HARBOR REGIONAL CENTER
REQUEST FOR PROPOSAL
FY 21-22

DATE: May 6, 2022

RE: Acquisition of two (2) single family homes through a qualified Housing Development Organization (HDO) and subsequent renovation for the purpose of developing two (2) separate Enhanced Behavioral Support Homes (EBSH).

TO: Non-Profit Housing Development Organizations

SUMMARY: Primary goal is to locate, acquire, and renovate two single family residences within the catchment area of Harbor Regional Center to utilize as EBSH homes. The properties will be a minimum of four (4) bedrooms, have ample common areas, backyard and outdoor space, off street parking access, located close to restaurants, shopping, medical services, and other community amenities. The homes will be identified and selected in partnership with Harbor Regional Center (HRC) and a service provider to be selected by HRC.

Access information regarding CPP/CRDP and current Housing Guidelines & California Code of Regulations (CCR), Title 17 via www.dds.ca.gov

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Harbor Regional Center (HRC) appreciates your interest in responding to the Request for Proposals (RFP) #HRC2122-4 and #HRC2122-8. The specific information that is required in the submission of this request is detailed below. Please read all of the material and follow the guidelines accordingly. HRC reserves the right to eliminate proposals which do not meet the minimum standards described in the proposal or those which deviate from the requested format. Start-up funding is available and will be negotiated between the HRC and the successful applicant.

HRC reserves the right to reject any or all proposals and to cancel the RFP process at its discretion. If negotiations fail with the selected applicant, HRC reserves the right to re-open negotiations with the next qualified applicant or to re-post the RFP.

HRC may elect to fund all, part, or none of the project, dependent upon funding availability as approved by Department of Developmental Services (DDS), and the quality of the proposals received.

We thank you in advance for your willingness to serve persons with intellectual and developmental disabilities.

APPLICANT QUALIFICATIONS

The HDOs primary mission is to develop and manage accessible homes for the needs of individuals with developmental disabilities. For the purpose of this project, the applicant must be a non-profit HDO with tax exempt status as a 501(c)(3) corporation. The HDO will be required to receive and retain an Organizational Clearance Certificate for the project from the California Board of Equalization in order to be exempt from property taxes. **Only applicants who have acquired, constructed, or renovated property for the use of Regional Center populations for a minimum of three years, or have team members with at least 4 years of relevant experience, will be considered.** Strong consideration will be given to applicants who demonstrate current and past experience within Los Angeles County, California. Applicants must possess qualifications as specified in this RFP. Proposals will be considered from affordable housing providers who retain development team members with documented experience in real estate purchase, financing and renovation.

Deed restrictions must specify that the property will be held and be available for services to persons referred by HRC in perpetuity. Renovation of the property must be supervised by, and is the responsibility of, the HDO. Renovation plans must be developed for the HDO by a licensed architect and approved in partnership with HRC and potential service provider, if applicable, prior to the application of appropriate construction permits. All renovations must be implemented by a licensed, bonded contractor within the State of California. The property will be leased to a residential service provider selected by HRC at HRC's sole discretion, who will provide care and supervision to the residents. The selected residential service provider as well as regional center staff will be available to the HDO/architect/building contractor for development team meetings and technical assistance regarding the needs of the individuals referred as well as the requirements of Community Care Licensing. Both properties will be licensed and certified as an Enhanced Behavioral Support Home, specifically to serve ambulatory and non-ambulatory residents in the community.

APPLICANT INELIGIBILITY

Refer to CCR, Title 17 Section 54314 for individuals who are not eligible for regional center vendorization.

START UP FUNDING

HRC is able to offer start-up funds through the Community Placement Plan (CPP) and the Community Resource Development Plan (CRDP) approved for fiscal year 2021-2022. This will include funding available for both the acquisition and a separate amount for the renovation of the selected property. A contractual agreement will be entered into between the HDO and HRC, which will indicate specific milestones to be achieved and the funds to be released based upon the completion of each milestone. The amount of start-up funding will be negotiated, but shall not exceed $300,000 for acquisition and $400,000 for the subsequent renovation of a single family home (Project 4); and $300,000 for the acquisition and $400,000 for the renovation of a

single family home (Project 8). These funds are contingent upon DDS providing the agreed upon amount to HRC for this specific project and are subject to change without notice by DDS.

APPLICATION PROCESS

Step 1: RFP applications must be submitted to Harbor Regional Center (HRC) no later than **4:00 p.m. on Wednesday June 1, 2022**

Step 2: Applications will first be screened for eligibility based upon RFP requirements. It is anticipated that this process will take place immediately following the application due date.

Step 3: Applications meeting the eligibility criteria will be reviewed by an RFP Review Committee.

Step 4: Following evaluation of applications, all eligible applicants will be asked to attend an interview with the RFP Review Committee. The RFP Review Committee will have the opportunity to modify their scoring sheets following the interviews.

Step 5: Final scores will be tallied and presented to HRC's Executive Director for approval within one (1) week of completion of interviews.

Step 6: The proposed start-up contract with the recommended applicant will be presented to HRC's Board of Directors for approval.

Step 7: The successful HDO will be required to submit a full housing development plan. HRC will collaborate with the HDO to achieve an acceptable plan to best meet the needs of the project.

Step 8: Following submittal of the vendor application and approval of the housing plan, a vendor number will be assigned.

APPLICATION AND CONTENT REQUIREMENTS

Each proposal must include the information and documents identified below, in order.

1. Face Sheet (<u>Must serve as the Face Sheet of Proposal</u>)

Complete the attached Face Sheet with Applicant name and contact information.

2. Proposal Section I – Experience and Background

a. Describe or provide materials that clarify the HDO's mission and development and management experience of the HDO, any developer retained by the HDO and other development team members.

b. At a minimum the proposal should include names of partners, staff or consultants, if known, who will be involved in the implementation of the project if awarded, resumes, a summary of past projects, and a narrative of proposed property ownership from acquisition to conversion to permanent financing.
c. List of all projects with other regional centers and the current status of each project.

3. Proposal Section II - Implementation Plan

a. A narrative proposal of the project that includes the proposed properties ownership structure.
b. The plan must specify a process that ensures compliance with all state and local building requirements, including the regional center's receipt of verification that the project has received all applicable required permits prior to the start of any demolition, construction, or renovation/rehabilitation.
c. Include a sequence of activities necessary to complete the project and specific to the proposed properties. The project objectives should be realistically achievable within the time frame. The timeline of project activities must reflect a date for the properties to be acquired and leased to a service provider within 180 days of contract execution by all parties. The activities should cover each major step of the project and should include but not be limited to:
    i. Provision of funding commitment letters
    ii. Provision of evidence of property site control
    iii. Loan closing and Property Acquisition
    iv. Provision of evidence of property purchase, including an executed, recorded deed of trust and regulatory agreement
    v. Provision of final sources and uses (budget)
    vi. Certificate of Occupancy (Notice of completion, if renovation)
    vii. Executed, long-term lease agreement between HDO and service provider
    viii. Executed, property management agreement
    ix. Evidence of property insurance

4. Proposal Section III - Proposed Sources and Uses

Allowable costs include pre-development costs, (i.e., closing and escrow, due diligence costs, environmental impact report, if indicated, survey and soil analysis), acquisition costs (funds to option, purchase, or acquire properties), development costs (architectural and engineering, permits and fees, appraisal cost, construction, legal, accounting, consultant, and project management fees, if necessary).

a. For property acquisition, start up finding will not exceed $300,000 for each separate property. The total acquisition amount required must show a one to three (1:3) leveraging of awarded funds with hard (dollar) and/or soft (in-kind) commitments; identify sources for leveraged funds, e.g., private parties, bank loans, and foundations; include documentation of available funding, such as letters of commitment, memoranda of understanding that specify a financial commitment to the proposed project, etc.
b. For property renovation, please provide a list of anticipated costs (e.g., architectural fees, building permits/planning, contractor fees), which shall not exceed $400,000 for

each separate property. Describe the process for securing bids from architects, property management (if outsourced) and construction services.

5. Proposal Section IV - Leasing Structure

a. Describe how the lease to a service provider will be structured by defining what items will be paid by the lessee, and what will be paid by the HDO. At a minimum address:
   i. Property taxes
   ii. Insurance
   iii. Building Maintenance
   iv. Landscaping maintenance

b. Describe the leasing structure to address:
   i. Typical length of lease agreement
   ii. Whether the budget is structured such that no rent increases will be passed to the lessee, or an anticipated timeline with the amounts of rent increases.

6. Attachments

Attachment #1: References
The proposal must include a list of at least three (3) references with addresses, email and telephone numbers. Applicants should be aware that the selection committee will contact references. References should be able to discuss the applicant's strengths within the context of the proposed project. References should not include current or former employees of HRC.

Attachment #2: Organizational Structure
An organizational chart for the project must be included (full names), and identification of the governing or advisory board, administrative and supervisory hierarchy. In addition, include copies of the following:

a. IRS approval of 501(c)(3) status
b. Articles of Incorporation
c. Bylaws
d. A list of current officers and board members

Attachment #3: Financial Statement
Applicants must demonstrate fiscal responsibility by submitting current audited financial statements which include current and fixed assets, current and long-term liabilities.

FORMATTING REQUIREMENTS

Proposals must meet the following formatting requirements:

- Standard size (8 ½ x 11) white paper
- Typed, using a standard font (12), single-spaced pages with one (1) inch margins

- Table of Contents indicating each of the Sections and Attachments to be evaluated
- Each page must be numbered in consecutive order for each Section and Attachments
- Clearly label each Section
- Clearly label each Attachment
- Do NOT place in ring binders or folders; but, rather use binder clips or compressor clips

A complete RFP response must contain the following:

Face Sheet
Proposal
- Sections I through IV identified above

Attachments:
- #1 References
- #2 Organizational Structure
- #3 Financial Statements

Applicants MUST submit an ORIGINAL proposal and two (2) copies to HRC.

ADDITIONAL PROVISIONS

- Applicants intending to submit a proposal **must register by 5 PM with HRC no later than Thursday May 12, 2022** by sending an email to resource.development@harborrc.org which includes HDO name, contact person name, email address and telephone number. This will allow HRC to provide any updated information to all applicants.

- Questions regarding this RFP may also be submitted via email to resource.development@harborrc.org **Questions must be submitted no later than 5 PM on Thursday May 12, 2022.** Answers to questions will be distributed to all registered applicants via email.

- An Information Conference will be **held on Monday May 16, 2022, at 10:00 a.m.** via Zoom conferencing. All interested applicants are encouraged to attend, a link will be provided upon registering with HRC with the intent to submit a proposal.

- **HRC reserves the right to reject any or all proposals and to cancel the RFP process at its discretion. If negotiations fail with the selected applicant, HRC reserves the right to re-open negotiations with the next qualified applicant or to re-post the RFP.**

- **Completed proposals for this RFP must be submitted to HRC no later than Wednesday June 1, 2022. Proposals received after 4:00 p.m. on the due date will be returned unopened**. Proposals may be sent via U.S. mail to the following address:

Harbor Regional Center
ATTN: Stacy L. Schafer, M.A., Resource Developer
21231 Hawthorne Blvd.
Torrance, CA 90503

The proposal may also be **hand delivered** to the same above address.

HRC HDO RFP FACE SHEET

(Must be used as the cover page for the proposal)

RFP#: HRC 2122-4 HRC 2122-8	**RFP Due Date:** **4:00 p.m., Wednesday June 1, 2022**
Applicant (Agency) Name (If the applicant is a corporation, list the officers of the corporation.)	
Contact Person:	
Contact Phone Number:	
Mailing Address:	
Site Address:	