGORY OF COMMERCIAL SPACE including:

- Revenue assumptions, including per square foot lease rates, vacancy rates and operating expenses, including reserves pursuant to MOHCD’s Underwriting Guidelines for commercial spaces.

Revenue from for-profit activities that cross-subsidize Housing operations should be included in the Housing operating budget.

3. **Public Parking Cost Estimate.** Respondents must submit a preliminary development cost estimate for the parking spaces that will be available for public parking to be controlled by the Port (“Public Parking”). This cost estimate should be based on the pro-rata share of the following development costs: foundation, vehicular ingress and egress, hard construction costs, mechanical and electrical costs, and direct soft costs limited to architectural and

engineering costs, but excluding entitlement, financing, legal and community outreach costs. Calculation of the pro-rata share of these costs must be based on unit-measurements capable of capturing the incremental cost of including Public Parking in the Development.

Projected operating costs and 20-year cash flow projections for such parking are not required.

During the predevelopment phase of the Development and by the completion of conceptual design, the selected developer will be expected to prepare a more detailed development cost estimate to assist the Port in determining the feasibility of owning and operating the Public Parking, including:

- the incremental construction costs attributable to the Public Parking;
- the incremental soft costs attributable to the Public Parking, such as architectural/engineering fees; and
- any other costs directly and solely associated with development and the separate ownership of Public Parking in the Development.

- 4. Ground Leases.** For the Port Site, Respondents should assume an initial term until December 31, 2093 pursuant to AB 2949, and an initial term of 75-years with an option to extend for a full 99-year term for the DPW site. Annual base rents shall be set at \$15,000 for each Site and should be included as an annual operating expense. The eventual transfer of the Development Sites to the selected Developer/Owners under the ground leases 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.
- 5. Underwriting Guidelines.** All submissions must conform to MOHCD’s most current Underwriting Guidelines (<http://sf-oh.org/Modules/ShowDocument.aspx?documentid=2578>) and other published MOHCD policies, such as its Developer Fee Policy.
- 6. Predevelopment Funding.** MOHCD will provide up to \$3,000,000 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.

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 represent the surrounding community. The Selection Panel will interview all Respondents who meet the RFP’s minimum qualifications, 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 determined by the Selection Panel will be accepted.

The Director will then select a development team, and MOHCD and Port will exclusively negotiate ground leases for the Development Sites for purposes of their 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: Since the Development includes two separately financed, owned and operated Projects, Respondents' Development Team's must have sufficient experience and capacity to design, develop, own, manage and provide appropriate services for both Projects.

Respondents must identify one Lead Developer and one Lead Architect with responsibility for designing and developing the entire Development as a whole. In addition, the Development Team must be composed of the following:

- At least one San Francisco-based non-profit housing developer with experience developing housing for both very low-income families (for the Family Project) and for low-income seniors (for the Senior Project);
- An architectural firm with experience in design and construction of mixed use multifamily housing for families and/or for seniors in San Francisco.
- A commercial space consultant with expertise in retail and store planning, design and marketing in San Francisco.
- One or more property management entities with experience managing low- and very low-income affordable housing in San Francisco for families and/or for seniors;
- One or more service-providing entities with experience providing services appropriate for low-income families and/or seniors, including formerly homeless households.

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 Developer Experience: The Lead Developer itself or in partnership with other co-developers must provide evidence of the following experience:

- New Construction of at least one 90-unit or larger Type IV or Type I development targeting families or seniors (completed or entitled) in the past 5 years;
- Past experience with each of the following:
 - New affordable housing for low income families and for low income seniors;
 - Supportive housing for formerly homeless families or seniors;
 - Mixed use residential/commercial development.
 - Development of housing in San Francisco
 - Low Income Housing Tax Credit financing.

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 RFP response and must be acceptable to MOHCD.

Minimum Ownership Experience: The proposed Owner(s) of the Family and Senior Projects must have owned at least one affordable family or senior project in San Francisco for at least 5 years prior to the Submittal Deadline of this RFP. In addition, the Owners must each provide evidence of experience with owning housing financed by the use of Low Income Housing Tax credits. This experience does not have to be on the same project that satisfies the 5 year ownership requirement.

For purposes of this requirement, the managing general partners of the tax credit partnerships intended to take ownership of the completed Family Project and the completed Senior Project and to provide asset management for these Projects are the proposed “Owners”.

Minimum Architectural Experience: The proposed Lead Architectural firm must provide evidence of experience with the design and construction of at least one multifamily affordable housing development in San Francisco. In addition, the architectural team must provide evidence of the following experience:

- Design and completed construction of at least one 90-unit or larger mixed use residential/commercial development targeting families or seniors within the past 5 years.
- Past experience with each of the following:
 - At least one additional 75-unit or larger mixed use residential/commercial development.
 - Housing designed for families and for seniors
 - Type I construction; partial Type I is acceptable.
 - At least one development located in San Francisco.

- At least one development with Historic Preservation considerations, especially for which a Certificate of Appropriateness was obtained.

Minimum Property Manager Experience: The proposed property manager for the Family Project must have managed at least three affordable family rental projects, including at least one in San Francisco, and including at least one that is at least 75 units, each for at least 24 months.

The proposed property manager for the Senior Project must have managed at least three affordable senior rental projects, including at least one in San Francisco, and including at least one that is at least 40 units, each for at least 24 months.

In addition, the Property Manager(s) for both Projects must provide evidence of experience with managing housing financed by the use of Low Income Housing Tax credits. This experience does not have to be on the same projects that are used to satisfy the minimum 72-month experience requirements.

Minimum Service Provider Experience: The proposed service provider(s) for the non-homeless residents must have at least 36 months experience providing supportive services to low-income families and to low income seniors in San Francisco. This experience and knowledge of available services, especially services in the general vicinity of the Development, should include linking clients to the City's safety net of services and supporting their efforts to access those services. The proposed service providers for the formerly homeless families and the formerly homeless seniors must have at least 36 months experience providing case management and comprehensive services for homeless households in a residential setting. The same service provider for the homeless family and homeless senior units is preferred.

The proposed service provider(s) must have the infrastructure to supervise and train the onsite staff and their supervisors, as supported by the staffing plan and capacity.

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 as a member of the Respondent team.

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 proposed Owner(s) must provide evidence of the capacity to own and asset manage the proposed Family and Senior Projects or provide specific plans for increasing 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.

	Category	Points
(1)	Experience and Capacity:	40
a.	Developer Experience & Capacity (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
a.	Commercial Retail Plan (5pts)	
(3)	Financing and Cost Control Innovations:	10
(4)	Services Plans:	10
	TOTAL POSSIBLE POINTS	100

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

The aggregate development experience of all developers and co-developers involved in the development of both Projects will be considered for purposes of scoring in this category.

Past experience with mixed income communities including affordable and middle-income/moderate housing	3 points
One or more additional completed family or senior housing developments of at least 90 units in the past 10 years beyond the minimum requirement.	3 Points
Staffing capacity. Given the large number of affordable developments ongoing in San Francisco, demonstrated depth of supervisory and support staff as well as co-project management options to assure full staffing coverage for the entirety of the development process	4 points
Past experience with mixed-use development that included at least 5,000 sf of retail/commercial space.	5 additional points
Two or more past experiences as lead organizer of a collaborative community outreach and planning effort for development of affordable housing or other community development plan.	5 additional points

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

The experience of the lead architect or key staff of the architecture team responsible for overall design of the entire Development will be considered for purposes of scoring in this category.

One or more additional completed family housing developments of at least 90 units in the past 10 years beyond the minimum requirement.	4 points
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Two or more past experiences with collaborative community outreach and planning for development of affordable housing or other community development plan.	4 points
Experience with designing projects subject to Secretary of the Interior Standards	2 points

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

Points will be awarded only to Property Managers whose experience includes managing housing for formerly homeless families and/or seniors in San Francisco in excess of 24 months.

One point will be earned for every 12 months experience managing a mixed use property (ground floor commercial with residential)	Up to 2 points
One point will be earned for every 12 months experience managing housing in San Francisco for formerly homeless families.	Up to 1.5 points
One point will be earned for every 12 months experience managing housing in San Francisco for formerly homeless seniors.	Up to 1.5 points

(1d) Service Provider Experience – (5 points possible)

Proposals will be scored according to the amount of experience (length of time) the service providers have successfully provided services to low- and very low-income families and seniors, including homeless families and seniors. This experience should include knowledge of available services and 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 36 months minimum requirement.	Up to 2 points
One point will be earned for every 12 months experience providing services for low-income seniors in excess of the 36 months minimum requirement.	Up to 2 points
One point earned for experience providing services to homeless households	Up to 1 point

(2) Development Concept and Preliminary Site Plan – (40 points possible):

Proposals will be scored according to the degree to which the Development Concept and Preliminary Site Plan for the entire Development achieves the Design Objectives described above in section IV. A.3.

The Panel will score each Respondent’s proposal using the following scoring system:

Outstanding	30- 40 points
Very Good	25 - 29 points
Good	20 - 24 points
Fair	15 - 19 points
Poor - Inadequate	0 - 15 points

(2b) Commercial Retail Plan – (5 points possible):

Proposals will be scored according to the degree to which the Commercial/Retail Plan achieves the Development Program Objectives described above in Section IV. A.1.

Excellent	5 points
Very Good	4 points
Good/Poor	0-3.5 points

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

Each Project’s Financing Plan will be ranked according to the degree to which they propose preliminary financing plans that are feasible and consistent with the requirements, limitations and opportunities associated with their proposed sources; propose development costs that are comparable to other similar Family and Senior Projects; minimize MOHCD’s permanent financing; propose innovative sources or financing instruments; and use 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 Development.

Top ranked proposal re: preliminary financing plans, Cost Controls	10 points
2 nd ranked proposal	7 points
All other proposals	0-5 points

The two scores for each Project will then be combined to arrive at a total for this category.

(4) Services Plans – (10 points possible):

Each Project’s Services Plan will be scored according to the degree to which the 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 and to low-income seniors; 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	10 points
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Very Good	7 points
Good/Poor	0-5 points

The two scores for each Project will then be combined to arrive at a total for this category.

D. Submittal Requirements

Responses to this RFP should organized as follows:

1. Summary. Provide a concise narrative description of the proposal for developing the Site, including each Project’s overall size, uses, resident and community amenities, general layout, and summarized financing and services plans. Provide one **Attachment 2 - Proposal Metrics** form for each Project. Include all podium uses including commercial space, community amenities and public parking, if any.

2. Development Team. Using **Attachment 3 - Respondent Description**, provide 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)
- Asset Manager(s)
- Lead Architect and other Architect(s)
- Property Manager(s)
- Service Provider(s)
- Commercial consultant

For each Lead 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 either signed federal income tax returns (including schedules or attachments, if any); or audited financial statements (with management letters, if any).

3. Development Team Experience and Capacity

3.1.a. Developer Experience and Capacity.

(1) **Minimum Required Experience:** Describe at least one family or senior 90-unit or larger development completed or entitled in the past 5 years and provide additional evidence of experience with each of the items listed above in section V.B.2. Development Team Minimum Experience Qualifications under “**Minimum Developer Experience**”.

(2) **Development Experience Scoring:** Describe each Developer’s experience in each of the following areas:

- Additional completed family or senior housing developments of at least 90 units in the past 10 years beyond the minimum requirement.
- Experience with a mixed-use development that included at least 5,000 sf of retail/commercial space.
- Experience as lead organizer of collaborative community outreach and planning effort for development of affordable housing or other community development plan (at least twice).
- Experience with mixed income developments that include moderate income tenants.

(3) ***Development Capacity***: Summarize the organizational structure of each Project Development Team, including the roles of Developer, Co-Developer and Development Consultant. Identify and briefly describe the experience of key development staff. Provide an **Attachment 4 - Projected Staffing Workload** for each Project.

3.1.b. Ownership Experience and Capacity:

(1) ***Minimum Required Experience***: Describe at least one family or senior project owned for at least five (5) years by the organization that will assume ownership of the proposed Family or Senior Project including its location, non-residential uses, number of units, completion dates, capital financing and target population; and

(2) ***Ownership Capacity***: Describe 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. Architectural Experience.

(1) ***Minimum Required Experience***:

- Describe the Lead Architect's experience with the design and construction of at least one 90-unit or larger family or senior mixed use development designed in San Francisco completed in the past 5 years
- Provide additional evidence of experience with each of the items listed above in section V.B.2. Development Team Minimum Experience Qualifications under "***Minimum Architectural Experience***".

(2) ***Architectural Experience Scoring***: Describe the Architectural team's experience in each of the following areas:

- One or more additional completed family or senior housing developments of at least 90 units in the past 10 years beyond the minimum requirement.
- Experience as lead architect of a collaborative community outreach and planning effort for development of affordable housing or other community development plan (at least two examples).

3.3 Property Manager Experience. For each Project, describe the following:

- at least three Family or Senior Projects managed in San Francisco 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, including its standard procedures regarding resident meetings, resident outreach and interaction with service providers.
- the firm's experience with trauma informed systems, including knowledge, skill and ability to work with families who have been chronically traumatized and children with adverse childhood experiences and learning disabilities.
- At least one example of experience managing housing financed with low income housing tax credits.

3.4 Services Provider. For each Project, describe the following:

- In general terms, the types of services made available to low-income families or seniors, including homeless families and seniors; 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 5 - Service Provider Residential Experience**, describe experience providing on-site or off-site services to residents of low income housing, highlighting (under "Population Served" and "Services Provided") any experience serving homeless families who have been chronically traumatized and children with adverse childhood experiences or seniors. If more than one service provider is engaged on current projects, provide one copy of Attachment 4 for each provider.

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

4.1. *Narrative Development Concept Description.* Describe the major qualities and features of the overall Development design concept as they relate to the Development Plan Elements described in Section IV. A. above, including:

- *Development Program Objectives:* Housing, Community Benefits, Commercial Uses, Parking
- *Housing Program Objectives:* Income Targeting, Maximum Rents, Minimum Number, Mix and Sizes of Housing Units, Occupancy Preferences, Affirmative Marketing Plan

- *Design Objectives*: Housing Habitability, Urban Design, Height, Bulk and Massing, Facilitation of Active Uses Along Street Frontages, Neighborhood/Community Amenities, Sustainability

4.2 *Volumetric feasibility analysis* with a focus on the interface between the overall Development's 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 commercial and residential uses. Show site and/or neighborhood/community considerations taken into account in developing the site plan.

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 or materials.

4.6 *Floor plans* for below grade floor, if any, ground floor and each upper residential floor showing general location of proposed residential lobby and entry level tenant spaces, unit locations and sizes, resident amenities, common areas for residents, retail/ commercial space, parking 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 open space in both north/south and east/west directions whether at grade level or above grade.

4.8 *Commercial space plan* that describes initial commercial space plan, how many units, typical square footages, and any shared common areas..

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

1) Full development proforma, with

- Sources & Uses, including all terms related to equity and debt, e.g., eligible basis assumptions, 50% test calculations, construction and permanent loan rates and terms.
- Rent schedule, including all levels of affordability.
- Tax Credit calculation assumptions.
- Middle-income debt leveraging and required MOHCD gap funding (show MOHCD gap requirement in each of the following three ways: separate for middle-income; separate for tax-credit financed units; and blended across each project).

2) 20-year cash flow (including, as appropriate, commercial revenue as described in Section IV.D.2.).

3) Year 1 operating budget (LOSP operations must be included in the overall project-operating budget. LOSP subsidies must be sized to cover the LOSP unit expenses should be reflected in the 20-year cash flow).

4) Commercial space financing plan.

5) Public parking cost estimate.

For the Family Project, add an estimate of the incremental development costs associated with providing off-street public parking after accounting for all other uses on the ground floor as described in Section IV.C.3.

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.

Highlight middle income financing assumptions including debt leveraging and MOHCD gap for those units. Highlight commercial revenue and expense assumptions, using developer and commercial consultant experience.

Please also include a narrative that outlines the commercial financing and marketing plans, identifies interested potential commercial tenants and financial viability of such tenants, and whether the commercial space is a "cold" or "warm" shell.

6. Services Plans. Submit a services plan of no more than three (3) pages for each Project that meets the requirements of Section IV.D above and includes the following information:

- The service provider's overall philosophy and plan for providing services to the residents, including a listing and brief description of the services to be provided, and highlighting, if appropriate, any innovative approaches it may include;
- Staff knowledge, skills and ability of the impacts of severe to chronic trauma and the ability to identify and treat or refer for additional services.
- The plan for engaging residents and encouraging access to services;
- How services for the 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;
- A description of the organization's infrastructure to supervise, train and support on-site services staff and their supervisors, and
- A services budget that is consistent with the Services Plan.

7. Affirmative Marketing Plan. Submit a draft affirmative marketing plan that outlines how you plan to market the project to the general public for initial occupancy including what specific outreach planned to be undertaken toward North-Beach/Chinatown/Telegraph Hill-based tenants displaced by Ellis Act evictions.

8. Community Outreach Plan. Submit a preliminary community outreach plan that outlines outreach efforts required above in Section IV.C.1 and any additional outreach the Respondent plans to undertake during the development process.

9. Disclosure Form. Submit a completed and signed copy of **Attachment 6 – Disclosures**, which requires any respondent to this RFP to disclose defaults, lawsuits, legal proceedings, bankruptcy filings or financial interests affiliated with MOHCD staff or Citywide Affordable Housing Loan Committee members.

E. Submittal Deadline and Other Important Dates

Pre-Submittal Meeting: **Thursday, December 17, 2015 at 3:00 p.m.** 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 and faith.kirkpatrick@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 88 Broadway 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 10 (ten) hard copies of the Proposal including all attachments by **5:00 p.m. Monday, February 29, 2016** to MOHCD, 1 South Van Ness Avenue, 5th Floor reception, attention: Teresa Yanga. In addition, email a complete proposal including attachments to:

Teresa Yanga (teresa.yanga@sfgov.org) and
Faith Kirkpatrick (faith.kirkpatrick@sfgov.org)

Scoring and Ranking: All respondents will be notified by **Friday, March 11, 2016** 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. The Selection Panel will interview qualified respondents to help determine RFP response scoring.

Interviews: The Selection Panel will schedule interviews with qualified development teams during the **week of March 21, 2016**, unless otherwise notified by MOHCD staff.

Final Selection: Subject to approval by the Director of MOHCD, final selection is anticipated to be completed by the **week of April 4, 2016**.

VI. TERMS AND CONDITIONS OF REQUEST FOR PROPOSALS

A. Developer Responsibilities

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

- Periodically updating the Northeast Waterfront Advisory Group on the Development's progress throughout the predevelopment and construction periods.
- Conducting all appropriate due diligence, investigating and determining conditions of the Development Site and the suitability of the Development Site for the proposed Development.
- Collaborating with MOHCD and the Port during predevelopment to assist the Port to determine if the proposed public parking garage is feasible and the amount Port would need to pay for the incremental cost of the public parking garage.
- 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 RFP, 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. 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 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 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 Development.

f. Sustainable Design - The Mayor’s Office of Housing and Community Development seeks to maximize the overall sustainability of developments it finances 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. Programmatic goals 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>.

g. Insurance Requirements – see Exhibit A -- Insurance Requirements

B. Errors and Omissions in RFP

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 Development. The City's selection of a developer is in no way deemed to be the final approval of any Development 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 Development 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 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 developer MOHCD, in its sole discretion, determines that the selected developer will be unable to proceed with a timely and feasible Development 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 Development 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 the proposed development on Seawall Lot 322-1, 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 Development.

6. The City will not approve any ground lease for the Family 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 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 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. The 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 Family 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 Family 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-Family 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-Family 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-Development 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 Developments that are unoccupied by residential or commercial tenants, Tenant must obtain Property Insurance by the date that the Development 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 Family 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 Development, 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. Submittal Checklist
2. Proposal Metrics
3. Respondent Description
4. Projected Staffing Workload
5. Service Provider Experience
6. Disclosures