

Alameda County
MENTAL HEALTH SERVICES ACT (MHSA)
LOCAL HOUSING DEVELOPMENT FUNDING
PROGRAM

REQUEST FOR PROPOSALS

Alameda County Behavioral Health Care Services (BHCS)
and
Alameda County Housing and Community Development (HCD)

Proposals are due by 5:00 PM on Friday, February 1, 2008

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INTRODUCTION

Alameda County Behavioral Health Care Services (BHCS) and Alameda County Housing and Community Development Department (HCD) announce the availability of \$2,050,000 in Mental Health Services Act (MHSA) loan funds for the capital costs of housing development: acquisition, rehabilitation, and new construction. Units created with these funds will be set aside for MHSA-eligible tenants and will have services and operating subsidies connected to them through a partnership with one or more service agencies. The units funded will be Supportive Housing units, and are part of the County's Everyone Home plan to end homelessness.

This Request For Proposals (RFP) is intended to enable the County to:

- 1) Evaluate a proposal's eligibility for MHSA funding;
- 2) Rate the proposal to establish whether it meets the County's minimum point requirement;
- 3) Rank the proposal relative to other proposals received;
- 4) Allocate \$2,050,000 in local MHSA housing funds;
- 5) Enter into contract by June 30, 2008

The City of Berkeley's Mental Health Department (BMH) is also issuing a separate RFP for approximately \$500,000 through its Housing Department for similar funds. BHCS and BMH are committed to working together, to the extent possible, to coordinate access to their distinct MHSA housing fund allocations. BMH and BHCS do not intend to layer funds from each of their pools into the same projects. If you have questions regarding the City of Berkeley's MHSA housing funds, please contact Amy Davidson at (510) 981-5406 or at adavidson@ci.berkeley.ca.us.

Project Selection Process

Applications that meet basic thresholds, obtain the minimum points required, and meet identified community needs will be recommended for funding until all funds are exhausted. Factors that will be considered in the determination of funding include: readiness, geographic location, complexity of the project and its financing, and how the project best serves the interests of prospective MHSA tenants.

This Request for Proposals consists of the following sections:

- Program Description**
- Process and Ranking Criteria**
- Application Materials**
- Attachments**

Completed applications are due on February 1, 2008 by 5 pm. Awards will be announced by April 1, 2008 and projects must be under contract by June 30, 2008. Projects that are not being considered for any MHSA funds based on their initial application will receive guidance on if and how their project proposal could be improved to be considered at a later date for additional rounds of MHSA funding.

Two master sets of the application must be submitted—one for HCD and one for BHCS—at one of the following addresses:

Alameda County HCD
224 W. Winton Ave, Room 108
Hayward, CA 94545
Att: Michelle Starratt

Behavioral Health Care Services
2000 Embarcadero, 4th Floor
Oakland, CA 94606
Att: Robert Ratner

Faxed or emailed applications will not be considered. ***Please be aware that under California Public Records Act, all documents submitted in response to this RFP are considered public record and will be made available to the public, upon request.***

Two RFP Information Meetings will be held:

December 7, 2:00-3:30 at 2000 Embarcadero Cove, BHCS, Alameda Room
December 13, 2:00- 3:30 at 224 W. Winton Ave, Room 160

For more information, please contact Michelle Starratt, HCD Housing Manager, at (510) 670-5207 or michelle.starratt@acgov.org; or Robert Ratner, BHCS Housing Services Director at (510) 567-8124 or rratner@acbhcs.org.

BHCS and HCD will maintain a list of questions and answers pertaining to this RFP on the following website: www.acbhcs.org . The website should be checked periodically to view new and updated information.

Alameda County MHSA Housing Development Program Description

Section 1

A. About the Mental Health Services Act (MHSA):

California voters approved Proposition 63 during the November 2004 General Election. Proposition 63, now known as the Mental Health Services Act, became effective on January 1, 2005. The Act is intended to expand mental health services to children/youth, adults and older adults who have serious mental illness/severe emotional disorders and whose service needs are not currently being met through other funding sources. Through the imposition of a 1% tax on personal income in excess of \$1 million, the Act provides the opportunity for the State Department of Mental Health to provide increased funding, personnel and other resources to support county and other local mental health programs. The Act directs county mental health departments to develop and submit a Three Year Program and Expenditure Plan to the State. The Plan is comprised of five components, one of which is Community Services and Supports (CSS). The Alameda County CSS Plan is available on the Alameda County Behavioral Health Care Services (BHCS) website at <http://bhcs.co.alameda.ca.us/MHSA/DocCtr/docCtr.htm>. BHCS staff and their contract agencies are now working throughout Alameda County to implement the approved CSS Plan. The funds for this RFP are from the County's initial CSS allocation, and housing funded with these funds must be consistent with the priorities identified in the CSS component of the County's Three-Year Program and Expenditure Plan.

B. Target Population:

The MHSA housing target populations are adults (ages 25 – 59), older adults (ages 60+), and transition age youth (ages 16 – 24) with serious mental illness, and children with severe emotional disorders and their families. To be eligible for MHSA housing units, households must also be homeless or at-risk of homelessness and have incomes that are not greater than 30% of area median.

Definitions of terms:

1. Adults or older adults with serious mental illness as defined in Welfare and Institutions Code Section 5600.3(b)(1).
2. Children or adolescents with severe emotional disorders as defined in Welfare and Institutions Code 5600.3 (a) (1), and their families.
3. Homeless: Living on the streets, or lacking a fixed, regular, and adequate night time residence. (This includes shelters, motels and living situations in which the individual has no tenant rights.)
4. At-risk of homelessness includes the following:
 - a. Transition-age youth (as defined in Welfare and Institutions Code Section 5847(c), and in Title 9, California Code of Regulations, Section 3200.80) exiting the child welfare or juvenile justice systems.
 - b. Individuals discharged from institutional settings including:
 - i. hospitals, including acute psychiatric hospitals, psychiatric health facilities (PHF), skilled nursing facilities (SNF) with a certified special treatment program for the mentally disordered (STP), and mental health rehabilitation centers (MHRC)
 - ii. crisis and transitional settings

- c. Individuals released from city or county jails.
- d. Individuals temporarily placed in Residential Care Facilities upon discharge from one of the institutional settings cited above.
- e. Individuals who have been assessed and are receiving services at the county mental health department, who have been deemed to be at imminent risk of homelessness, as certified by the BHCS Director or their designee.

The MHSA housing target population includes individuals with personal histories of housing instability and difficulty accessing mainstream affordable housing resources. It is expected that tenants may come with:

- Annual incomes that typically fall below 15% of area median income
- Histories of prolonged homelessness, prior evictions, and/or poor credit
- Possible historical involvement with the criminal justice system

This target population is disabled, and given their anticipated histories, it is expected that developers may need to make reasonable accommodations as part of their tenant selection and lease-up process. Developers are NOT expected to make unreasonable accommodations that are likely to disrupt the housing community as a whole.

In an effort to honor the expressed preferences of mental health services consumers, BHCS and HCD will only fund Rental Housing Developments in this funding round, and will not fund shared housing developments. In addition, the County will pursue a strategy that supports mixed population developments in favor of MHSA-unit only developments. BHCS and HCD consider mixed population developments to have a range of only 10-20% of units in a development set aside for MHSA participants. Smaller projects or projects focused on specific age groups may be appropriate for exclusively housing MHSA participants. However, it is anticipated that only a small number of these projects will be supported through MHSA housing funds. Such MHSA-only projects may also raise fair housing concerns depending on the resources used in the housing development.

In preparation for the RFP process, HCD held a focus group with mental health consumers about their concerns and preferences related to housing. The Consumer Focus Group Housing Preferences list is provided as Attachment B to this RFP. This information will be useful to developers to ensure that the project being proposed is appropriate to the population being served. Proposals that address consumer preferences will receive higher scores and are more likely to receive funds.

C. Selecting a Leasing and Service Partnership Strategy

Housing units created with MHSA funds are designed to meet needs identified in Alameda County's MHSA Community Services and Supports (CSS) Plan. This plan identified housing as a critical need for individuals and families affected by serious mental health issues and created several programs to address those identified needs. The programs target specific populations and combine intensive supportive services with housing assistance funds. The CSS supported programs which provide services to persons with housing needs are:

- **Full Service Partnerships (FSPs):** FSP's are intensive programs that provide a comprehensive array of services to individuals with serious mental illness or severe emotional disorder and are led by a single service provider or by a service provider in partnership with a housing service organization. Each FSP is expected to have 24 hour/7 day per week coverage for their clients as well as the capacity to perform home visits on at least a weekly basis, if needed. FSPs have funding for both services and ongoing rental assistance. In Alameda County there are currently six FSPs. Attachment A provides a summary of each FSP including its geography, size, target population and contact information.

- **Creating Homes:** Creating Homes is a system enhancement program that expands the resources available to current clients of existing mental health service teams. A select group of current clients will qualify for Creating Homes based on their interest in, and commitment to, pursuing paid employment, community living, and mental health recovery. Creating Homes funds will provide housing financial assistance, vocational and peer supports, and intensive case management to help participants meet their personal recovery goals and live independently in the community. Creating Homes participants will continue to receive ongoing services from a BHCS-supported service team in addition to the enhanced supports provided by Creating Homes. A list of the current mental health service team agencies that will be eligible to participate in the Creating Homes system improvement effort is included in Attachment A. [Not all of the service teams listed will necessarily participate in the Creating Homes system improvement effort.]

To ensure that MHSA tenants receive the supportive services they need and to fill the financial gap between what most tenants can pay and the unit rent, developers will select from one of two Leasing and Service Partnership strategies.

- A) **Master Leasing (Selected Service Partnerships).** A developer with a housing project that allows for master leasing of specific units may choose to partner with one or more of the Full Service Partnership (FSP) agencies that has the capacity to master lease MHSA units from the developer. Developers must identify the master leasing service provider(s) as part of their application and ensure that their other development funding sources allow for master leasing of specific units within the development. The FSP(s) that master lease the units will sublease to their participants, will provide the full contract rent to the developer, and will provide supportive services to their tenants. This strategy allows for the developer to select and limit the service providers referring tenants to MHSA units and providing supportive services to these tenants.
- B) **Open Leasing (Broad Service Partnerships).** A developer without the capacity to master lease units at a particular property or with a desire to have the MHSA units open to a broader range of potential tenants may select this strategy. With this strategy, a project will have a specific number of dedicated MHSA units that can be filled by any MHSA housing eligible tenants that are connected with an MHSA service program including any of the Full Service Partnerships or Creating Homes. The FSP or Creating Homes will provide supportive services to their participants and a tenant-based rental subsidy. This strategy allows the developer to

have a broader range of potential tenants and associated service providers for MHSA units.

Within their application (Application Section “Program Overview - #4) developers must identify their selected Leasing and Service Partnership Strategy and provide a rationale for this choice in the context of the particular development. Developers that opt to master lease units to one or more FSP(s) will need to include in their application a letter of commitment from the FSP(s) with which they will partner. Developers that choose the open leasing strategy will need to include in their application a letter of commitment from the BHCS Housing Services Office. More information about the potential impact of each strategy can be found in Attachment E.

Fair Housing Implications

The County encourages developers to review the fair housing implications of their selected Leasing and Services Partnership strategy carefully with legal counsel before applying for these funds. Approaches which differ from the two listed above will be considered as long as the developer can evidence that it is legally viable, serves the MHSA housing target population, and ensures that an appropriate level of supportive services will be available to the tenants in the MHSA housing units.

Tenant Certification and Referral

In accordance with the State MHSA Housing Program guidelines, BHCS must establish policies and procedures for the certification and referral of eligible tenants to designated MHSA housing units developed with MHSA Housing Program funds. A copy of these DRAFT policies and procedures are being provided as a separate document in conjunction with this RFP. Comments and feedback on this document should be given to Robert Ratner at rratner@acbhcs.org or (510) 567-8124 or at a scheduled meeting for developers to be held on Wednesday, December 19th from 1-2:30 pm at the BHCS Offices at 2000 Embarcadero Cove, Oakland, Suite 400.

For projects with master-leasing arrangements, the service agency will refer the applicants for the units and their MHSA eligibility will be certified by the BHCS Housing Services Office.

In the Open Leasing model, the BHCS Housing Services Office will provide the property management company conducting the lease-up of units with names from the certified list to add to their project specific waiting list. The property manager will contact certified applicants from their waiting list and make the final determination on tenant selection. Screening criteria should be designed to ensure that the target population gains access to the units and it should seek to remove barriers to accessing the housing. In addition, the screening process should be carried out in collaboration with the service provider. Projects utilizing the “Master Leasing” approach will rely on the service partner to identify certified tenants and lease-up the MHSA-funded units.

MOU Requirement

All MHSA housing developers will be required to enter into a Memorandum of Understanding (MOU) that includes the developer/owner, property manager, the BHCS Housing Services Office, and a specific service provider(s), if applicable. A boiler plate MOU will be handed out along with this RFP. This MOU outlines the *minimum expectations* of owner/developer, property manager, BHCS, and any specific service provider(s) connected with a particular project. Developers may wish to modify this MOU slightly, but they cannot change the minimum expectations outlined in

the document. By entering into this MOU, and as a condition of providing MSHA housing funds, BHCS is making a commitment to provide services for the MSHA tenants for the term of the MSHA housing loan. As part of this application, developers must certify that they will enter into a finalized MOU agreement with all parties prior to the close of their MSHA housing loan.

D. Operating Viability

A key element to consider in crafting an application for MSHA funds is the manner in which a project ensures operational viability over the long term while providing affordable rents to households with incomes that will initially average 15% of the area median or below (roughly equivalent to SSI). The MSHA housing eligibility criteria requires that households have incomes at or below 30% of area median income at time of certification and move-in to a unit. Contract rents can be set to a 30% of 40% of area median income standard BUT preference will be given to projects that can set rents at 30% of 30% of area median income.

In order to make units affordable to people at 15% of AMI we are recommending a partnership with one of the service programs listed above because they have rental subsidies set aside for their clients. Developers may also make the MSHA units affordable to the target group through other funding sources such as Section 8, project-based Shelter Plus Care. Alameda County wants to ensure that all funded MSHA housing projects have operating budgets that are robust enough to ensure the long-term viability of the project, while ensuring that the tenant rents are affordable to the target population. Under any of these scenarios, applicants are asked to provide a narrative description of how they will provide for any operating gap, as well as depict this strategy in their project proforma.

E. Time Frames for Use of County-Administered MSHA Funds

It is desired that projects obtain permanent financing commitments within 12 months of the date of the award letter. Unless the funds have been approved as predevelopment funding, funds are not available until a deed of trust and regulatory agreement can be recorded against the property. Construction loan closing should take place within 24 months of the date of the award letter. Changes to these time frames are subject to the County's discretion.

F. Conditions Precedent to Disbursement of Funding

Prior to the County disbursing funds to the Developer, all required documentation must be met. Conditions of funding include, but are not limited to:

1. A budget for the use of the funds has been approved
2. Completion of CEQA and NEPA requirements (if required)
3. Ability to record final executed loan documents
4. Title Insurance on property
5. Receipt of a corporate resolution authorizing the developer to borrow the funds
6. Receipt of proof of insurance
7. All approved financing has or is ready to close
8. Borrower has obtained a commitment letter from a tax credit equity investor (if applicable)
9. Borrower has provided a tenant selection, fair housing and marketing plan tailored to the project

10. All use and building permits can be issued
11. All labor, material and performance bonds have been issued
12. The construction contract is executed
13. Borrower has submitted an invoice, on letterhead, requesting funding against the approved budget

A full list of all required documents will be included in the Contract and Loan Agreement which the County will provide prior to loan closing.

G. Loan Terms for County-Administered MHSA Funds:

Standard loan terms for County-funded projects are 59 years at 3% interest. As it is the County's goal to make projects financially viable and to leverage other financing, loan terms can be changed based on documentation of need. If there is permanent debt, it is a goal to have the maximum debt coverage ratio allowed in rental projects to be limited to the ratio required by other lenders providing financing as reflected in their commitment of funds (not to exceed 1.15). Draft loan documents (contract, regulatory agreement, deed of trust and promissory note) will be circulated to the project developer prior to execution.

Developers must obtain comprehensive general liability, auto insurance, workers compensation, and property hazard insurance coverage as part of their contractual obligations with the County. Please see Attachment C for a copy of county insurance requirements.

MHSA loans will be secured by a deed of trust recorded on the property, and income, occupancy, and recapture/resale restrictions will be placed on the property through a recorded regulatory agreement.

MHSA funds will be disbursed on a reimbursement basis, upon submission of invoices and proper backup documentation, although MHSA funds may be used for acquisition of properties through deposit of funds into an escrow account. The developer should consult with the HCD project manager about disbursement requests. During project implementation, the developer will be required to submit documentation such as schedule, financing commitments, insurance documentation, updated budgets, construction drawings and specifications.

A developer fee is an eligible cost and must reflect a reasonable rate: the lesser of 10% of total development costs or no more than \$1.3 million shall be used as a standard. Developers will be required to justify developer fees proposed in excess of this standard. Costs to be considered part of the Developer Fee include any funds disbursed to the developer or sponsor for administrative costs, provision of guarantees, or fees for services, and no additional fees can be charged (including development consultants; net worth guarantee fees; marketing and/or rent-up supervision fees; tax credit compliance guarantee fees; real estate brokerage fees paid to a related party; loan brokerage fees paid to a related party; processing agent fees; developer profit and overhead; compensation for construction management oversight provided by the developer; the cost of any personal guarantees; and reserves in excess of those customarily required by multi-family housing lenders). Costs which are not considered Developer Fees are those paid to a separate and distinct entity and may cover items such as Syndication Consultants, Legal Fees, and Financial Advisors.

G. Minimum and Maximum Loan Limits

There is no minimum loan limit. The maximum per unit loan amount will be equal to one-third of per unit cost to develop the unit, up to a maximum of \$100,000 per unit. MHSA loan funds are only eligible for units restricted to the MHSA target population.

H. Developer Standards

BHCS is utilizing the Alameda HOME Consortium's established developer threshold criteria for all developers receiving MHSA funding. These guidelines are included as Attachment "D" and are meant to assist developers in assessing their capacity with regards to receiving financial assistance from MHSA.

Process and Ranking Criteria

Section 2

A. Review and Funding Process

The County has established basic thresholds for this RFP and evaluative categories with an accompanying point system. All applications must meet the basic thresholds and score a minimum of 106 points out of a total 135 points in order to be eligible for funding. HCD staff may request additional information in order to assist in the review process.

The review and selection process for the local MHSA housing funds is comprised of the following steps:

1. HCD staff will conduct a technical review of all applications to determine whether basic thresholds have been met and that the applications are eligible.
2. Projects that meet basic thresholds will be submitted to the BHCS MHSA Housing Committee. Proposals that do not meet basic threshold will not be submitted to the housing committee and will not be scored.
3. The Housing committee will score and rank those proposals that have met basic thresholds requirements.
4. A site visit and/or interview with project development staff for proposed projects may be conducted.
5. Additional information may be requested from the applicant to complete the review of the project.
6. The BHCS Housing Committee will make final recommendations to the BHCS Housing Services Director about which projects to fund and these recommendations will be forwarded to the Director of BHCS for her approval.
7. Following approval from the BHCS director, BHCS and HCD will present the proposed contract for project funding to the County Board of Supervisors for final approval.

Meeting minimum requirements does not guarantee funding. Alameda County reserves the right to refuse funding for any and all applications.

If an application does not meet basic thresholds or does not obtain the minimum 106 points required, HCD will send the applicant a letter outlining the deficiencies and provide an opportunity

to correct and resubmit the applicable sections if local MHSA housing funds remain. HCD and BHCS staff will be available to provide technical assistance to applicants to facilitate the creation of eligible applications.

If an application is recommended for funding by the MHSA Housing Committee and the BHCS Housing Services Director, a letter of "Conditional Approval" documenting any outstanding issues to be resolved will be sent to the applicant. Prior to contract execution, the developer recommended for funding must have addressed any issues relevant to the Conditional Approval, outstanding project requirements and/or implementation issues.

B. Evaluation Criteria

BHCS and HCD have established the following basic threshold and rating criteria in order to fairly evaluate MHSA applications. Each applicant must submit completed applications with the required documentation attached. (Please refer to the application provided in Section 3 for more information.)

Applications will first be reviewed by HCD staff to determine if the basic thresholds are satisfied. Every basic threshold must be met in order for an applicant to be considered for funding. Once all basic thresholds are met, the applications will be evaluated according to the rating criteria.

i. Basic Thresholds

1. The developer must have a demonstrated capacity for completing projects similar to what is proposed in terms of scope, size, budget, financing structure, ability to obtain financing, and schedule. The developer, or the housing management entity that the developer contracts with, must also have a demonstrated capacity for managing completed projects similar to what is proposed in terms of scope, size, operating budget, population being served, and service programming. Resumes, statement of qualifications, and listing of other affordable housing development projects will be reviewed under this threshold.
2. The project must be located in Alameda County.
3. The project request is for acquisition or construction costs and the project must have a financing gap (i.e. it is not already fully funded).
4. Project types will consist of: Rental Housing Developments.
 - i. The definitions of Rental Housing Development will be the same as the definitions provided in the State MHSA Housing Program. Exceptions to allow smaller developments may be granted on a case-by-case basis.
 - ii. Rental Housing Developments are apartment buildings that include five or more separate apartments, each with its own lease. Each apartment must include, at a minimum, a sleeping area, a kitchen area and a bathroom.
 - iii. A project must have a minimum of 10% of the units set aside as MHSA housing in order to be eligible for this funding.

- iv. Shelters and transitional housing are not eligible uses for MHSA funds.
- 5. The developer must have a community acceptance plan designed to promote community acceptance of the proposed project. The plan should indicate activities carried out to date or present planned activities, or both. In addition, the plan should provide an analysis of the potential barriers to the development of the project and strategies to address these issues.
- 6. MHSA units must be restricted to the MHSA target population and have income eligibility limits no greater than 30% of AMI.
- 7. Rents for MHSA units may be no greater than 30% of 40% of AMI less a utility allowance.
- 8. Project developers must identify a clear MHSA service partnership strategy - Master Leasing vs. Open Leasing. You must submit a letter of commitment from an FSP if you select Master Leasing. You must submit a letter of commitment from BHCS if you select Open Leasing.
- 9. Evidence of local support must be provided; indicated by either a local funding commitment or planning approvals or a letter of support from either the City Planning or Community Development Director.

ii. Ranking Criteria

After passing threshold review, project applications will be rated on the degree to which they meet the following ranking criteria:

<p>Project Feasibility: The project demonstrates feasibility as defined by the following measures:</p> <ul style="list-style-type: none"> • Development costs reflect reasonable cost standards for similar types of development, as determined by HCD staff. • Other financing sources are identified to cover all project costs, although not necessarily committed. The likelihood of obtaining these financing sources and the schedule for obtaining them is realistic and reasonable. • The operating budget reflects reasonable cost standards for similar types of development, as determined by HCD staff. • Soundness of financial strategy for addressing the operating gap. • The project scope is feasible in terms of ability to meet environmental review requirements. • Evidence of site control. 	<p>Points Available: 35</p> <p>Must obtain a minimum of 25 points in this category</p>
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<p>Project Physical Characteristics: Demonstrates that the design and structure of development is suitable to people with mental disabilities and histories of housing instability in a one to two page narrative that includes the following elements:</p> <ul style="list-style-type: none"> • The unit sizes and configuration are appropriate to the target population being served (both with regard to people with mental disabilities in general and specifically to adults, transition age youth, and/or seniors). • The project’s design and location will meet the needs of people with mental disabilities. • The housing will create a safe and secure environment for consumers. • Other characteristics that address the preferences of consumers, as presented in the Consumer Housing Preference List. (Please see Attachment “B”). • Inclusion of green building measures. (Applicants are asked to submit a completed “Multifamily GreenPoint Checklist” found on www.stopwaste.org, if stage of development allows). <p>The application will demonstrate the following project features:</p> <ul style="list-style-type: none"> • Availability of on-site amenities which are appropriate to the size of the project and the target population, such as community rooms and social service space. • Availability of off-site amenities in proximity to site to serve the target population, such as community centers, social services, shopping, recreational venues etc. • Proximity to public transportation. 	<p>Points Available: 20</p> <p>Must obtain a minimum of 14 points in this category</p>
<p>Coordination of Supportive Services and Property Management: Demonstrates the developer’s understanding of the critical relationship between supportive services and property management in a one to two page narrative that will include the following:</p> <ul style="list-style-type: none"> • Brief description of property management roles and responsibilities related to coordination with supportive services. • Description of how the property owner and property manager will work with the service provider, including utilization of best practices in the supportive housing field. • Description of the MHSA service partnership strategy selected by the developer. • Discussion of why the particular partnership strategy and collaborative was selected. 	<p>Points Available: 15</p>

<p>Tenant Selection, Lease-Up and Housing Retention: Demonstrates the developer’s commitment to ensuring that the target population is able to gain access to the housing in a way that limits typical barriers to people with histories of evictions, bad credit, and involvement with the criminal justice system in a one to two page narrative that will include the following:</p> <ul style="list-style-type: none"> • Description of how the tenant selection and lease-up process will facilitate the target population’s entry into housing. • Description of ways in which the property management company’s typical practices are being modified for this development (if applicable). • Discussion of how lease violations will be handled. • Discussion of best practices to be employed to ensure housing retention. 	Points Available: 15
<p>Community Acceptance Plan Demonstrates that the applicant has conducted community acceptance strategies in a one to two page narrative that includes elements such as:</p> <ul style="list-style-type: none"> • Community meetings; • Meetings with local leaders; • Communications with immediate neighbors, local residents; • Other community acceptance strategies. <p>If the project is in the early stages of predevelopment and is unable to provide evidence of the above, then a plan for how community acceptance will be developed and proposed must be submitted as part of the proposal.</p> <p>The plan must also provide an analysis of the potential barriers to the development of the project and strategies to address these issues.</p>	Points Available: 10
<p>Leveraging/Cost Efficiency:</p> <ul style="list-style-type: none"> • Leveraging as evidenced through MHSA funds as a percentage of total development cost • Cost efficiency as evidenced by how many MHSA dollars per unit is being requested, as compared to similar projects, as determined by HCD staff. 	Points Available: 15
<p>Schedule/Timing of MHSA Funding:</p> <ul style="list-style-type: none"> • The degree to which the project is ready to begin construction; • The degree to which other financing is complete and is dependent on MHSA funds; • Project schedule is realistic in terms of ability to obtain planning approvals, obtain other financing and complete construction. 	Points Available: 15 Must obtain a minimum of 11 points in this category

Developer Experience <ul style="list-style-type: none"> • Experience of Key Staff • Evidence that applicant has completed the development of supportive housing projects. • Evidence of experience in developing comparable affordable housing projects. 	Points Available: 10
MAXIMUM POINTS AVAILABLE:	135
MINIMUM POINTS NEEDED TO BE ELIGIBLE:	120

Application Materials and Requirements

Section 3

Application Requirements

a. Two master sets of the application must be submitted—one for HCD and one for BHCS—at one of the following addresses:

Alameda County HCD 224 W. Winton Ave, Room 108 Hayward, CA 94545 Att: Michelle Starratt	Behavioral Health Care Services 2000 Embarcadero, 4 th Floor Oakland, CA 94606 Att: Robert Ratner
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Completed applications must be submitted starting no later than February 1, 2008 at 5:00 PM. Late applications will only be considered for funding if an inadequate number of qualifying on-time applications were received.

The Alameda County MHSA Application Checklist (Checklist) is included as Attachment F to this RFP. An electronic version of this RFP, the Checklist, and the location of the Universal Application will be emailed to everyone who signs in at one of the two RFP bidders' conferences. For more information, or if you need an additional copy, please contact Michelle Starratt, HCD Housing Manager, at (510) 670-5207 or michelle.starratt@acgov.org; or Robert Ratner, BHCS Housing Services Director at (510) 567-8124 or rratner@acbhcs.org.

b. Each master set must be submitted in a three-ring binder. The Universal Application portion of the application must also be submitted electronically, with each application.

c. Certain forms in the application require signatures. Both master sets shall contain original signatures.

d. The application must be organized as outlined on the Checklist (provided at the end of this RFP at Attachment F and available electronically to those who signed up at the Bidders Conference). Please follow the list, and use the corresponding numbers on the tabs within the submittal.

Divide the binder into four sections:

- Project Overview
 - A – Universal Application and attachments
 - B – Rental Housing Development Attachments
 - C – Services and Program Attachments

Each section must be represented by a corresponding tab in the 3 ring binder. Within each section of the binder, tabbed dividers must be labeled and inserted in the order specified on the checklist for each additional attachment (see Attachment F). All responses, forms and required documents must be placed behind their corresponding tabs.

e. For items that are not applicable to the application, a sheet must be placed behind the corresponding tab, stating “Not Applicable.”

Information provided in submitted applications will become a public record available for review by the public pursuant to the Public Records Act. As such, any materials provided will be disclosed to any person making a public records request. Therefore, applicants should use discretion in providing information that is not specifically requested, including but not limited to, bank account numbers, personal phone numbers and home addresses. By providing this information, the applicant is waiving any claim of confidentiality and consents to the disclosure of all submitted material upon request.

Project Overview

The Project Overview Section must be tabbed and entitled “Project Overview” All items listed in this Section of the Checklist must be submitted. Within this Section, each required item must be placed behind a divider that has been labeled to match the item number on the Checklist.

The Application Checklist for this section requires this information:

	1.	Cover Letter, signed by Executive Director or other board authorized person
	2.	Application Checklist
	3.	Narrative Description of Project, not more than two pages
<input type="checkbox"/>	Choose only one option, Master leasing or Open Leasing	Master Leasing
<input type="checkbox"/>		Open Leasing
<input type="checkbox"/>	Full Service Partnerships	Choose one or both options. You must submit a letter of commitment from an FSP if you select Master Leasing. You must submit a letter of commitment from BHCS if you select Open Leasing. If you are going to choose Open Leasing, please contact Robert Ratner as soon as possible.
<input type="checkbox"/>	Creating Homes	

	4.	Copy of the Letter of Commitment supporting the selected Leasing and Service Partnership strategy for the MHSA units.
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1. Cover letter, signed by Executive Director or other authorized person
2. Application Checklist (Attachment F of this RFP)
3. A narrative Development Description, not more than 2 pages in length. The narrative Development Description must provide a thorough discussion of the development, including, at a minimum, the housing and service goals of the development, characteristics of tenants to be served, the type of housing that will be provided, how the building(s) in which housing and services will be provided (location, building type, layout, features, etc.) will meet the housing and service needs of the tenants, the primary service provider and other development partners, and development financing. In addition, indicate in this section the number of units set aside for the MHSA population.
4. On this section of the Application Checklist, select either the Master Leasing or the Open Leasing strategy. Review Section 1.C of this RFP for a full discussion of the implications of each choice. Under this tab include a copy of the Letter of Commitment from either one or more Full Service Partnerships, or a Letter of Commitment from Behavioral Health Care Services (Robert Ratner).

Section A - Universal Application Form

Title and tab Section A as the “Universal Application” section. The Universal Application can be downloaded from CalHFA at <http://www.calhfa.ca.gov> . Click on the Multi Family section, and then click on the MHSA Program (<http://www.calhfa.ca.gov/multifamily/mhsa/index.htm>). This is an Excel File. Complete the general information page as if you are applying to CalHFA for State MHSA funding (use the section on the far right to state how much funding your project requests).

All tabs within the excel spreadsheet must be filled out to the best of your ability. Some of the later pages are automatically filled in from earlier pages. If you start from the beginning, and work your way through the spreadsheet, there will be less error messages. Complete this section for the total project, listing all project costs, total number of units, full development budget and operating costs. In your narrative, please inform us of the number of units you wish to set aside for MHSA clients.

The Application checklist for this section looks like this.

	Divider	Excel Tab Name
	UA 1	General Information
	UA 2	Contact Information
	UA 3	Site and Unit Information
	UA 4	Miscellaneous Information
	UA 5	Rents & Unit Mix Information

	UA 6	Subsidy Information
	UA 7	Sources of Development Funds (both construction and permanent)
	UA 8	Development Budget
	UA 9	Permanent Sources and Uses
	UA 10	Annual Income and Expenses
	UA 11	Cash Flow Analysis
	UA 12	Experience
	UA 13	Universal Certifications and Identity of interest Disclosure
	UA 14	Legal Status Questionnaire

Make sure that an electronic copy of this section is turned in along with both master copies of the application.

Section B: Rental Development Attachments

Section B must be tabbed and entitled “Rental Development Attachments.” All items listed in Section B of the Checklist must be submitted if available and/or applicable. Within Section B, each required item must be placed behind a divider that has been labeled to match the item number on the Checklist.

The Application checklist for this section requires this information:

B.1.	Proposed Development Information
	a. Narrative description of the property
	b. Development Schedule
	c. Copies of all planning approvals and zoning information
	d. Evidence of Site Control
	e. Preliminary (Title) Report
B.2.	Environmental Information - Provide a narrative of the status of the following reports (do not include the reports)
	a. Soils/Geotechnical
	b. ALTA Site Survey
	c. Phase I or II

	d. Remediation Plan (if applicable)
	e. Acoustical/Asbestos/Lead based Paint Analysis (if applicable)
	f. Environmental Impact Statement and Study/CEQA/NEPA Documentation (if applicable)
	g. FEMA Flood Zone designation
B.3.	For Acquisition/Rehab Projects Only
	a. Describe Current condition of the structures, include pictures of the site
	b. Proposed scope of work in narrative form, and provide plans or specifications if available.
	c. Proposed budget for rehabilitation
	d. Relocation Plan and Budget along with basis used to determine the budget
	e. Past three months of Rent Roll
	f. Physical needs Analysis
	g. Roof, Termite, Plumbing, Electrical reports/inspections
B.4.	Local Housing Authority or other acceptable current Utility Allowances by unit size.
B.5	Owner Developer Team Information
	a. One page description of roles for each project listed in UA 12
	b. Submit an authorizing resolution from the board of directors
	c. Organizational charts for the Borrower, Sponsor, Developer, and each affiliated member or organization.
	d. Articles of incorporation, Certificate of good Standing, Certificate of Corporation
	e. Bylaws
	f. past two years Audited Financial Statements for each organization
B.6.	Evidence of Article 34 Compliance
B.7	Evidence of commitments for Construction sources of funds including loans, grants, or capital contributions.
B.8.	Evidence of commitments for Permanent sources of funds including loans, grants, or capital contributions.
	<input type="checkbox"/>

B.1.a The Narrative description of the property should include a full discussion of the community

and services spaces within the project. Particular attention should be paid to the physical space in which supportive services will be delivered to the MHSA Housing Program target population, if space is available, including a description of how this space will be designed to meet the needs of this population. Also include how the residential units will be designed to meet the needs of this population, and if applicable, how the residential units will be designed to provide appropriate accommodations for physically handicapped members of the MHSA Housing Program target population. The narrative description should be no more than two pages.

B.2 Under this tab, include a narrative of not more than one page, detailing whether these reports are completed, and any major findings. If a report is not completed, let us know when it is expected. If your project is selected, the County may require copies of these reports prior to release of funding.

B.3 For Acquisition Rehab Projects Only. If your project is new construction, please submit one page stating “Not Applicable”. There should be two narratives, one detailing the current condition of the property (B.3a.) and one describing the proposed scope of work. Please keep each narrative brief, at no more than 1 to two pages.

B.4 Local Housing Authority Utility Allowance Information

B.5 Within the Universal Application (UA 12) complete information on each partners development experience and past projects is required. Under the B.5 tab of the submission, please include organizational documents listed in the checklist.

For tab B.5.a., provide a one page summary of each development listed in UA 12. Include the number of units targeted to special needs tenants if any; the period during which the borrower will be/was involved in the development; the job title or position, roles and responsibilities of the borrower in the development; and the primary service provider for the development.

B.6 Alameda County requires that the project provide evidence of Article 34 Compliance. If you are unable to provide this prior to the application due date, and your project is selected, submitting evidence of Article 34 Compliance will be a condition precedent to funding.

B.7 Provide any commitment letters for Construction Funding

B.8 Provide any commitment letters for Permanent Funding. If you have one lender whose funds are permanent, but will be available during construction, please indicate this on the letter, and include it under this tab.

C: MHSA Services and Program Attachments

Section C must be tabbed and entitled “MHSA Services and Program Attachments.” All items listed in Section C of the Checklist must be submitted if available and/or applicable. Within Section C, each required item must be placed behind a divider that has been labeled to match the item number on the Checklist.

The Application Checklist requires this information:

	C.1	Narrative Description of Onsite Amenities and Services for the entire site, include information on how those services are funded, and what the staffing plan will be
	C.2.	Developers experience with supportive housing
	C.3.	Property Management Experience, initial management plan, and letter of intent.
	C.4.	Community Acceptance Plan

C.1 Above you have described your leasing and service partnership strategy and provided a letter of commitment for your relationship with a services provider(s) for the MHSA units. In this section please describe any services which will be available to all residents. If there are any services on site or service coordination planned for the full building, include where and how they will be delivered, the frequency with which they will be made available to tenants, whether services are provided by an outside agency or if the staff are in-house, and how those staff are funded.

C.2 Supportive Housing Experience. Include a narrative description of projects referred to in UA 12 that are either 100% Supportive Housing Projects or that include a percentage of units that receive additional services and supports. In the narrative describe experiences with property management coordination, supportive housing, plans for communication between the service provider and property management (both services coordinator and any special additional services like MHSA or another service funded separately), and how any building and/or community issues that need attention are resolved.

C.3. Under this tab, include a one page narrative explaining the developers experience working with the property manager in the past, evidence of the property managers experience and capacity (how many properties currently managing and for how long) and a draft property management plan for the property. Include a marketing and lease up strategy in the property management plan. As a condition precedent to funding, the County will require a final property management plan for the project and a separate Fair Housing, Marketing and Lease Up plan. A letter of intent from the Property Management Company indicating that they will act as the property manager for this project should also be included.

C.4 Community Acceptance Plan – include all work done to date, and expected community meetings to gain acceptance for your project.

Attachments

Section 4

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Attachment A

MHSA Housing Service Programs

Key for terms below:

FSP = Full Service Partnership

OE/SD = Outreach Engagement/System Development

A = Adult (18-59 years old)

OA = Older Adult (60 + years old)

TAY = Transition Age Youth (16-25 years old)

Region	Age Group	DECREASE HOMELESSNESS	Program Management	Contact Information	Target # to Serve
North, Central	A	Host (Homeless Outreach & Stabilization Team): Multidisciplinary ACT team engages long-term homeless adults and links them to a range of services, including peer support, the means to obtain and maintain housing, and community based supports.	Bonita House	Sage Foster 809-1780 sage@bonitahouse.org	90
North	OA	North County Senior Homeless Project: Multidisciplinary ACT team engages homeless seniors and links them to a range of services, including peer support, the means to obtain and maintain housing, and community based supports.	BACS	Danny Cohen 272-4793 dcohen@bayareacs.org	30
County-wide	TAY	STAY (Supportive Housing for Transition Age Youth): Multidisciplinary ACT team engages transition-age-youth who are homeless and links them to a range of services, including peer support, the means to obtain and maintain housing, and community based supports.	Fred Finch & Tri-City Homeless Coalition (housing component)	Penny Andersen 657-7409 x 205 pandersen@tricityhomeless.org	30
South, East	A	Greater HOPE Project: Adds housing, personal service coordination and medication capacity to an existing mobile homeless outreach provider in South and East County. This project will serve long-term homeless individuals from the South and East part of the County.	Tri-City Homeless Coalition	Penny Andersen 657-7409 x 205 pandersen@tricityhomeless.org	40
County-wide	TAY, A, OA	Creating Homes Project: Creates a Housing Office (<i>with a Housing Services Administrator – Robert Ratner</i>) within BHCS to develop system wide housing strategy and develop housing units. Adds peer-based housing information and referral capability to the Wellness Recovery Resource Hub to support BHCS Service Teams and MHSA projects. Includes a housing assistance program for current adult mental health service team clients. Links Alameda County Vocational Services Program with housing resources.	BHCS and Housing & Community Development	Robert Ratner 567-8124 rratner@acbhcs.org	230

Region	Age Group	DECREASE / PREVENT INCARCERATION AND INVOLVEMENT WITH THE JUSTICE AND CHILD / ADULT WELFARE SYSTEMS	Program Management	Contact Information	Target # to Serve
County-wide	TAY	Transition to Independence Process (TIP) : Provides services to transition-age youth who are homeless, leaving foster care or criminal justice system through a multidisciplinary "TIP" team connected with an existing CBO. U.S. Center for Mental Health Services "Best Practice."	City of Berkeley – Mental Health	Karyn Tribble 981-5234 ktribble@ci.berkeley.ca.us	20
County-wide	A	FACT (Forensic Assertive Community Treatment) Team: Creates a multi-disciplinary ACT team and community support center for adults with extensive criminal justice histories and experience in the public mental health system.	East Bay Community Recovery Project	Omar Bocobo 446-7110 obocobo@ebcrp.org	60

Mental health service teams that may participate in Creating Homes:

Telecare Corporation

CHANGES – ICM

STAGES – Older adult case management

Berkeley Mental Health ICM

Alameda Community Support Center (CSC) – County Staff

Asian Community Mental Health (2 teams)

Bay Area Community Services (BACS)

Bonita House

BOSS

Eden CSC (2 teams) – County Staff

La Clinica

La Familia

Oakland CSC (3 teams) – County Staff

STARS – TAY case management

Tri-City CSC – County Staff

Valley CSC – County Staff

West Oakland (2 teams)

NOTE: The current contact for developers interested in the Open Leasing Strategy is Robert Ratner at (510) 567-8124 or rratner@acbhc.org

Attachment B
Consumer Housing Preference List

Based on feedback from a Consumer Focus Group held on 12/14/06

1. Preferences for Types of Housing:

- Having one's own apartment with privacy
- Provide a variety of housing types
- Provide studio apartments
- Need housing for people with families, with parenting support

2. Building Design Features:

- Create a space for exercise
- Pet friendly
- Lots of windows for light
- Have adequate meeting space
- Have a quiet room, a chapel
- Make sure housing is located near services
- Adequate parking
- Quality carpeting; or other flooring options if allergic to carpet
- Sound proof, so don't hear neighbor's noise
- Create a smoking area that is away from units
- Need sufficient closet space
- Fencing around the building for security
- Trees, grass, landscaping
- Play space for children
- If the housing is shared:
 - Each resident should have their own room
 - Provide private space for people to use
 - Provide an adequate number of bathrooms and kitchens

3. Neighborhood Issues:

- Locate housing away from drug dealers
- Should be close to public transportation
- Do not locate housing near a bar

4. Barriers Faced in Accessing Housing

- Language
- Bureaucracy; too much paperwork (need service provider support to apply)
- Credit
- Affordability
- Fairness (some lease-up is based on favoritism)
- Eviction record
- Past bankruptcy
- Felonies on record (which may have been based on illness)
- Application and screening fees

Attachment C
County of Alameda Minimum Insurance Requirements

Without limiting any other obligation or liability under this Agreement, the Contractor, at its sole cost and expense, shall secure and keep in force during the entire term of the Agreement or longer, as may be specified below, the following insurance coverage, limits and endorsements:

TYPE OF INSURANCE COVERAGES		MINIMUM LIMITS
A	Commercial General Liability Premises Liability; Products and Completed Operations; Contractual Liability; Personal Injury and Advertising Liability	\$1,000,000 per occurrence (CSL) Bodily Injury and Property Damage
B	Commercial or Business Automobile Liability All owned vehicles, hired or leased vehicles, non-owned, borrowed and permissive uses.	\$1,000,000 per occurrence (CSL) Any Auto Bodily Injury and Property Damage
C	Workers' Compensation (WC) and Employers Liability (EL) Required for all contractors with employees	WC: Statutory Limits EL: \$100,000 per accident for bodily injury or disease
D	Professional Liability/Errors & Omissions Includes endorsements of contractual liability	\$1,000,000 per occurrence \$2,000,000 project aggregate
E	Course of Construction /Builder's Risk All Risk	\$ Value of Completed project or materials
F	<p><u>Endorsements and Conditions:</u></p> <p>ADDITIONAL INSURED: General Liability and Automobile Liability Policies shall be endorsed to name as additional insured: County of Alameda, its Board of Supervisors, the individual members thereof, and all County officers, agents, employees and volunteers.</p> <p>DURATION OF COVERAGE: All required insurance shall be maintained during the entire term of the Agreement with the following exception: Insurance policies and coverage(s) written on a claims-made basis shall be maintained during the entire term of the Agreement and until 3 years following termination and acceptance of all work provided under the Agreement, with the retroactive date of said insurance (as may be applicable) concurrent with the commencement of activities pursuant to this Agreement.</p> <ol style="list-style-type: none"> 1. REDUCTION OR LIMIT OF OBLIGATION: All insurance policies shall be primary insurance to any insurance available to the Indemnified Parties and Additional Insured(s). Pursuant to the provisions of this Agreement, insurance effected or procured by the Contractor shall not reduce or limit Contractor's contractual obligation to indemnify and defend the Indemnified Parties. 2. INSURER FINANCIAL RATING: Insurance shall be maintained through an insurer with a A.M. Best Rating of no less than A:VII or equivalent, shall be admitted to the State of California unless otherwise waived by Risk Management, and with deductible amounts acceptable to the County. Acceptance of Contractor's insurance by County shall not relieve or decrease the liability of Contractor hereunder. Any deductible or self-insured retention amount or other similar obligation under the policies shall be the sole responsibility of the Contractor. 3. SUBCONTRACTORS: Contractor shall include all subcontractors as an insured (covered party) under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein. 4. JOINT VENTURES: If Contractor is an association, partnership or other joint business venture, required insurance shall be provided by any one of the following methods: <ul style="list-style-type: none"> – Separate insurance policies issued for each individual entity, with each entity included as a "Named Insured (covered party), or at minimum named as an "Additional Insured" on the other's policies. – Joint insurance program with the association, partnership or other joint business venture included as a "Named Insured. 5. CANCELLATION OF INSURANCE: All required insurance shall be endorsed to provide thirty (30) days advance written notice to the County of cancellation. 6. CERTIFICATE OF INSURANCE: Before commencing operations under this Agreement, Contractor shall provide Certificate(s) of Insurance and applicable insurance endorsements, in form and satisfactory to County, evidencing that all required insurance coverage is in effect. The County reserves the rights to require the Contractor to provide complete, certified copies of all required insurance policies. The required certificate(s) and endorsements must be sent to: <ul style="list-style-type: none"> - Department/Agency issuing the contract - With a copy to Risk Management Unit (125 – 12th Street, 3rd Floor, Oakland, CA 94607) 	

Attachment D

DEVELOPER STANDARDS

The criteria include the following three levels of experience.

- **Tier One:** Developers who meet the criteria defined in Tier One are qualified to apply for funding directly, with no additional joint venture partners or assistance (although they may be part of a joint venture, as well).
- **Tier Two:** Developers who meet the criteria of Tier Two must have additional assistance [e.g. a qualified development consultant (individual or firm) approved by HCD or by hiring qualified staff] to manage the project.
- **Tier Three:** Developers with relatively limited experience described in Tier Three will need to joint venture with a Tier One developer in order to be considered for funding from MHSA.

Prior to funding, HCD will review and approve all joint venture agreements. Joint venture partners must provide the information requested above to establish they meet the criteria.

Developer tier is a threshold requirement. Tier placement will not affect the rating and ranking of projects.

TIER ONE DEVELOPER EXPERIENCE

In order to be considered for funding, a developer must show experience and capacity to complete the project. Experience includes the successful development and completion of five projects that demonstrate a level of complexity comparable to the proposed project.

The following information is required for each project:

- project name and address;
- proposed tenant tenure ownership or rental;
- rehabilitation or new construction;
- number of units and unit mix;
- income levels served;
- types of permanent financing;
- project start and completion dates;
- If special needs or supportive housing, identify population being served.

To be considered, projects must be of a similar size and type as the proposed project.

In addition, the following information is also required:

- list of current staff, with resumes;
- list of current board members, with resumes and addresses;
- Audited financial statements for the past two years.

DEVELOPMENT TEAM

In addition to the qualifications of the developer, all members of the development team must demonstrate the experience and capacity to complete the project. Those criteria are listed below.

Architect

The architect or architectural firm must have experience developing three projects that are similar to the proposed project. This experience must be demonstrated by providing:

- names and addresses of projects of comparable size and with similar financing structures and types of construction;
- resumes of staff involved in the proposed project including the lead staff person for this project and his/her experience with similar projects;
- References, including at least three from owners of the similar projects described above.

Attorney

Attorneys must have experience working on at least three projects that are similar to the proposed project. Key staff at each law firm should have experience with housing development. If the developer is using different law firms for different aspects of the development, please provide the following information for each firm:

- experience with real estate law;
- experience with nonprofit corporate law;
- experience with low income housing tax credit syndication, if applicable;
- resumes of firm and key staff members;
- Three or more references.

Contractor

If selected at the time of application for funding, the contractor must have experience with at least three projects that are similar to the proposed project. The contractor must provide the following information:

- experience with similar construction type;
- experience with Davis-Bacon and Prevailing Wage projects, (if applicable);
- financial capacity and bonding capacity equal to 100% of the construction amount;
- resumes of firm and key staff, including the site supervisor;
- three or more references;
- Documentation of liability and worker's compensation insurance.

The Contractor must have all applicable licenses in good standing, and must not be on the federal Debarred and Suspended Contractors List.

Property Manager

A professional property management company is a requirement for County funding. Property managers may not have been selected at the time of funding application, nor is the selection of a property manager required to submit an application for funding. However, if the property manager has been selected at the time of the application for funding, please provide the following information:

- Experience managing at least five projects of similar size, income mix, unit mix, and regulatory

restrictions. Identify projects which house people with special needs and list the target population(s) being served;

- a list of all properties currently managed by the property management company, demonstrate that they can, and are willing to, take on an additional property;
- resumes of key management staff;
- a minimum of three references;
- a standard lease agreement, note any anticipated changes to the document;
- a management plan, either the actual plan for this property, or a sample of a similar plan;
- A copy of anticipated House Rules, if available.

If the developer proposes to act as property manager, the same information must be provided and thresholds met.

TIER TWO

DEVELOPER EXPERIENCE

In order to be considered for funding, a developer must show experience and current capacity to complete the project. Developers with less experience than those in Tier One may still be eligible for funding by either joint venturing with a more experienced developer or by bringing in staff or consultants to add experience and capacity. If a developer wishes to qualify for Tier Two, a discussion of how the developer intends to supplement their capacity must be included in the funding application. A minimum of three successfully completed projects that match the size and scope of the proposed project must be demonstrated. See Tier One for a list of required submissions.

DEVELOPMENT TEAM

In addition to the qualifications of the developer, all members of the development team must demonstrate the qualification necessary to complete the project. Those criteria are the same as Tier One, however only three projects are needed to demonstrate experience. Please see Tier One for a list of required submissions for the qualifications of the Architect, Attorney, Contractor and Property Manager.

TIER THREE

If a developer does not meet the criteria for either Tier One or Tier Two as described above, they must joint venture with a developer partner with the experience that meets the Tier One criteria. The joint venture partner must retain an ownership interest in the project for a minimum of fifteen years. Prior to funding, HCD will review and approve all joint venture agreements. Joint venture partners must provide the information requested above to demonstrate they meet the experience criteria.

HCD reserves the right to determine the appropriate tier.

Attachment E

Leasing and Service Partnership Strategy Selection - Potential Impacts

Master Leasing Strategy (Selected Service Partnerships)	Open Leasing Strategy (Broad Service Partnerships)
<p><i>Tenant Selection</i></p> <ul style="list-style-type: none"> *Tenants are selected by a particular service provider according to terms of the master lease agreement with the developer. *Developer has contractual delegated control over tenant selection, move-in, rent collection, and lease violation management to a particular agency. *Developer bears less financial risk because service provider guarantees full rent payments and commitment to addressing tenancy issues that may arise with particular tenants. *Service provider bears responsible for evicting or relocating a particular tenant, if necessary. *Some housing capital sources, e.g., tax credits, may not allow for a master leasing model. This strategy is also more likely to raise fair housing concerns. *A partnership with a single provider may lead to delays in filling units because of a narrower referral pool. *Many providers that would like to master lease may have reached full enrollment and housed all of their clients prior to new MHSA Housing units coming on line. *Not all MHSA service provider agencies have the capacity and/or desire to enter into master leasing relationships. 	<p><i>Tenant Selection</i></p> <ul style="list-style-type: none"> *Allows for referrals of both FSP and Creating Homes tenants. *Tenants are referred to the developer/property manager from a list of certified and interested MHSA housing eligible individuals. *Developer/property manager has a primary role in screening applicants prior to move-in and determining “reasonableness” of any accommodations made as part of the tenant selection process. *Tenants hold lease with the owner and owner is responsible for rent collection and addressing lease violations. *Less likely to raise fair housing tenant selection concerns. *Allows for a broader, more diverse range of tenants from different age groups, populations, and service programs and units are less likely to remain vacant. *Allows for referrals from a large group of service providers that are unlikely to have collectively exceeded their capacity to serve their clients. *Not all MHSA service provider agencies have the same level of expertise in providing scattered-site supportive housing services.
<p><i>Supportive Services and Target Population</i></p> <ul style="list-style-type: none"> *Long-term stable funding for services is available through MHSA and BHCS commits to services for length of loan term. *FSPs are serving unserved and underserved individuals that are currently homeless or at-risk of homelessness. *FSP client incomes are expected to primarily be below 15% of AMI. *FSP programs are relatively new and have relatively small numbers of clients that they will serve at any one point in time. *FSP programs are regional in nature and developers should consider this in partnership decisions. *Allows for a developer to create a more in-depth partnership with a limited group of service provider organizations. *Nearly all of the FSPs have begun enrolling and housing clients as of 12/07. 	<p><i>Supportive Services and Target Population</i></p> <ul style="list-style-type: none"> *Long-term stable funding for services is available through MHSA and BHCS commits to services for length of loan term. *Creating Homes is serving current mental health service team clients interested in paid employment and independent community living. *Creating Homes client incomes expected to be between 15 and 30% of AMI. *Creating Homes services are geared toward creating “exits” from the system by helping clients to increase their income and independence over time. *Creating Homes clients will have relationships with a variety of service provider organizations. *Creating Homes is likely to start enrolling clients in Spring '08.

Master Leasing Strategy (Selected Service Partnerships)	Open Leasing Strategy (Broad Service Partnerships)
<p><i>Operating Subsidies</i></p> <ul style="list-style-type: none"> *MHSA Housing Units must have contract rents at a maximum of 40% of AMI with a preference for 30% of AMI units. *FSP teams have enough housing assistance dollars to provide ongoing rental assistance in the private market for participants up to their total number of enrollees. *FSPs also may have HUD subsidy program dollars through Shelter Plus Care or SHP. *Nearly all FSPs operate their subsidy model according to the HUD Shelter Plus Care Program with the subsidy based on tenant's paying 30% of income toward rent. *FSP clients are likely to have lower incomes than Creating Homes clients and are more likely to need a subsidy to afford contract rents at 30 or 40% of AMI. 	<p><i>Operating Subsidies</i></p> <ul style="list-style-type: none"> *MHSA Housing Units must have contract rents at a maximum of 40% of AMI with a preference for 30% of AMI units. *Creating Homes has \$1 million worth of housing assistance funds set aside to help pay some housing costs for its clients. *Creating Homes will use a housing assistance model based on paying a percentage of the rent as opposed to guarantee that tenants only pay 30% of their income toward rent and utilities. *Some Creating Homes clients may be able to afford rents at 30 or 40% of AMI without a significant housing subsidy because they are more likely to have employment income. Housing assistance is expected to be transitional in nature as clients increase their incomes over time. Housing assistance will only be reduced as client incomes grow. *Creating Homes housing assistance funds will be managed by an organization contracted to provide this service on behalf of BHCS. This agency will be expected to have the flexibility to managing master leasing relationships and housing assistance payment contracts.

Attachment F
Alameda County MHSA Application Checklist

If you sign in at the RFP meeting, an electronic version of this document will be emailed to you. If you would like another copy, please email michelle.starratt@acgov.org to request the electronic version.

Alameda County Specific Check List

Check Items Attached	Attachment #	Attachment	Acceptable (For AGENCY USE ONLY)
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Program Overview Section

	1.	Cover Letter, signed by Executive Director or other board authorized person	
	2.	Application Checklist	
	3.	Narrative Description of Project, not more than two pages	
	Choose only one option, Master leasing or Open Leasing	Master Leasing	
		Open Leasing	
	Full Service Partnerships	Choose one or both options. You must submit a letter of commitment from an FSP if you select Master Leasing. You must submit a letter of commitment from BHCS if you select Open Leasing. If you are going to choose Open Leasing, please contact Robert Ratner as soon as possible.	
	Creating Homes		
	4	Copy of the Letter of Commitment supporting the selected leasing and services strategy for the MHSA units.	

Universal Application Section

	UA 1	General Information	
	UA 2	Contact Information	
	UA 3	Site and Unit Information	
	UA 4	Miscellaneous Information	
	UA 5	Rents & Unit Mix Information	
	UA 6	Subsidy Information	
	UA 7	Sources of Development Funds (both construction and permanent)	
	UA 8	Development Budget	

	UA 9	Permanent Sources and Uses	
	UA 10	Annual Income and Expenses	
	UA 11	Cash Flow Analysis	
	UA 12	Experience	
	UA 13	Universal Certifications and Identity of interest Disclosure	
	UA 14	Legal Status Questionnaire	

Rental Housing Development Section

	B.1.	Proposed Development Information/Site Control	
		a. Design/Development plans and draft specifications	
		b. Development Schedule	
		c. Copies of all planning approvals and zoning information	
		d. Evidence of Site Control	
		e. Preliminary (Title) Report	
	B.2.	Environmental Information - Provide a narrative of the status of the following reports (do not include the reports)	
		a. Soils/Geotechnical	
		b. ALTA Site Survey	
		c. Phase I or II	
		d. Remediation Plan (if applicable)	
		e. Acoustical/Asbestos/Lead based Paint Analysis (if applicable)	
		f. Environmental Impact Statement and Study/CEQA/NEPA Documentation (if applicable)	
		g. FEMA Flood Zone designation	
	B.3.	For Acquisition/Rehab Projects Only	
		a. Narrative description of the current condition of the structures, include pictures of the site	
		b. Proposed scope of work in narrative form, and provide plans or specifications if available.	

		c. Proposed budget for rehabilitation	
		d. Relocation Plan and Budget along with basis used to determine the budget	
		e. Past three months of Rent Roll	
		f. Physical needs Analysis	
		g. Roof, Termite, Plumbing, Electrical reports/inspections	
	B.4.	Local Housing Authority or other acceptable current Utility Allowances by unit size.	
	B.5	Owner Developer Team Information	
		a. One page description of roles for each project listed in UA 12	
		b. Submit an authorizing resolution from the board of directors	
		c. Organizational charts for the Borrower, Sponsor, Developer, and each affiliated member or organization.	
		d. Articles of incorporation, Certificate of good Standing, Certificate of Corporation	
		e. Bylaws	
		f. past two years Audited Financial Statements for each organization	
	B.6.	Evidence of Article 34 Compliance	
	B.7	Evidence of commitments for Construction sources of funds including loans, grants, or capital contributions.	
	B.8.	Evidence of commitments for Permanent sources of funds including loans, grants, or capital contributions.	

Services and Program Attachments Section

	C.1	Narrative Description of Onsite Amenities and Services for the entire site, include information on how those services are funded, and what the staffing plan will be	
	C.2.	Developers experience with supportive housing	
	C.3.	Property Management Experience, initial management plan, and letter of intent.	
	C.4.	Community Acceptance Plan	