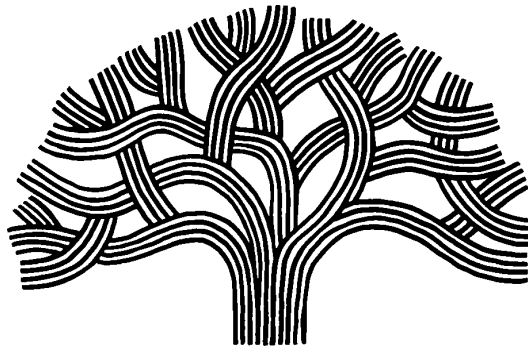# 2024 Request for Proposals, Part 2:
Full Application for the
Rapid Response Homeless Housing
Program (R2H2) and Homekey Round 4

City of Oakland

Department of Housing and Community Development

Release Date:

February 15, 2024

Due Date for Homekey 4 Applications:

May 31, 2024

Applications not seeking Homekey funding will be accepted on a rolling basis (pending funding availability).

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2024 City of Oakland
Request for Proposals, Part 2
Full Application for Rapid Response Homeless
Housing (R2H2) and Homekey Round 4

I. Summary of RFP Timeline

	Homekey 4	**R2H2**
RFP for Initial Application, Part 1 Released	November 27, 2023	
RFP Part I Workshops	December 13, 2023 January 24, 2024	
RFP for Full Application, Part 2 Release	February 12, 2024	
Deadline to Submit Part 1 Initial Application for Homekey Round 4	February 29, 2024	N/A
Full Application Office Hours	March 5, 12, and 19, 2024 10:00 – 11:00 am	
City Invitation to Submit Part 2 Application	By April 1, 2024	Rolling Basis
Homekey Round 4 Applicants Deadline to Submit Part 2 RFP Application	May 31, 2024	Rolling Basis

II. RFP Introduction

For this 2024 City of Oakland Rapid Response Homeless Housing (R2H2) and Homekey 4 Request for Proposals (RFP), Part 2, the City of Oakland Department of Housing and Community Development (City) expects to provide approximately $30 million in funding for projects that provide housing to unhoused individuals. The funding as of this RFP release will consist of $10,400,000 in local affordable housing funds from former redevelopment ("boomerang") funds and Low- and Moderate-Income Housing Asset Funds

to serve as a capital match, and approximately $19,600,000 in Permanent Local Housing Allocation (PLHA) for operating subsidies.

In November 2023, the City released a Request for Proposals (RFP) for R2H2 and Homekey Round 4 housing that is either interim, transitional, or permanent housing for people experiencing homelessness. Interested applicants were required to complete an "Initial Application." The Initial Application evaluates whether proposals meet basis thresholds such as site control, sponsor and/or partner experience to execute on a development, and that there is a feasible plan for the development of the property, the ongoing operation of the building, and the delivery of supportive services to the residents.

Applicants that successfully meet the Initial Application thresholds are requested to submit a Full Application, pursuant to this RFP, Part 2, that will be competitively scored and considered for:

- Co-applying with the City for Homekey Round 4 funding (dependent on the State releasing a Homekey 4 Notice of Funding Availability (NOFA)), and

- City funding which may be provided as a Homekey match, or in the absence of Homekey funding.

Projects that have not yet been notified that they meet the Initial Application threshold requirements should not complete the application described in this document. Instructions on how to complete the Initial Application can be found here: https://cao-94612.s3.us-west-2.amazonaws.com/documents/Homekey-4-R2H2-RFP-FINAL-11.30.23.pdf.

The Full Application is a continuation of the Initial Application. Applicants are asked to submit additional, more detailed information about their projects in the Full Application.

The following are important points related to this RFP including key differences between this RFP and the 2022 City of Oakland Homekey RFP for Round 3:

1. Since the Round 4 Homekey NOFA has not been released prior to release of this 2024 R2H2 NOFA, the City is relying on the State of California Round 3 Homekey NOFA and regulations from the 2022-2023 round of Homekey to inform this RFP.
2. Applicants will complete a R2H2 Full Application Workbook and provide required documentation instead of submitting a Homekey Application Workbook. If the State releases a Homekey Round 4 NOFA, Homekey track applicants will need to complete the State's application, including any applicable workbooks.
3. The R2H2 Program will create a pipeline of projects that may not initially meet threshold requirements or receive an R2H2 funding award, as described in the application process below.

Projects that either do not need State Homekey funding or do not wish to apply for Homekey funding, may be considered for funding via the R2H2 Full Application process on an expedited timeline. Expedited timeline considerations will be reserved for projects, pursuant to City funding limitations, that meet Threshold Criteria as outlined in Exhibit A, meet the Criteria for Expedited R2H2 Funding without Homekey as outlined in Exhibit B, and have been invited by City staff to submit a Full Application via this RFP. Under this evaluation process, Staff will prioritize and support projects that only require City funding to move forward expeditiously.

Racial Equity Program Analysis

According to the 2022 Point in Time count, there was an estimated 5,055 unhoused individuals in Oakland. This represents a 24% increase from 2019, and an 83% increase since 2017. When applying a racial equity lens to this data, additional disparities become apparent. Whereas Black or African American residents represent 21% of Oakland's population, they make up 59% of the City's unhoused population – a clear disproportionate rate. HCD's Strategic Action Plan for 2024 – 2027 centers its investment priorities on Oakland's homelessness crisis and stark racial disparities. As such, this Plan establishes investment in the R2H2 program as a priority and sets forth the program goal of impacting this disparity by providing housing for Oakland residents who are Black or African American and unhoused.

The City of Oakland was awarded funding for six Homekey projects in Homekey Rounds 1 and 2. In a survey of the demographic data of the currently occupied Homekey units, as of November 2023, 67% of occupied Homekey units in Oakland are occupied by Black residents. This outcome addresses the disproportionate level of homelessness experienced by Black residents in Oakland as well as improving health outcomes as the housing is accompanied by an array of supportive services. Two additional Homekey projects were awarded in Round 3, and four of these eight Homekey developers are BIPOC organizations. The City will continue to collect racially disaggregated data on all Homekey projects to track the impact the program is having on addressing racial disparities.

III. Summary of R2H2 Program

The R2H2 application process is divided into two phases:

1. **Initial Application** where an applicant must establish that City threshold requirements are met. Only applicants that meet these threshold requirements are invited to submit a Full Application.

2. **Full Application** (subject of this RFP) which is only completed once a proposal has met threshold requirements. The City then requests that the applicant submit a Full Application which will be reviewed by City Staff on a competitive basis using the scoring criteria described in Section VI of this RFP.

The chart below is a graphic representation of the 2024 R2H2 and Homekey Round 4 RFP process.
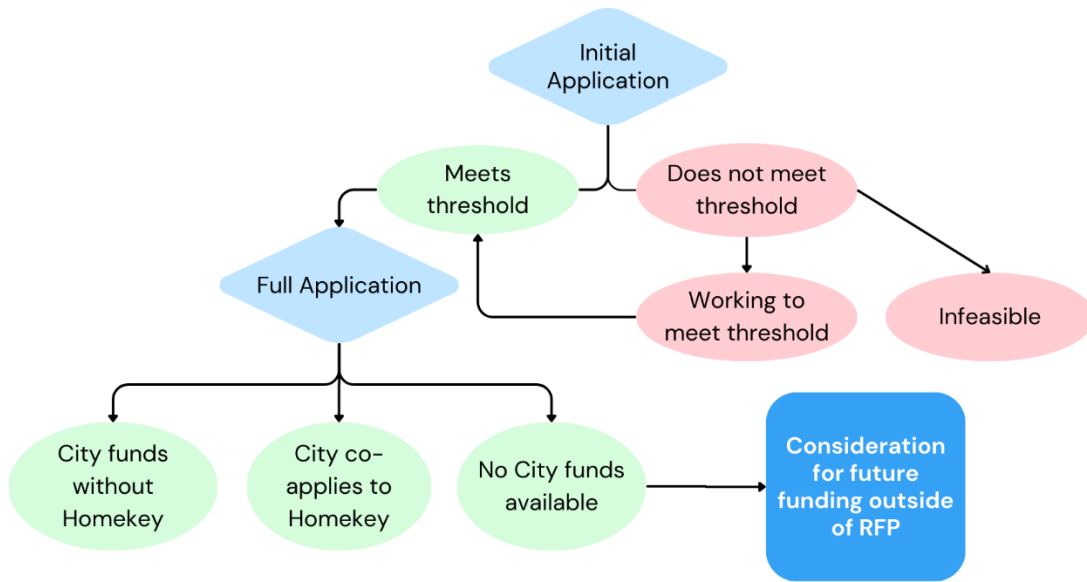
The following steps summarize the R2H2 application and pipeline process:

1. A Request for Proposals (RFP) for Homekey 4 and R2H2 **Initial Applications** was released on November 30, 2023. Initial Applications must be submitted by Thursday, February 29, 2024 to be considered for Homekey Round 4 co-applications. **Initial Applications submitted after February 29, 2024 will not be considered for Homekey Round 4 co-application, and will be placed in the R2H2 pipeline for consideration of a future award of City funding.** Initial Applications received will be evaluated for threshold review criteria (Exhibit A). Applicants that meet threshold requirements will be notified by April 1, 2024 that they are invited to submit a Full Application. Full Applications are due May 31, 2024 in order to be considered to co-apply for Homekey Round 4 with the City.

2. Applicants applying for Homekey Round 4 that submit the Full Application will be scored and ranked. The selection of Homekey Round 4 co-applicants will occur once a Homekey Round 4 NOFA has been released. Selected applicants will then need to complete the Homekey Round 4 Application Workbook, or other application materials as instructed in the NOFA.

3. Applicants that do not need Homekey funding and meet threshold requirements will be evaluated for an expedited review process if they meet readiness and feasibility standards. Non-Homekey Full Applications will be reviewed for the potential award of available City funds.

4. Applicants that do not meet threshold criteria will be evaluated to determine if the project is: a) infeasible or b) feasible and that threshold criteria can be met at a later date.

   The feasible projects will remain in the R2H2 pipeline, and City staff will assist applicants with meeting threshold requirements and moving to the next stage of feasibility. Once the project

meets threshold criteria, applicants will be invited to submit a Full Application. If the applicant has not met the City threshold requirements within six months of Initial Application submission, the City may close the application at its sole discretion.

5. A scoring rubric will be utilized to determine which projects will be prioritized for receiving City resources. Projects recommended for funding will be placed in one of two categories: 1) co-application with the City for Round 4 Homekey Funding (see "Co-applicants with City for Homekey Funding" heading below); or 2) an R2H2 commitment without Homekey funds for projects. R2H2-only projects that are ready to proceed on an expedited timeline (see the "Expedited R2H2 Funding without Homekey" heading below) may be funded on an accelerated basis.

How to Apply

All Full Applications are completed through City Data Service (CDS), the City's on-line application database system. The Full Application is a continuation of the Initial Application and can be accessed using the same user name and password used for the Initial Application. Applicants invited to complete a Full Application will enter the CDS site and see a link for their project. By clicking on this link, the Full Application form will open up.

Please direct CDS technical questions to citydataservices@yahoo.com.

PAPER OR EMAIL APPLICATIONS WILL NOT BE ACCEPTED.

Co-applicants with City for Homekey Funding

Respondents to this RFP may be selected to co-apply with the City to an upcoming round of the State Homekey program. Notification of the City's selection of an applicant as a Homekey co-applicant will be determined upon release of a State Homekey Round 4 NOFA. To be considered for Homekey Round 4, Initial Applications must be submitted by February 29, 2024 and Full

Applications must be submitted by May 31, 2024 (subject to change based on timeline and status of the Homekey Round 4 NOFA).

Expedited R2H2 Funding without Homekey

While the State Homekey program is a prime opportunity to advance housing for people experiencing homelessness due to the very generous contribution of State funding, there may be cases where a submitted project is ready to quickly move forward without Homekey funding and could be awarded local funding under the auspices of the R2H2 Program. Additionally, should

the State not issue a Homekey Round 4 NOFA, the R2H2 Program will become the City's vehicle for vetting and creating a pipeline of projects serving people experiencing homelessness.

IV. R2H2 Program Timeline

The dates below are subject to revision based on the timeline and status of the Homekey Round 4 NOFA.

November 27, 2023	City of Oakland Homekey 4/R2H2 Initial Application RFP released.
December 13, 2023	City of Oakland Homekey 4/R2H2 RFP Pre-Application meeting.
January 24, 2023	City of Oakland Homekey 4/R2H2 RFP Pre-Application meeting.
February 12, 2024	City of Oakland Homekey 4/R2H2 Full Application RFP released.
March 5, 12, 19, 2024 10:00 – 11:00 am	City of Oakland Homekey 4/R2H2 RFP "Office Hours." Staff will be available to answer questions on the RFP and application form. Please join by using this link: https://us06web.zoom.us/j/5149483144?pwd=OFlvenRBUUpKY1AySkE0ZWNwSHI4UT09 Meeting ID: 514 948 3144 Passcode: 159835
February 29, 2024 at 4:00PM	Deadline for receiving an *Initial Application* via City's CDS application portal to be considered as a co-applicant with the City for Homekey 4.
By April 1, 2024	City invites applicants that meet threshold requirements to submit a Full Application.
May 31, 2024	Deadline for receiving a *Full Application* via City's CDS application portal to be considered as a co-applicant with the City for Homekey 4.
TBD	Notification of City's selection of co-applicants with the City on a Homekey application will be *determined upon release of a State Homekey Round 4 NOFA.*
Rolling Basis	Project sponsors/developers can apply to the R2H2 program on a rolling basis. However, Initial Applications requesting to co-apply with the City for Homekey Round 4 must be received by February 29, 2024 and Full Applications must be received by May 31, 2024.

<u>State Homekey NOFA Project Completion Schedule Requirements</u>

Expected project timelines based on the Round 3 State Homekey NOFA are as follows:

1. All Homekey capital funds (i.e. funds for acquisition, construction, and/or rehabilitation) must be expended within eight months of the date of State Homekey award.
2. Projects must complete all applicable construction and/or rehabilitation within 12 months of the date of State Homekey award.
3. All projects must achieve a full occupancy (fully occupied with an average of 10% vacancy rate) within 90 days of construction or rehabilitation completion.

The R2H2 project completion requirements will be construction/rehab completion within 12 months of loan closing, and full occupancy within 90 days after construction/rehab completion.

V. R2H2 Program Funding Availability

The City Council's biannual 2023 – 2025 budget established a Rapid Response Homeless Housing Fund in the amount of $10,400,740, utilizing "boomerang" (former redevelopment) and Low-and-Moderate-Income Housing Asset Fund funds. In addition, the City has a pool of Permanent Local Housing Allocation (PLHA) funds dedicated to capitalized operating subsidy reserves for housing serving people experiencing homelessness in an estimated amount of $19,667,562.

To implement the deployment of these funds in a manner that is expeditious and effective in addressing homelessness, the City created the R2H2 Program, modeled on the success of the Homekey program. The City Council adopted this program at its November 7, 2023 meeting; details can be found [here](). This program is being launched simultaneously with a request for proposals for potential Homekey Round 4 funding. These funds may be used as match for State Homekey applications, as well as for projects that will not include State Homekey funds.

In addition to the local funding available through the R2H2 program, City staff may recommend allocating a portion of Measure U housing bond funds to R2H2 projects, as well as other local funds that may become available. In addition, City staff are working closely with Alameda County and the Oakland Housing Authority to identify resources available to fund housing serving people experiencing homelessness including operating subsidies and funding for supportive services.

The plan to assemble multiple funding sources and deploy them toward rapid response homeless housing is informed by and aligns with the equity investment framework in HCD's 2023-2027 [Strategic Action Plan]() ("Plan"). It is anticipated that with the combined Homekey and R2H2 programs in play, the unit projections included in the Plan for homeless exits housing can be achieved.

The City intends to commit funding to projects in the form of loans for capital and/or operating subsidies. Due to the limited local funding available, the following are the program's funding caps:

Capital Development	$200,000 per unit
Operating Subsidy	$200,000 per unit for a period of 15 years

Although applicants should plan to vigorously pursue opportunities for non-City subsidies for their projects, applicants should request the entire amount reasonably needed to ensure feasibility of their project, up to the maximum amount described above, regardless of the total amount of funds available through this RFP.

For the purposes of the Full Application, applicants seeking Homekey Round 4 funding should make the following assumptions to project Homekey Round 4 funding. These assumptions are based on the Homekey Round 3 NOFA (please see the Homekey Round 3 NOFA for definition of terms).

- **Capital Award Per Unit**
  - $150,000 – Studio or one-bedroom units.
  - $175,000 – Two-bedroom units OR assisted units reserved for Homeless Youth or Youth at Risk of Homelessness.
  - $200,000 - Three-bedroom or larger units OR assisted units reserved for those experiencing Chronic Homelessness.
- **Capital Match** — 1:1 up to an additional $100,000 per unit.
- **Operating Award per Unit**
  - $1,400 per unit per month for assisted units reserved for Homeless Youth or Youth at Risk of Homelessness or for assisted units reserved for those experiencing Chronic Homelessness.
  - $1,000 per unit per month for all other assisted units.
- **Operating Term**
  - Two (2) years if applicant commits three (3) years of operating funding.
  - Three (3) years if applicant commits four (4) years of operating funding.

VI. Scoring Criteria

Local funding will be committed to projects based on competitive scoring that will prioritize readiness to house people experiencing homelessness, cost efficiency, and strength of the sponsor and partners to complete the development, manage the properties in a professional manner, and deliver services that ensure positive outcomes for residents.

These scoring priorities will be applied to the review of R2H2 Full Applications. <u>**Projects must score a minimum of 62 points to be considered for funding.**</u>

Projects will be scored based on the following criteria:

- **Site Control** - Scoring will be based on site ownership or ability to acquire the site swiftly as follows (maximum 10 points):
  - Developer owns site – 10 points

- o Developer can acquire the site within 3 months of application submission, as documented by site control documentation (such as a purchase and sale agreement or an option agreement) – 8 points
  - o Developer can acquire the site within 6 months of application submission, as documented by site control documentation – 6 points

- **Funding** – Scoring will be based on the project's ability to obtain financing commitments of non-City sources (both capital and first 10 years of operating subsidy) as follows (maximum 10 points):
  - o 100% of non-City funding committed – 10 points
  - o 75% of non-City funding committed – 8 points
  - o 50% of non-City funding committed – 6 points

- **Zoning** – Scoring will be based on the project's ability to meet zoning requirements as follows (maximum 10 points):
  - o No zoning changes needed – 10 points
  - o Zoning approvals expected within three months of R2H2 award – 5 points

- **Project Completion** - Projects must complete construction expeditiously. Projects that can complete construction within 12 months of loan closing or less will be prioritized. Project completion will be scored as follows (maximum 10 points):
  - o Construction completion within 6 months of loan closing – 10 points

- **Cost Efficiency** - Projects that request funding below the City funding caps of $200,000/unit in capital funding and $200,000/unit in operating subsidy will be given priority. Cost efficiency will be scored by taking the average between capital funding and operating subsidy requests as follows (maximum 10 points):
  - o 50% or more below City funding caps – 10 points
  - o 25% or more below City funding caps – 8 points
  - o 10% or more below City funding caps – 6 points

  Average example: a project that requires $200,000 in capital funding and can demonstrate adequate operating funding without any city operating support will earn full points in this category, as would a project that requests $100,000 in capital and $100,000 in operating, as would a project that requests no City capital funding and $200,000 in operating.

- **Experience** – Projects with experience exceeding the threshold requirements will be prioritized. A project's experience will be scored as follows (maximum 50 points):

  ### Developer
  - o Developed more than 10 projects within the last 10 years – 15 points
  - o Developed 5 to 9 projects within the last 10 years – 10 points
  - o Developed 2 to 4 projects within the last 10 years – 5 points

  ### Property Manager
  - o Has 10 or more years of experience managing properties serving the proposed target population – 15 points

- o Has 5 to 9 years of experience managing properties serving the proposed target population – 10 points
- o Has 3 to 4 years of experience managing properties serving the proposed target population – 5 points

Service Provider
- o Has more than 10 years of experience providing services to the proposed target population – 15 points
- o Has 5 to 9 years of experience providing services to the proposed target population – 10 points
- o Has 2 to 4 years of experience providing services to the proposed target population – 5 points
- o Commitment letter or MOU(s) documenting how the developer, property manager, and service provider are connected and will work together on the Project – 5 points (additional)

- **Proximity to Amenities** – Projects that are in close proximity to amenities will be prioritized, with scoring as follows (maximum 10 points):

    ### Transit Accessibility
    - o Located within 1/2 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop OR the project includes an alternative transportation service for residents (e.g., van or dial-a-ride service), if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided – 4 points; or
    - o Located within 1 mile of a bus rapid transit station, light rail station, commuter rail station, ferry terminal, bus station, or public bus stop OR the project includes an alternative transportation service for residents (e.g., van or dial-a-ride service), if costs of obtaining and maintaining the van and its service are included in the budget and the operating schedule is either on demand by tenants or a regular schedule is provided – 2 points

    ### Amenity Accessibility
    - o Located within 1/2 mile of one of these amenities: 1. full-scale grocery store/supermarket where staples, fresh meat, and fresh produce, 2. pharmacy, or 3. medical clinic – 4 points; or
    - o Located within 1 mile of one of these amenities: 1. full-scale grocery store/supermarket where staples, fresh meat, and fresh produce, 2. pharmacy, or 3. medical clinic – 2 points
    - o For projects with units serving Homeless Youth: Project site is within 1 mile of at least two of the following: community college, university, trade school, apprenticeship program, employment program, childcare center for parenting youth, and/or community center for youth (e.g., LGBTQ+ centers, drop-in youth centers) – 2 points

- **Transitional Aged Youth (TAY)** - Projects that serve the TAY population will be prioritized based on the number of units restricted to this population as follows (maximum 10 points):
    - o 100% of the units are restricted to TAY – 10 points
    - o 25% to 99% of the units are restricted to TAY – 5 points

- **Domestic Violence (DV) Survivors** - Projects with all units restricted to DV survivors (maximum 10 points) – 10 points

- **Quality of Supportive Services Plan** – Priority will be given to projects with a comprehensive Supportive Services Plan. Quality of Supportive Services Plans will be scored as follows (maximum 25 points):
  - o Executed MOU with the service provider – 10 points
  - o Costs and FTEs are consistent throughout application – 3 points
  - o Staffing levels that are appropriate to the target population – 3 points
  - o Training provided to staff – 3 points
  - o Detailed description of services and property management coordination – 3 points
  - o Outcomes beyond thresholds identified (please find Outcome Measurement metrics in *R2H2 Workbook*, Supportive Services tab, Section h.) – 3 points

- **Approach to Property Management** – Priority will be given to projects with a comprehensive Property Management Plan. Quality of property management will be scored as follows (maximum 6 points):
  - o Costs and FTEs are consistent throughout application – 3 points
  - o Training is provided to staff - 3 points

VII. R2H2 Full Application Conditions

The City has established the following conditions for the City R2H2 program:

1. Homekey income and rent levels may not exceed 30% of Area Median Income (AMI). However, because the incomes of Oakland residents currently in the Coordinated Entry System are typically well below 30% of AMI, the City may prioritize projects that restrict rents to 30% of tenants' income with very low or no minimum income requirements.
2. Applicants should inquire with the Alameda County Health Care Services Agency on availability of services funding to support proposed projects.
3. Although the State's Homekey NOFA does not require an entire project to be comprised of Homekey units, the City will prioritize projects with fully vacant units that will be quickly available for people experiencing homelessness. Further, the City will not consider projects that require permanent relocation of any existing tenants.
4. Applicants selected to be co-applicants with the City to the State for Homekey funding will be expected to prepare all application materials for City review, and when approved, the City will upload and submit the application through the Homekey portal. If awarded, the State will execute a Standard Agreement with both co-applicants. The City's Department of Housing and Community Development (DHCD) will serve as the main point of contact for selected projects.
5. The City funding will be provided in the form of a residual receipts loan unless required otherwise by the State Homekey program. Please see the City's latest [New Construction NOFA](#) for general information on loan terms and conditions. Program-specific loan terms are forthcoming.
6. The City will record a regulatory agreement against the project property that will restrict rents and occupancy and enforce other Homekey and City operational requirements. Please note that the City will not subordinate the priority of its regulatory agreement to private financing. The term of the regulatory agreement must be at least: a) 55 years for permanent affordable housing projects and/or b) 30 years for transitional or interim

housing, or for master leasing projects.

7. For any project receiving federal funds, the award is conditioned on compliance with the requirements of the National Environmental Policy Act (NEPA).

8. Should the State of California release a Homekey Round 4 NOFA, it is anticipated that the process would include a California Environmental Quality Act (CEQA) exemption set forth at Health and Safety Code (HSC) section 50675.1.4 and the provision for land use consistency and conformity set forth at HSC section 50675.1.3, subdivision (i). Although the Homekey CEQA exemption is largely limited to existing buildings, the State has identified alternate streamlining pathways for new construction projects that the City encourages Teams to explore.

   For projects not seeking Homekey funding, applicants' proposed projects may be subject to review and approval under CEQA, depending on the nature of the projects. If required, CEQA clearance will need to be in place prior to a City funding commitment.

9. Contract Compliance: Teams must comply with the following City of Oakland employment and contracting programs:
   a. Payment of State prevailing wages (Homekey and City requirement),
   b. If awarded HOME or OHA funds, payment of Federal Davis-Bacon prevailing wages
   c. City of Oakland Living Wage Ordinance
   d. City of Oakland Equal Benefits Ordinance
   e. Electronic Certified Payroll Submittals
   f. The City has waived City requirements for its Local and Small Business Enterprise (SLBE) Program, Local Employment Program, and the Oakland Apprenticeship Program due to strict program timelines.
   g. More information can be found at the City of Oakland's website at https://www.oaklandca.gov/departments/workplace-employment-standards If a project receives a funding commitment through this RFP and rehabilitation is part of the project, Teams are required to meet with Contract Compliance staff and contractors (if applicable) before the grant closes. Please contact Vivian Inman (vinman@oaklandca.gov) for more information.

Applicants are advised that, under the California Public Records Act and the City's Sunshine Ordinance, all documents submitted as part of this application are considered public records and will be made available to the public upon request.

Maximum Developer Fee: A flat developer fee of the sum of $100,000 plus $22,000 per unit, up to a maximum of 5% of total development costs (excluding the developer fee). However, the fee for each project is subject to approval by the City of Oakland and further, developer fee may be restricted for transitional or interim housing proposals at the City's discretion. Note that fees may also be capped by other financing sources.

VIII. Additional City Guidelines

The City's Homekey/R2H2 website will include a list of interested sellers for your information. Please visit https://www.oaklandca.gov/topics/city-homekey for self-reported lists of properties and partners. The City makes no representation regarding the accuracy of this information and

encourages all interested parties to conduct their own due diligence on the information found in this list.

The City will not directly acquire any new Homekey or R2H2 properties. Applicants must acquire, own, develop, and manage the proposed properties.

IX. State Homekey Program Guidelines

Until a Round 4 State Homekey NOFA is released, applicants are to refer to the Round 3 Guidelines, issued by the State of California Housing and Community Development Department on March 29, 2023.

X. RFP Submittal Requirements

To be considered complete, proposals in response to this RFP must include the following components. This information is provided in addition to the information that was submitted in the Initial Application. Failure to complete applicable worksheets will be recorded as a "0" for the applicable scoring category.

1. Provide information on City Data Service (CDS):
   a. Project Summary
   b. Project Schedule
   c. Self-Scoring Sheet
   d. Required Documents Checklist

2. Required uploads:
   a. Updated site control document (if applicable). Eligible site control documents for the Full Application include documents evidencing applicant's fee title ownership or leasehold interest under a long-term ground lease, or a current executed purchase and sale contract or option agreement with the property owner.
   b. MOU or joint venture agreement between developer/owner partners: If the Team is a joint venture, an executed joint venture agreement is required, clearly describing the roles and responsibilities of each partner, and identifying who is the lead partner, or if the responsibilities are approximately equally split between the partners.
   c. Organizational chart of partnership or joint venture that features ownership percentages and roles and responsibilities. Not applicable for single entity applicants.
   d. Single PDF of qualifications of the project team, to demonstrate meeting the minimum experience requirements described in the Exhibit A Threshold Review Criteria.
   e. Complete set of Applicant's organizational documents (including any amendments thereto)
   f. Audited financial statements for all developer/owner organizations from the past two years. If these are consolidated financial statements, they must also include the standalone financial statements for the parent organization(s). If particular circumstances about an organization's financial position or capacity require explanation, include a narrative summary in addition to the financial statements.
   g. R2H2 Full Application Workbook, including all tabs
   h. City of Oakland Campaign Contributions Disclosure Form with your sponsor qualifications

(download on CDS application portal)
    i. Resolution of the organization's governing board authorizing the submission of the Full Application.
    j. Appraisal: "As is" appraisal of the project property to determine fair market value. Appraisals must conform to the Uniform Standards of Professional Appraisal Practice (USPAP), in particular Standards 1 and 2. In addition, appraisals must comply with the appraisal requirements of the Appraisal Institute's Regulation 3. All appraisers must be California State Licensed/Certified.
    k. Physical Needs Assessment: Acquisition and/or rehabilitation projects must provide a copy of a Physical Needs Assessment (PNA), plans and specifications, or similar report from a licensesd expert that describes the deficiencies to be addressed by the rehabilitation, emergency repairs, health and safety issues and lead abatement and asbestos report, if applicable. The PNA must also include preliminary cost estimates for the repairs.
    l. Preliminary Title Report for the project property.
    m. Phase 1 Environmental Report for the project property or other appropriate report detailing the environmental condition of the property, including the presence of lead-based paint or asbestos on the property.
    n. Enforceable commitment letter or agreements from all committed funding sources.
    o. Property Management Plan

Additional documents may be requested by City Staff.

XI. City Rules

All applicants must agree not to discriminate on the basis of race, color, ancestry, national origin, religion, sex, sexual preference, age, marital status, family status, source of income, participation in a tenant-based rental assistance program, physical or mental disability, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC), immigration status, past criminal background or any other arbitrary basis. Projects must meet the requirements of the Americans with Disabilities Act and other applicable disability laws.

Applicants should understand that under the California Public Records Act and the City's Sunshine Ordinance, all documents that are submitted in response to this RFP, including financial information, are considered public records and will be made available to the public upon request, unless specifically exempted under the law.

Please note that under conflict-of-interest laws, no public official of the City who participates in the decision-making process concerning selection of a developer or a project may have or receive a direct or indirect economic interest in the developer or the project.

The City's issuance of this RFP is not a promise or an agreement that the City will actually fund any project or enter into any contract. The City reserves the right at any time and from time to time, and for its own convenience, in its sole and absolute discretion, to do the following:

- Modify, suspend or terminate any and all aspects of the selection process, including, but not limited to this RFP and all or any portion of the developer selection process.
- Waive any technical defect or informality in any submittal or submittal procedure that does not affect or alter the submittal's substantive provisions.
- Reject any and all submittals.
- Request some or all applicants to revise submittals.
- Waive any defects as to form or content of this RFP or any other step in the selection process.
- Reject all proposals and reissue the RFP.
- Procure the desired proposals by any means other than this RFP or not proceed in procuring the proposals under this RFP; or
- Negotiate and modify any and all terms of an agreement entered into pursuant to this RFP.

The City may modify, clarify and change this RFP by issuing one or more written addenda. Addenda will be posted on the City's website. The City will make reasonable efforts to notify interested parties in a timely manner of modifications to this RFP but each applicant assumes the risk of submitting its submittal on time and obtaining all addenda and information issued by the City. Therefore, the City strongly encourages interested parties to check the City's web page for this RFP frequently.

XII. Questions

Please send questions to HCDinfo@oaklandca.gov and include "Homekey/R2H2 RFP" in the title. Responses to questions will be posted on a rolling basis on the Homekey/R2H2 page of the City HCD website.

XIII. Exhibits

The exhibits for this RFP include:
- Exhibit A: Threshold Review Criteria
- Exhibit B: Threshold Criteria for Expedited R2H2 Funding without Homekey
- Exhibit C: Homekey and City Insurance Requirements

EXHIBIT A -THRESHOLD REVIEW CRITERIA

Category	Requirement
Site Control	Applicant must have site control at the time of application submission, and control must not be contingent on the approval of any other party as described in Homekey Round 3 NOFA, Section 300(viii)(a through f). Eligible site control documents include fee title ownership, signed letter of intent, executed purchase contract or option agreement.
Sponsor Experience	
Developer	Acquisition, development/rehabilitation, and ownership of two projects similar in scope and size to the proposed project in the past ten years.
Property Manager	Demonstrate three or more years of property management experience managing/operating properties serving the proposed population.
Service Provider	Demonstrate two or more years of experience providing services to the proposed target population.
Target Population	Applicant agrees Project(s) must serve persons qualifying as members of the Target Population per Homekey Round 3 NOFA, Article VII(xl).
Timeline	Must submit a timeline that demonstrates an ability to complete project construction/rehabilitation within 12 months of City loan closing, and full occupancy within 90 days of construction/rehabilitation completion.
Project Financing	Must complete the financing tabs in the Homekey Round 3 application workbook (Unit Mix, Development Budget, Development Sources, Award/Match/Revenue, Operating, and Cash Flow).
Permanent Relocation	Project may not result in the permanent relocation of residents.
City Certifications	Must sign a City Certifications form that includes agreeing to: selecting tenants through the Coordinated Entry System or an alternative process as defined in Homekey Round 3 NOFA, Section 502; adhering to Housing First principles; and outcomes measurements established by the City.

EXHIBIT B: THRESHOLD CRITERIA FOR EXPEDITED R2H2 FUNDING WITHOUT HOMEKEY

1. Applicants must have been invited by the City to submit a Full Application under this RFP, meeting all Threshold Review Criteria as listed in the 2023 RFP: Initial Application for Homekey Round 4 and R2H2.
2. Site Control: Applicant must have site control at the time of application, and control must not be contingent on the approval of any other party. Site control documentation must demonstrate that the site is currently owned by applicant or can be acquired within six months of award of funds.
3. Funding Readiness: 100% of non-City funding must be committed to the Project and evidenced by enforceable commitment letters.
4. Due Diligence: All required due diligence documentation must be completed.
5. Supportive Services Plan: Must have a complete supportive services plan that includes a sources and uses budget for services.

EXHIBIT C -HOMEKEY AND CITY INSURANCE REQUIREMENTS

The following insurance requirements are outlined in the HCD Round 3 Homekey NOFA (State of California Department of Housing and Community Development) and the City of Oakland Schedule Q (City of Oakland Department of Housing and Community Development).

- **Please note that individual insurance requirements are subject to review upon award.**

HCD Round 3 NOFA Insurance Requirements:

i.   Commercial General Liability

Applicants shall maintain general liability on an occurrence form with limits not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury and property damage liability. The policy shall include coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, personal and advertising injury, and liability assumed under an insured agreement. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Applicant's limit of liability. The policy must name the State of California and the California Department of Housing and Community Development, as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract. If available in the open market at a reasonable cost, the policy shall also include an endorsement for physical abuse and child/sexual molestation coverage. Coverage shall include actual or threatened physical abuse, mental injury, sexual molestation, negligent hiring, employment, supervision, investigation, reporting to proper authorities, and retention of any person for whom the Applicant is responsible. This insurance shall apply separately to each insured against which claim is made, or suit is brought subject to the Applicant's limit of liability. Coverage shall include the cost of defense and the cost of defense shall be provided outside the coverage limit. If available in the open market at a reasonable cost, the policy shall also include an endorsement for assault and battery.

ii.   Automobile Liability

Applicant shall maintain motor vehicle liability with limits not less than $1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and nonowned motor vehicles. The policy must name the "State of California and the California Department of Housing and Community Development", as well as the respective appointees, officers, agents, and employees of each, as additional insureds, but only with respect to work performed under the contract. If Applicant will not have or use any commercially owned vehicles during the term of the Standard Agreement, by signing the Standard Agreement, the Applicant certifies that the Applicant and any appointees, employees, subcontractors, or servants possess valid automobile coverage in accordance with California Vehicle Code sections

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16450 to 16457, inclusive. The Department reserves the right to request proof at any time.

iii.   Workers' Compensation and Employer's Liability

Applicant shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the contract. In addition, employer's liability limits of $1,000,000 are required. By signing the Standard Agreement, Applicant acknowledges compliance with these regulations. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California and the California Department of Housing and Community Development must be attached to the certificate.

iv.   Builder's Risk/Installation Floater

If there is installation or construction of property/materials on or within the facility at any time during the term of the Standard Agreement, the Applicant shall maintain in force, at its own expense, Builders Risk/Installation Floater covering the labor, materials, and equipment to be used for completion of the work performed under this contract against all risks of direct physical loss, excluding earthquake and flood, for an amount not less than the full amount of the property and/or materials being installed and/or constructed on or within the facility. The Applicant agrees as a provision of the contract to waive all rights of recovery against the state.

v.   Property Insurance

The Applicant shall maintain fire, lightning and extended coverage insurance on the facility which shall be in a form of a commercial property policy, in an amount equal to one hundred percent (100%) of the then current replacement cost of the facility, excluding the replacement cost of the unimproved real property constituting the site. The extended coverage endorsement shall, as nearly as practicable, include but not be limited to loss or damage by an explosion, windstorm, riot, aircraft, vehicle damage, smoke, vandalism, and malicious mischief and such other hazards as are normally covered by such endorsement.

vi.   Self-Insured

If a state, regional, or Local Public Entity is the sole Applicant, and if that entity is self-insured in whole or in part as to any of the above-described types and levels of coverage, then that entity shall provide the Department with a written acknowledgment of this fact before execution of the Standard Agreement. If, at any time after the execution of the Standard Agreement, the state, regional, or Local Public Entity abandons its selfinsured status, that entity shall immediately notify the Department of this fact and shall comply with all of the terms and conditions of this Section pertaining

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to insurance requirements. The Department may accept evidence of self-insurance from other Eligible Applicants in its sole and absolute discretion.

<u>City of Oakland Insurance Requirements:</u>

I.   Pollution Liability
    a.   If the Contractor is engagedin: environmental remediation, emergency response, hazmat cleanup or pickup, liquid waste remediation, tank and pump cleaning, repair or installation, fire or water restoration or fuel storage dispensing, then for small jobs (projects less than $500,000), the Contractor must maintainPollution Liability Insurance of at least $ 00,000 for eachoccurrence and in the aggregate. If the Contractor is engaged inenvironmental sampling or underground testing, then Contractor must alsomaintain Errors and Omissions (Professional Liability) of $ 00,000 peroccurrence and in the aggregate.

II. Professional Liability/Errors and Omissions insurance, as appropriate to the contractor's profession with limits not less than than $2,000,000 each claim and $2,000,000 aggregate. If the professional liability/errors and omissions insurance is written on a claims made from:
    a.   The retroactive date must be shown and must be before the date of the contract or the beginning of work.
    b.   Insurance must be maintained and evidence of insurance must be provided for at least three (3) years after completion of the contract work.
    c.   If coverage is cancelled or non-renewed and not replaced with another claims made policy form with a retroactive date prior to the contract effective date, the contractor must purchase extended period coverage for a minimum of three (3) years after completion of work.

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