

# REQUEST FOR PROPOSALS



## **Midway/Bayshore Redevelopment Project**

Housing Authority of the County of San Mateo

Release Date: June 29, 2017

Responses must be Received  
by 4:00 p.m. Pacific Standard Time  
on September 28, 2017

**REQUEST FOR PROPOSALS**  
**FOR**  
**MIDWAY/BAYSHORE REDEVELOPMENT PROJECT**

Proposals must be submitted to the offices of the Housing Authority of the County of San Mateo, 264 Harbor Boulevard, Building A, Belmont CA 94002

**By 4:00 p.m. Pacific Time on Thursday, September 28, 2017**

**PROPOSALS WILL NOT BE ACCEPTED AFTER THIS DATE AND TIME**

***Note regarding the Public Records Act:***

Government Code Sections 6250 *et seq.*, the California Public Records Act, defines a public record as any writing containing information relating to the conduct of the public business. The Public Records Act provides that public records shall be disclosed upon written request and that any citizen has a right to inspect any public record unless the document is exempted from disclosure.

Be advised that any contract that eventually arises from this Request For Proposals is a public record in its entirety. Also, all information submitted in response to this Request For Proposals is itself a public record **without exception**. Submission of any materials in response to this Request For Proposals constitutes a waiver by the submitting party of any claim that the information is protected from disclosure. By submitting materials, (1) you are consenting to release of such materials by the County if requested under the Public Records Act without further notice to you and (2) you agree to indemnify and hold harmless the County for release of such information.

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# RFP for the Midway/Bayshore Redevelopment Project

## I. OVERVIEW

### A. Summary

The Housing Authority of the County of San Mateo (“HACSM” or “Housing Authority”), through this Request for Proposals (“RFP”), is seeking experienced and qualified applicants to submit a description of their qualifications together with a conceptual proposal to redevelop three contiguous properties: the Housing Authority’s Midway Village property (“Midway Property”); the property containing the David R. Rowe Park, more commonly known as Bayshore Park (“Park Property”); and an approximately half-acre parcel completely surrounded by Midway Village and Bayshore Park containing the Bayshore Child Development Center (“Half-Acre Property”). These contiguous properties are located in the Bayshore neighborhood of the City of Daly City (the “City” or “Daly City”). As redevelopment will involve all three properties, they will be referred to collectively in this RFP as the **Midway/Bayshore Redevelopment Site** (also, the “**Redevelopment Site,**” or “**Site**”).

Midway Village is an aging 150-unit affordable rental housing complex developed by HACSM in the mid-1970s on the roughly 11.25-acre Midway Property. The Bayshore Child Development Center (“Childcare Center”) operates in another aging facility located on the Half-Acre Property in the central area of Midway Village, adjacent to the Park Property. The Park Property (“Bayshore Park” or the “Park”) is approximately 3.8 acres in size and is a neighborhood park improved primarily with a grassy field used for soccer or other field sports, in addition to a blacktop surface used as basketball courts and a children’s play area. Various maps of the Site and surrounding area are attached as exhibits to this RFP.

### B. Primary Project Objectives

Through this RFP process, HACSM intends to select an affordable housing developer team (“Developer Team”) to redevelop, own, operate and manage the improvements at the Midway/Bayshore Redevelopment Site (the “**Midway/Bayshore Redevelopment Project**” or “**Project**”) under a long-term ground lease with HACSM or its affiliate. The purpose of the Project is to better utilize the three contiguous properties through the creation of an attractive and well-designed mix of new-construction housing and community-serving uses, providing affordable homes and community facilities within the Redevelopment Site that will be an asset to the Bayshore community for years to come.

The Project has three primary goals:

- Replacing the existing 150 affordable units with an increased number of critically-needed new-construction affordable homes serving households of various sizes, ages, incomes, and needs;
- Providing a new childcare center space to replace the aging facility occupied by the Bayshore Child Development Center and sub-leasing this space to the current childcare operator; and
- Delineating within the Redevelopment Site an area of land equivalent in size to the existing Bayshore Park that will be deeded back to the City of Daly City and developed by the City into a new neighborhood-serving park.

## **II. BACKGROUND**

### **A. Property Location**

The Redevelopment Site is located at Schwerin Street and Midway Drive in the Bayshore neighborhood of Daly City. The neighborhood is roughly bounded to the north by Geneva Avenue and to the east by Bayshore Boulevard. Midway Village is located at 47 Midway Drive, and the Bayshore Child Development Center and Bayshore Park are both addressed as 45 Midway Drive. The neighborhood consists primarily of single-family and low-to-medium density multifamily residential uses. A new TK-8 public school is under construction on a former elementary school site between Oriente Street and Schwerin Street to the immediate north and west of the Redevelopment Site, while a new 71-unit single family development is slated for construction on the former Robertson Intermediate School site located on Martin Street immediately to the south of Midway Village. A Pacific Gas and Electric Company (“PG&E”) facility is immediately to the north and east of the Redevelopment Site.

### **B. Site History**

In 1951, the U.S. government transferred ownership of what became Midway Village and Bayshore Park to the Housing Authority. From 1975 to 1977, HACSM demolished the original Navy housing built during World War II and constructed an affordable housing complex to the south (the current location of Midway Village) consisting of 36 residential buildings that comprise the existing 150-unit Midway Village. In 1977, HACSM transferred title to the Park Property to the City for the development of a public park (Bayshore Park) adjacent to the Midway Village complex. Both the Robertson School site (not part of the Redevelopment Site) and the Half Acre Property which presently contains the Childcare Center were transferred from the U.S. government to the Bayshore Elementary School District in 1955. In 2013, HACSM signed a long-term ground lease with San Mateo County Housing Authority, Inc. (“SAMCHAI”), a wholly-owned nonprofit affiliate of HACSM, granting control of the property to SAMCHAI. HACSM simultaneously transferred ownership of the improvements to SAMCHAI. Part of this disposition process involved allocating project-based Section 8 vouchers to all 150 units.

### **C. Project History**

This Project follows an earlier successful redevelopment project involving HACSM. Half Moon Village, an aging HACSM property in Half Moon Bay, was replaced by new-construction affordable rental housing. Phase 2 of the new Half Moon Village, the final component of a larger affordable housing and mixed-use Half Moon Bay senior campus, was completed in 2015.

Early discussions about the potential redevelopment of Midway Village were initiated in 2015 with Daly City staff, the residents of Midway Village, the Bayshore Elementary School District (“School District”), the Childcare Center operator, and other parties. HACSM proposed that the redevelopment would incorporate the following priorities: an increased number of affordable homes beyond the 150 units currently provided at Midway Village; the possibility of including some workforce or moderate-income housing; and the goal of retaining both the Childcare Center and land for a new city park as components of the newly-redeveloped site.

Around the time these discussions were taking place, the School District offered the surplus Robertson School site for sale to a residential developer. Negotiations between the School District, the City, the County of San Mateo (“County”) and HACSM led to a draft four-party agreement whereby the Half-Acre

Property located within the Midway Village campus would be transferred by the School District to HACSM or its affiliate.

On March 29, 2016, the County Board of Supervisors, sitting as the Board of Commissioners of the Housing Authority (“Governing Board”), affirmed the overall concept of redeveloping the Midway Village site in order to provide new, high-quality affordable housing and associated amenities. The Governing Board also authorized HACSM to undertake a planning process leading to the successful redevelopment of Midway Village and to enter into a four-party Memorandum of Understanding (“MOU”) with Daly City, the County, and the School District (attached as Exhibit C). This MOU, executed on March 31, 2016, provided for, among other things, the future transfer of ownership of the Half-Acre Property containing the Childcare Center to HACSM. In exchange for acquiring the land, HACSM agreed to incorporate the parcel within the redevelopment plan and accommodate the State and City affordable housing requirements triggered by the sale of the Robertson School site. The transfer of fee title to the Half-Acre Property was to take place immediately upon sale of the District’s Robertson School site adjacent to Midway Village. Both transactions have since occurred.

Finally, on October 18, 2016, the Governing Board authorized HACSM to enter into an option for the future transfer of fee title to Bayshore Park from the City to SAMCHAI (attached as Exhibit E). In exchange for that option, HACSM agreed to pay certain obligations of the City related to the prior clean-up of contaminated soils found at Bayshore Park and Midway Village. While SAMCHAI has an option to acquire Bayshore Park, HACSM expects to exercise the option to purchase the Park concurrent with the start of construction of the Midway/Bayshore Redevelopment Project or shortly before that time. Prior to such purchase of the Park, it will be determined which entity, HACSM or SAMCHAI, will retain long-term ownership of the Redevelopment Site, including the Park. A ground lease would be executed between HACSM or SAMCHAI and the selected developer.

#### **D. Current Ownership and Management**

***Midway Property and Midway Village:*** Midway Village was developed as a public housing project. In 2011, the U.S. Department of Housing & Urban Development (“HUD”) agreed to a process of disposing the property as public housing and transferring ownership to a nonprofit affiliate of HACSM. Part of the disposition involved granting replacement project-based Section 8 vouchers for all 150 units. HACSM retains ownership of the Midway Property, but in 2013 executed a long-term ground lease of the property to SAMCHAI. Simultaneous to the execution of the lease, HACSM transferred to SAMCHAI title to the Midway Village improvements and entered into a management agreement with SAMCHAI. Under this agreement, HACSM assumed the role of fiscal agent and property manager and also agreed to represent SAMCHAI in all matters related to management of the property. In 2016 SAMCHAI’s board approved a resolution authorizing HACSM to undertake the Midway/Bayshore Redevelopment Project, including eventual demolition of the existing improvements.

***Bayshore Park:*** David R. Rowe Park, also known as Bayshore Park, is a public park owned and maintained by the City. The City has agreed that title to the Park will be transferred to HACSM or its affiliate when the Project is about to begin construction. HACSM has agreed that an area within the Redevelopment Site equivalent in size to the current Park shall be delineated and deeded back to the City by the time the redevelopment program is completed. The City would then develop, own and maintain the replacement public park.

**Half-Acre Property containing the Childcare Center:** A grant deed transferring fee title to the Half-Acre Property at 45 Midway Drive from the School District to HACSM was executed in February 2017, and in late April 2017 the Governing Board approved a certificate of acceptance for the property.

#### **E. Site Characteristics**

The Redevelopment Site is situated in the northeastern corner of Daly City, at an elevation of approximately 17 to 24 feet above mean sea level. Local topography slopes downward to the east toward the San Francisco Bay. The Site is part of the Bayshore Basin, a drainage basin bounded by San Bruno Mountain to the west and south, and to the north by San Francisco, and to the east by San Francisco Bay.

The Midway Property portion of the Redevelopment Site consists of roughly 11.25 acres of land, of which approximately 6 acres are to the north of Midway Drive and approximately 5.25 acres are to the south. The property slopes away to the north from the southernmost portion of the site, which is at a higher elevation than the northern portion. The northern portion of the Midway Property (north of Midway Drive) and the Park Property are both relatively flat areas.

#### **F. Zoning and Land Use Requirements**

The Redevelopment Site is located in the City of Daly City's Bayshore Planning Area, which consists primarily of detached single-family homes, the Geneva Avenue commercial corridor, and a low intensity industrial area near the San Francisco border. Staff at the City of Daly City have informed HACSM that regardless of appearance in the City's online General Plan (GP) map, the Midway Property has a GP designation of Residential – Medium Density ("R-MD"), which allows between 20 and 35 dwelling units per gross acre, and a height limit of 36 feet. Applicants are invited to examine the City's General Plan and Zoning Ordinance for more information, but Applicants are instructed to avoid contacting City staff to discuss zoning or permitting questions with relation to this RFP.

Redevelopment of the Site under these conditions could take place without rezoning or a GP Amendment ("GPA"). However, the Daly City Planning Department has indicated that moving the location of Bayshore Park will require a GPA, and that the Redevelopment Site is large enough for a Planned Unit Development designation ("PD") if needed. Planning has also indicated that the timeline for obtaining a PD is the same as for a GPA, and that the processing of these actions would be concurrent. Under a PD, density and height restrictions would be more flexible, with site design playing a crucial role. The Project would also be entitled to a density bonus because of the affordable housing being provided. Further, if the residential component consists of deed-restricted affordable housing, the Project would be allowed a parking reduction, with the amount of such reduction dependent on the specific type of occupancy.

#### **G. Environmental Conditions and Development Feasibility**

**Environmental Condition:** For a more detailed description of the environmental condition of the Redevelopment Site please refer to the Phase I / Environmental Site Assessment ("ESA") reports prepared by SCS Engineers for both Midway Village (including the Half-Acre Property) and Bayshore Park (attached as Exhibits F and G). The following information will serve as a brief summary of the history of the environmental considerations, source of hazardous materials, remediation efforts to date, and current environmental condition of the Redevelopment Site. Applicants should be aware that all DTSC-

related documents and studies pertaining to the Redevelopment Site can be found on DTSC's website. Applicants are instructed to avoid contacting DTSC staff regarding this RFP until a team is selected to carry out the Project.

From approximately 1906 to 1916 a manufactured gas plant operated on what is today the PG&E site adjacent to Midway Village and Bayshore Park. The plant used crude oil to create a gas used for lighting. The process produced a waste material called lampblack containing polycyclic aromatic compounds ("PAHs"). In 1944, the Federal government obtained parts of the PG&E site, along with the present-day Midway Village and Bayshore Park properties, to build Navy housing. When land for the Navy housing was graded, contaminated soils containing PAHs were unknowingly used to fill low-lying areas prior to construction of the housing.

In 1990, the California Department of Toxic Substances Control ("DTSC") was informed of hazardous waste in portions of the soil in and around Midway Village and Bayshore Park, and in 1991 named the U.S Department of the Navy, HUD, PG&E, HACSM, and Daly City as potentially responsible parties. In 1992, the DTSC added Bayshore Park and the Half-Acre Property to the project site.

Various soil investigations and remediation activities were subsequently carried out. Investigative activities have primarily focused on PAHs and metals in shallow to semi-shallow soil. Other soil constituents have also been evaluated (e.g. petroleum hydrocarbons, volatile organic compounds ("VOCs"), cyanides, and phenols). PAHs are the primary constituent of concern ("COC") at the Redevelopment Site and remedial efforts have focused on PAHs. Lead is the secondary COC evaluated mainly for soil disposal characterization.

DTSC approved a Remedial Action Plan ("RAP") for Midway Village in 1993 that required soil excavation and capping of the affected landscaped areas with two feet of clean soil, while leaving in place concrete patios, asphalt, or walkways as acceptable caps over affected soils. This work was completed in 1994. In 2001, DTSC modified the 1993 RAP by increasing the soil cap from two to five feet in areas where PAHs had been found at depth. The cleanup goal was modified to be consistent with cleanup goals at other sites in California impacted by PAHs. Excavation and offsite disposal of approximately 3,000 cubic yards of contaminated soil at Midway Village, and replacement with a clean five-foot soil cap, was started and completed in 2001.

DTSC approved a Removal Action Work Plan ("RAWP") for Bayshore Park in 1998 that required soil excavation and capping of the site with a two-foot thick engineered clean soil cap, and which addressed management of excavated soil as part of the Bayshore Storm Drain Improvement Project. In 2001, DTSC modified the 1998 RAWP to update the cleanup goals for Bayshore Park. Additional areas requiring cleanup were identified and additional activities were required at the property, including off-site disposal of approximately 13,000 cubic yards of soil and replacement with clean soils. Additional sampling conducted near the Half-Acre Property revealed contamination above the cleanup level. Subsequently, the upper two feet of soil in this area was removed and replaced with a minimum of two feet of clean fill to comply with the cleanup goal. This work was completed in 2002, and annual inspections of the capped areas have since been performed along with a review of the remedies every five years to confirm the remedies are intact and protecting human health and the environment.

In summary, the nature and extent of COC in soil and groundwater at the Redevelopment Site and its vicinity have been evaluated and addressed through a series of investigations and remedial activities.

All required remediation steps have been successfully carried out and there is on-going annual inspection of the capped areas by Daly City (for Bayshore Park) and HACSM (for Midway Village). DTSC's five-year reviews and annual site inspections have found that the remediation work remains in place and that the current remedies are protective of human health and the environment.

**Development Feasibility:** For a more detailed report on the feasibility of development of the Midway/Bayshore Redevelopment Site vis-à-vis past environmental considerations, please see the SCS Engineers report titled "Feasibility Study for Bayshore Park and Midway Village – Daly City, California" (attached as Exhibit H). *Applicants should pay particular attention to this report in preparing conceptual redevelopment proposals, including site plans and massing studies.* The following information will serve as a brief overview of the development feasibility of the Redevelopment Site.

According to the SCS Engineers Feasibility Study, redevelopment of the Midway/Bayshore Redevelopment Site is feasible, depending on the construction scenario that is selected. After remediation work was completed at the Midway Village and Bayshore Park properties, DTSC recorded deed restrictions on all areas of the Midway Property and the Park where residual impacts remain. In general, the capped areas affected by these deed restrictions include the entirety of the Park and the northwestern portion of the Midway Property. A deed restriction for Bayshore Park was recorded in 2002 which prohibits the construction of residential structures, hospitals, schools and day care centers. A deed restriction was recorded in 1998 for specific portions of the Midway Property (and later amended in 2010 to include several additional parcels comprising approximately 0.5 acres) which states, among other conditions, that the Midway Property shall not be used for any development other than multiple family residential use in conformance with the local zoning code of R3 Multiple Family Residential.

All of the parcels covered under the Park and Midway Village deed restrictions, as amended, are located north of Midway Drive, in the formerly low-lying marshland area of the Site. According to SCS Engineers: "The existing Deed Restrictions would need to be modified (amended) or lifted (rescinded) to allow the potential Site development for Residential use. Recession or modification (amendment) of the Deed Restrictions would also entail removal of some, or all, of the impacted subsurface media (soil and possibly groundwater)."

The SCS Engineers' report further states: "Development of the Park and Village North for Residential use would need to include measures to prevent direct exposure, whether through complete or partial removal of the affected media and/or by implementation of additional engineering controls (soil cap, vapor barrier, delineation of "clean" utility corridors, and similar)." According to the report, two development options that could likely occur without significant removal or relocation of COC-affected soils are (1) podium-style housing with on-grade parking, and/or (2) more densely-spaced slab on grade housing with street parking or parking lots.

Although the deed restrictions for Bayshore Park currently do not allow residential use, preliminary discussions with DTSC indicated that they prefer a more durable remediation approach and would be favorable to redevelopment of the Park and Midway Village with multifamily residential construction. DTSC staff also indicated the possibility for residually affected soils being safely left in place (with potential Activity and Use Limitations) with the understanding that engineering controls would be required as part of site preparation and development.

Due to the presence of existing, residual COCs in soils, the Project would need to include measures to protect workers, nearby residents, and future occupants from exposure to the COCs, as well as protocol to safely manage impacted soils encountered during Project development, which HACSM believes will likely require a Health and Safety Plan and Soil Management Plan approved by DTSC. Additional environmental considerations include the need to comply with all applicable local, state and federal environmental regulations, including but not limited to permits and regulatory agency approvals, public notice, and reporting.

Development of the Midway Village site to the south of Midway Drive would likely not be subject to these limitations as this area was not impacted with contaminants.

### **III. REDEVELOPMENT PROGRAM ELEMENTS AND ASSUMPTIONS**

#### **A. OBJECTIVES**

The Project has three primary redevelopment goals:

- Replacing the existing 150 affordable units with an increased number of critically-needed new-construction affordable homes serving households of various sizes, ages, incomes, and needs;
- Providing a new childcare center space to replace the aging facility occupied by the Bayshore Child Development Center and sub-leasing this space to the current childcare operator; and
- Delineating within the Redevelopment Site an area of land equivalent in size to the existing Bayshore Park that will be deeded back to the City of Daly City and developed by the City into a new neighborhood-serving park.

Additional objectives for the process and Project include, but are not limited to:

- Meeting the requirements of the “Memorandum of Understanding Among Bayshore Elementary School District, the County of San Mateo, the Housing Authority of the County of San Mateo and the City of Daly City,” executed March 31, 2016, and as amended December 20, 2016 (Exhibits C and D), including meeting the District’s requirement to satisfy the City Affordable Housing Requirements and the affordable housing requirements of the California Surplus Land Act;
- Satisfying DTSC requirements described in various deed restrictions and other agreements executed by and for DTSC which affect the Redevelopment Site and/or reaching agreement with DTSC on new requirements which permit residential development on the entire Redevelopment Site;
- Designing and site planning to allow for active use, circulation, and resident interaction;
- Utilizing green building strategies and planning for sustainable Project operations;
- Phasing development in order to minimize off-site relocation of existing residents;
- Communicating regularly with current tenants of Midway Village and other stakeholders;
- Creating affordable housing for clients of County service agencies, including the Human Services Agency (“HSA”), the County Health System and its Behavioral Health and Recovery Services division (“BHRS”), the Health Plan of San Mateo, and HACSM;
- Offering robust on-site resident services and service coordination reflective of the needs of Project residents;

- Strategically utilizing existing project-based Section 8 vouchers to provide affordable housing for households earning a range of incomes while maintaining strong project financial status;
- Providing opportunities for current Midway Village management and maintenance staff to receive early consideration for positions at the new Project;
- Delivering adequate parking opportunities for residents and Park users;
- Investigating prospects for an additional community-serving facility or business; and
- Supporting a regular financial reimbursement to HACSM through a lease payment, loan repayment, payment of residual receipts, or other creative means acceptable to HACSM.

## **B. LAND DISPOSITION, FUTURE OWNERSHIP AND MANAGEMENT**

1. **Ground Lease:** HACSM, or its nonprofit affiliate, SAMCHAI, expects to negotiate and sign successive 99-year ground leases with the selected Developer/Owner to transfer control of portions the Redevelopment Site corresponding to each phase of development, as the Developer/Owner achieves close of construction financing for that particular phase, thereby allowing the selected Developer and its team to achieve the objectives described in Section III (A), above. HACSM (or SAMCHAI) will retain long-term ownership of the land, and the selected Developer will own the improvements and manage the property. The determination of which entity (HACSM or SAMCHAI) will own the land, will be made prior to the execution of the ground lease and loan closing for the initial phase of construction, which HACSM expects will occur concurrently.
2. **Park Property and New Park:** On November 11, 2016, HACSM entered into an “Option to Purchase and Purchase Agreement” with the City to acquire the Park Property and Bayshore Park at a future date agreed to by HACSM and the City. HACSM expects to exercise its option to acquire the Park shortly before signing the ground lease with the selected Developer that covers the Park Property. The Developer would then be able to begin construction of improvements on the Park property, assuming needed approvals have been obtained from DTSC.

At the earliest possible time, but after finalizing the configuration of all uses on the Redevelopment Site, and following the construction or installation of any structures or utilities and other services that must be completed before the new park can be improved, the Developer shall relinquish control of a newly-delineated area, equivalent in size to the existing Bayshore Park, for a new public park and associated access and parking. Such newly-delineated park area may or may not include portions of the current Park Property area, depending on the results of overall site planning. In addition, HACSM expects that the Developer will have carried out any remediation work deemed necessary by DTSC in order to allow for development of the park and ancillary uses. Simultaneous with this process, HACSM or SAMCHAI will transfer fee title to the City of such designated park space, and the City will improve the new space with a new public park, necessary access routes, and parking. HACSM expects that the Developer’s release of this property may be accomplished through an amendment to the 99-year ground lease, or by drafting the ground lease in anticipation of the impending update. HACSM is also willing to consider other means of achieving the same outcome.

HACSM expects the selected Developer Team will include the City in discussions regarding the location of the new park space. The City is aware of and in agreement with the fact that, due to the phasing of redevelopment, there may be a period of time during which the current Bayshore Park is not operational and the newly-designated park area has not yet been developed.

3. **Non-Residential Uses:** It is expected that the Developer will design, construct and own the shell and core of the new childcare center space and will lease the space to the Childcare Center operator, who will then construct the tenant improvements. HACSM also expects that any new, additional community-serving facilities or businesses would also operate in space constructed by the Developer and leased to their operators, who would then be responsible for tenant improvements. However, HACSM is open to alternatives that could be more appropriate or advantageous for the Project.
4. **Timing and Process:** With the approval of its Board of Commissioners, and as is described further in Section IV(A), HACSM expects to sign an Exclusive Negotiation Agreement (“ENA”) with the selected Developer in early 2018, approximately 6-8 weeks after the selected Developer and team is announced by the Executive Director. HACSM expects to begin negotiating a Development and Disposition Agreement (“DDA”) with the Developer shortly thereafter, in anticipation of signing the DDA prior to start of construction of the first phase of the Redevelopment Project. At that point, HACSM and the Developer can prepare the draft 99-year ground lease for the first phase of development, to be executed at the (initial) construction closing.
5. **Property Management:** HACSM expects to continue property management of Midway Village and the Childcare Center at least until signing the initial 99-year ground lease with the Developer, simultaneous with the (initial) construction loan closing. At that point, it is assumed that the new Owner will immediately assume management responsibility for the entire Redevelopment Site, with the potential exclusion of Bayshore Park should that property not be involved in the initial phase of redevelopment. HACSM Midway staff expects to meet on-site with staff of the new Property Manager, Developer and other team members during the period leading up to execution of the ground lease to facilitate turnover of management of Midway Village and the Childcare Center. HACSM is open to suggestions for changes to this process that may be beneficial, first and foremost, to current and future residents of Midway Village and the future Project, as well as HACSM, the Developer, and Property Manager.

## C. LOCAL SUBSIDY

1. **Capital Subsidy:** Applicants should assume that HACSM is able to provide up to \$8 million in capital subsidy in support of the Project, with up to \$2 million available for reimbursement of predevelopment expenses. This funding source is flexible and not subject to the rules of federal HOME Investment Partnerships Program (“HOME”) or Community Development Block Grant (“CDBG”) programs, or to the requirements of previous County Affordable Housing Fund rounds. For purposes of applying to this RFP, Applicants should assume the HACSM subsidy is subject to the requirements of this RFP and will be used to finance the development of housing units affordable to households earning up to 60% of Area Median Income (“AMI”).

Applicants may apply for additional County capital subsidy to finance the Project and include it in the proposed proforma. Note, however, that efficient use and leveraging of County/HACSM subsidy are factors in the scoring criteria of this RFP.

2. **HACSM Reimbursement:** HACSM has not appraised the value of any portion of the Redevelopment Site in recent years. For underwriting purposes, Applicants are instructed to assume an appraised value of \$12,000,000 for the roughly 11.75 acres to be redeveloped with housing and community-serving uses and controlled by the Developer, not including the roughly 3.8-acre portion of land to be deeded back to the City for development of a new public park. In consideration for delivering the Redevelopment Site, including the Midway Property, Half-Acre Property, and Park Property for a nominal price; the provision of up to \$8 million in capital subsidy; and the allocation of 150 project-based Section 8 vouchers; HACSM expects Applicants will be able to propose and underwrite a form of reimbursement to HACSM, likely made in regular installments over time. Such payment could be made through lease payments, loan payments, payments of residual receipts, or other forms of reimbursement approved by HACSM. See Section III (L) for more details.
3. **City Subsidy:** For purposes of this RFP, Applicants should assume no subsidy contribution from the City. The selected Developer may wish to discuss potential funding with the City during the predevelopment period.
4. **Rental Assistance:** HACSM currently manages 150 project-based Section 8 vouchers at Midway Village. Applicants should assume that these same 150 project-based vouchers will be available for 150 replacement units for Midway Village residents, but for purposes of this RFP submission, should not assume any further project-based vouchers will be available. HACSM will work with the Developer to best plan for the reallocation of any project-based vouchers which become available during the redevelopment process.

#### **D. HOUSING PROGRAM**

Through the redevelopment of Midway Village and the larger Redevelopment Site, HACSM seeks to provide an increased number of high-quality affordable homes serving households of various sizes and ages with a wide range of incomes. While HACSM is not requiring that proposals include only rental housing, we anticipate home ownership would be difficult to finance at the Site.

1. **Affordability Requirements:** HACSM expects Applicants to propose housing for individuals and families earning a variety of incomes, including some units rented to households with earnings higher than Low Income Housing Tax Credit (“LIHTC”) income limits, subject to the following requirements:
  - All units must be rented (or owned) by households earning, at most, 120% of AMI.
  - At least 60% of all units, with a minimum of 200 units, must be rented to households earning up to 60% AMI LIHTC limits.
  - At least 10% of all units serving households at/below 60% AMI must be rented to “Extremely Low Income” (“ELI”) households earning up to 30% AMI.

Households of all income levels present in the Project must be spread proportionally across buildings, floors and unit sizes to the greatest extent possible.

All units will be restricted as affordable housing for a minimum of 55 years. Please note that HACSM expects the term of its ground lease to be 99 years and that the ground lease will also restrict the use of the Redevelopment Site to affordable housing and other uses described in this RFP.

2. ***Housing for Clients of County Services:*** A minimum of 5% of the units for households earning up to 60% AMI must target individuals or families referred by the County who are currently receiving services from a County agency or a nonprofit service provider contracted by the County. These targeted units shall not also be used to satisfy the ELI household requirement stated above in Section III (D)(1). To the greatest degree possible, these units must be spread proportionally across buildings and unit types/sizes.

All units targeted to clients of County services will be referred to the Project by the County. HACSM works with the County's Human Services Agency's Center on Homelessness ("Center on Homelessness"), the lead agency for San Mateo County's Continuum of Care, to refer prospective tenants for the required targeted units. These prospective tenants will be referred to the Project with tenant-based rental assistance – typically Section 8 or Permanent Supportive Housing vouchers. However, in the event HACSM and the Center on Homelessness are ever unable to refer potential tenants who possess, or will soon possess rental subsidies, then HACSM may refer other income-qualified households in possession of Section 8 vouchers, or will allow the Owner to fill such units with income-qualified households. In such cases, the next available vacant unit of similar size would then be designated as a unit targeted for a household receiving services from the County or one of its contractors, to be referred by the Center on Homelessness.

In addition to rental assistance, County clients will also be connected with and receiving supportive services appropriate for each household's needs. Because of such rental assistance and County-provided supportive services, it is expected that these households can be successfully housed.

HACSM expects that prospective tenants referred by HACSM / Center on Homelessness will be screened by the Owner to determine suitability under the project's tenant selection criteria. However, HACSM expects the Owner and Property Manager will adopt tenant selection criteria that pose fewer barriers to entry for homeless and ELI households, for instance, adjusting standards for credit scores, eviction histories, and other criteria which will be ameliorated by the rental assistance and services provided by HACSM and the County.

Some households referred by the County may have time-limited "Moving to Work" Section 8 vouchers. At the end of their voucher terms, these households must be permitted to remain in their units. However, the Owner is not required to reduce the rent collected for the unit, and

the residents will be subject to the same rules for payment of rent as any other tenant. For the length of time the household remains a resident of the Project, its unit will continue to count toward the 5% requirement for County referrals.

For any buildings or complexes constructed to house seniors (62+ years in age), in lieu of the process described above, HACSM, working with the Health Plan of San Mateo, will refer elderly prospective tenants currently residing in health institutions who are capable of living independently with appropriate supportive services. These tenants will be participants in the Health Plan and HACSM’s Duals Demonstration program, described below. In this way, the requirement for clients of County services in senior developments will be met by targeting 5% of units to frail elders with supports provided by the County.

The Duals Demonstration program provides coordinated health care delivery to low-income persons who are dually eligible for both MediCal and Medicaid public health insurance programs. The Health Plan of San Mateo coordinates medical benefits, in-home supportive services, and mental health and substance use services, as needed, for program participants. HACSM and the Health Plan have worked with developer partners to successfully integrate eligible senior Duals Demonstration tenants in four senior developments, to-date.

3. ***Project Size and Unit Mix:*** Midway Village currently provides 150 units of affordable housing for households earning up to 50% of the AMI. The site is zoned Residential - Medium Density (R-MD) which permits residential development at a density of 20-35 units per acre. With development of affordable housing, the Project would also be eligible for increased density through the California State Density Bonus. Since space for a park equivalent in size to Bayshore Park will be deeded back to the City as part of the redevelopment process, Applicants are not expected to propose rezoning of the replacement park to further increase the number of units permitted at the Redevelopment Site based upon the area of the Park.

HACSM expects the redevelopment will significantly increase the number of housing units at the Redevelopment Site and will increase the number of units of each size shown in Figure 1 below. HACSM will prioritize the development of family-sized units for the Site, though we do not expect the number of 4-bedroom units to significantly increase. [Note that for purposes of evaluating proposals, HACSM is keenly aware of the effect larger family units have on Project unit counts and per unit costs.] The figure below shows the number of existing units, by bedroom count, at Midway Village.

Figure 1. Midway Village Existing Unit Distribution

Unit Size	Studio	1-BR	2-BR	3-BR	4-BR	Total
Existing Units	0	30	79	26	15	150

## E. CHILDCARE CENTER

The Bayshore Child Development Center occupies an aging facility recently acquired by HACSM from the Bayshore Elementary School District. HACSM leases the Childcare Center to Peninsula Family Service (“PFS”), which has operated the Childcare Center for a number of years. The Childcare Center is currently undergoing essential repairs that will enable it to continue its operations; however, the operator needs updated space to adequately serve the number of children attending the Center, and to meet modest expansion plans.

As part of the Redevelopment Project, new space for a childcare center must be constructed and leased to the operator. HACSM expects that development of the shell and core of this new space will be the responsibility of the Developer. PFS would pay for tenant improvements for the space either exclusively, or in partnership with the Developer and its general contractor, should the operator and Developer wish to pursue such an arrangement. HACSM also believes it would be possible to construct the new space while PFS continues to operate at the current Childcare Center facility, which would be demolished in a later construction phase, following completion of the new childcare center space. However, site and time constraints could render an alternative process desirable for HACSM, PFS and the Developer, and HACSM is willing to consider such proposals.

For purposes of the RFP, Applicants should use the guidelines for the design and construction of a new childcare center space described below. The selected Developer may meet with PFS as needed after selection to discuss the operator’s needs in greater depth.

- Based upon current enrollment and planned capacity, the new childcare center space should measure approximately 15,500 square feet in size, including primary activity rooms / classrooms, secondary classrooms, common space and tertiary space.
- Outdoor yard space should be adjacent to, and accessible from the childcare center and should measure approximately 15,000 square feet in size.
- Maximize daylighting for yard space and orient activity rooms / classrooms to face south and/or west, as feasible.
- Locate windows and yard space away from exterior noise and possible pollutants, as feasible.
- Parking is needed for 20-30 cars (including staff and parents) with a drop-off area close to the childcare center entryway.

Due to the complexity and highly-regulated nature of the design requirements for childcare space, HACSM believes it is likely this work will require the involvement of a professional experienced with childcare design regulations, even for designing the core and shell of the childcare space. Before beginning design of the new childcare center space, HACSM expects the selected Developer and Architect will discuss this issue with PFS leadership, who have relationships with professionals in this field.

Following completion of the new childcare center space, the Owner will lease the space at a reasonable rate as negotiated by the Owner and operator. However, for purposes of underwriting the space for this RFP, Applicants are directed to assume a below-market rent of \$10 per square foot. HACSM’s written approval of the new lease must be obtained by the parties prior to its

execution. Projections for rent of the new childcare center space are required in the Financial Proposal section of the RFP Application, as is the Applicant's plan for financing development of the space.

## **F. NEW PUBLIC PARK**

Bayshore Park occupies approximately 3.8 acres of land, and is surrounded to the south and west by the Midway Property and Half-Acre Property, and by PG&E property to the north and east. The Park is currently situated in the northeast corner of the Redevelopment Site and lacks convenient public access. The only available route today is via Midway Drive which lacks adequate parking for public use. With inclusion of the Park Property in the Redevelopment Site, HACSM expects the Redevelopment Project will result in improved public access to a new park with a greater amount of public parking.

As described in Section III (B) (2), HACSM expects to acquire the Park from the City ahead of signing the ground lease with the selected Developer that would deliver control of Bayshore Park from HACSM to the Developer for inclusion in the Redevelopment Site.

Most of Bayshore Park is currently used as a soccer field, a recreational use which the City of Daly City considers a high priority. The land deeded back to the City for a new public park must also allow adequate space for configuration of a regulation-size soccer field as well as a basketball court, play area, walkways and parking equivalent to those amenities as they currently exist on the Redevelopment Site. The actual improvement of the park and associated parking is not the responsibility of the developer but will be carried out and funded by the City of Daly City. See attached "Option to Purchase and Purchase Agreement between the Housing Authority of the County of San Mateo and the City of Daly City" for more details. HACSM expects the Developer will include the City in reviewing plans for configuration of the Redevelopment Site to adequately plan for the new public park.

## **G. POTENTIAL NEW COMMUNITY-SERVING USE**

With an increased number of units and residents at the Redevelopment Site, HACSM is interested in exploring, with the selected Developer, the possibility of including an additional neighborhood-serving use in the new Project. *Such a component is NOT a requirement of this RFP*, and HACSM has not completed any market analysis to-date, but is interested in opportunities to add community-serving retail or community facilities (in addition to the Childcare Center) at the Redevelopment Site, if feasible. For purposes of this RFP, Applicants are invited to discuss any proposed uses they wish to investigate for feasibility and explain their expectations for evaluating feasibility and their process for considering one or more possible uses.

## **H. SERVICES COMPONENT**

As discussed in Section III (D) (2), a minimum of 5% of units constructed in the Redevelopment Project must target households referred by HACSM and HSA's Center on Homelessness. These tenants will be referred to the project with rental assistance and will already be connected to, and receiving services from, a County agency or nonprofit organization contracted by the County.

HACSM expects that the Owner and Service Provider will provide on-site resident services and service coordination available to all tenants at the Project, rather than just those residents who are clients of County services. At a minimum, these services should be funded at \$500 per unit per year, based upon the number of units rented to households earning up to 60% AMI. Services may be funded through operations, though Applicants are invited to propose another feasible but more creative manner of paying for them. Applicant teams may pledge a larger amount of operating funds to provide additional services, which may include services for households earning more than 60% AMI, and explain in the Application what such higher amount will provide. HACSM also expects that office space sized appropriately for the planned service staff will be provided within the Project.

For purposes of this RFP, HACSM defines resident services as those which help to ensure the well-being of residents through activities geared toward social engagement, relationship building, physical activity, financial management, educational support, employment training, and more. HACSM defines service coordination as ensuring that individuals and families are able to access the supports they need to maintain independence and thrive, including but not limited to case management; health and mental health counseling; health insurance; rental, transportation, food and other subsidies; medical care; and more.

## **I. ACCOMMODATIONS FOR EXISTING TENANTS AND CURRENT STAFF**

**1. Existing Tenants:** Midway Village currently provides affordable housing for 150 families ranging in size from one to eleven persons, in 1-, 2-, 3-, and 4-bedroom apartments, as described in Section III (D) (3). The complex is fully occupied and vacancies are typically filled quickly across all unit sizes. Since the redevelopment program anticipates demolition of all existing buildings, current tenants displaced by the redevelopment program must be offered the opportunity to relocate to appropriately-sized new units at the Project upon completion. In addition to the parameters of this RFP, any relocation required in connection with the Project must comply with all applicable federal, state and local regulations governing relocation including, but not limited to the federal Uniform Relocation Act, the California Relocation Assistance Law, and the California Relocation Assistance and Real Property Acquisition Guidelines.

Notwithstanding the above, HACSM's hope is that through thoughtful planning and design, construction phasing can be utilized to minimize, if not eliminate, the need for temporary off-site relocation of existing Midway Village residents. HACSM believes that by including the Park Property in the Redevelopment Site, it may be possible to construct a first phase of development with minimal or no demolition of existing Midway Village housing units, and that current residents could then be relocated temporarily or permanently on-site in the new units.

Because of Midway Village's project-based Section 8 status, current residents may also choose to obtain a tenant-based Section 8 voucher and access permanent off-site housing. A tenant who chooses to relocate to off-site housing with a tenant-based voucher, rather than accept a new apartment at the Redevelopment Project, need not be offered a replacement unit at the Project in the future. Any tenant required to temporarily relocate off-site to accommodate the redevelopment process must be offered the opportunity to return to a new unit at the Project.

**2. Current HACSM Midway Village Staff:** HACSM currently employs two full-time property management staff and five maintenance staff at Midway Village with broad operational knowledge of the complex and strong rapport with current residents. HACSM is interested in proposals which seek to thoughtfully and creatively address the issue of property management and maintenance staffing at Midway Village and the new Redevelopment Project. At a minimum, the selected Developer/Owner must offer job interviews to Midway staff ahead of executing the ground lease transferring control and responsibility for management of Midway Village to the Owner, but HACSM is further interested in considering Applicants' proposed approach for handling personnel transition.

## **J. SITE PLANNING, MASSING AND DESIGN**

HACSM seeks a thoughtful, cost-effective conceptual design for the Redevelopment Project which strikes an appropriate balance between adding more critically-needed affordable housing and thoughtfully addressing the low-rise character of the surrounding neighborhood. The plan should also carefully consider construction phasing and the effect of the redevelopment process on current Midway Village residents, the Childcare Center, and interim operation of the Midway Village complex.

As discussed in Section II (F), the Midway Property has a General Plan designation of R-MD, which allows between 20 and 35 dwelling units per gross acre and a height limit of 36 feet. Adjustments to these parameters would require a GPA which could be processed by the City of Daly City concurrently with a Planned Unit Development. A proposal that involves relocating the Park would require a GPA. Designs must comply with the latest California Building Codes and the codes and requirements of the City. As is detailed further in Section V (D) (8), HACSM is requesting "conceptual" design proposals which we expect will vary from the final design and unit count ultimately proposed and approved by the City. HACSM will place emphasis on accompanying narrative descriptions of the factors Applicants intend to consider in formulating full program and design proposals, if selected to redevelop the Site.

While HACSM is not identifying requirements for any particular design aesthetic or building typology, we expect the outcome will offer attractive surroundings for the residents and daily users of the Project as well as its neighbors. HACSM also requires durable, high-quality materials to prevent the need for replacement for many years.

Given the large size of the Redevelopment Site and the relative freedom it should offer for site planning, our intention is for the design to support opportunities for resident interaction, indoor and outdoor spaces for group gatherings, as well as locations where residents can find solitude. HACSM also seeks the development of healthy indoor and outdoor environments for residents through integrated design and technology. We also encourage the use of architectural and site design strategies to promote health and physical activity at the redeveloped Project.

Note that the design submission materials described under Section V (D) (8) of this RFP are intended to limit the need to produce detailed schematic-level drawings. Instead, HACSM's review of design materials will focus on site planning, design metrics, and the Applicant's strategies, described in the design narrative, for addressing the objectives listed above.

## K. GREEN BUILDING AND ENERGY EFFICIENCY

HACSM intends to select a proposal that will utilize green building strategies and plan for the sustainable operations of the Project from the earliest planning stage. In addition to utilizing healthy building materials and designing the project to limit any pollution that may be caused by Project operations or the redevelopment process, the Project should utilize energy-efficient systems and appliances, water- and power-conserving fixtures, durable materials and finishes that eliminate off-gassing or other harmful by-products.

HACSM expects that the Project will seek to be GreenPoint Rated, and may also consider (but is not required to) obtain ratings or certification through the Leadership in Energy and Environmental Design (“LEED”), Green Communities, Energy Star or other sustainable checklist programs that do not require significant cost to manage the certification process.

## L. FINANCING PLAN

**1. Cost Considerations:** As part of its review of Applications submitted under this RFP, HACSM seeks Project financing plans that are cost-effective but propose realistic assumptions for both costs and sources. Given the very early pre-planning status of the Redevelopment Project, it should be understood that the application with the lowest project cost would not inevitably be the winning proposal, and that any proforma submitted under this RFP is likely to undergo many changes before the start of construction. HACSM will consider budget cost effectiveness for both development and operations through a variety of lenses including, but not limited to, the number of units proposed, size and type of the proposed units, income targets, quality of the conceptual design and site plan, offerings for on-site amenities, quality of property management and resident services, and more.

**2. Leverage:** HACSM will consider the degree to which Applicants propose to leverage its funds with other viable sources. This evaluation will also weigh various other factors like those listed in Section III (L) (1) above. For purposes of assessing leverage, HACSM will look at both HACSM capital and rental assistance subsidies as well as any additional County subsidy (e.g. the Affordable Housing Fund, or AHF; HOME; CDBG, etc.) assumed as a funding source in the financing plan.

As described in Section V (D) (2), Applicants will have the opportunity to describe why they believe their cost profile is reasonable and why it will be feasible to procure their proposed sources.

**3. HACSM Subsidy:** As described in Section III (C) (1), HACSM has set aside a total of \$8 million in capital subsidy to support development of the Project. All proposals may assume up to this amount in their proforma. Up to \$2 million will be made available to support predevelopment work, while the remainder will be available at, or leading up to, construction closing.

For purposes of applying to this RFP, Applicants should assume the HACSM funds would subsidize units for households earning up to 60% of the AMI, and will carry a 55-year term with 3% simple interest, accrued and repaid through residual receipts. The funds will not otherwise be subject to the rules of any previous RFPs or Notices of Funding Availability (“NOFAs”) published by HACSM or the Department of Housing (“DOH”). In addition to these standard San Mateo County subsidy loan

terms, Applicants should assume the programmatic requirements of these funds will include the guidelines of this RFP at HACSM’s discretion.

Applicants should also assume 150 project-based Section 8 vouchers will remain with the Project and be available to subsidize rents for current tenants in new apartments or subsidize new residents should some current families choose not to remain. For purposes of this RFP, Applicants should not assume additional project-based vouchers will be available.

**4. HACSM Reimbursement:** As described in Section III (C) (2), HACSM expects Applicants will be able to underwrite a form of reimbursement to HACSM, likely made through regular payments over time. Such payment may be made through a lease payment, loan payment, payments of residual receipts or other forms of payment acceptable to HACSM.

**5. Summary of Financial Assumptions:** In addition to the financial assumptions discussed above, Applicants are directed to make several other assumptions in creating their budget submissions. Please refer to Figure 2 in Section V (D) (3) for a list of all assumptions Applicants should use in their financial proformas and analysis.

**6. Additional Directions:**

- Given the possibility of multi-phased development, Applicants may submit separate budgets for each development phase, if the Applicant expects to finance the Project through multiple financial structures.
- Applicants must include the expected cost and proposed financing plan for resident services and service coordination in their proforma.

**IV. IMPORTANT DATES AND SUBMISSION INFORMATION**

**A. Important Dates and Anticipated Selection Timeline**

RFP issued by Housing Authority of the County of San Mateo (HACSM)	June 29, 2017
<b>Pre-Submission meeting and site walk</b> with HACSM staff. Meet at Midway Village community room (47 Midway Drive, Daly City).	<b>July 20, 2017 from 1:30 to 4:30 p.m.</b>
<b>Deadline for written questions / requests for additional information</b>	<b>August 31, 2017 by 4:00 p.m.</b>
<b>All Questions and Answers posted electronically at <a href="http://www.smchousing.org">www.smchousing.org</a></b>	September 7, 2017
<b>Proposal Submission Deadline</b>	<b>September 28, 2017 by 4:00 p.m.</b>
Notice to Respondents regarding satisfaction of minimum requirements	October 11, 2017

Developer team interviews*	November 15 <sup>th</sup> -16 <sup>th</sup> , 2017
Executive Director of HACSM review/approval of recommended Developer team*	December 7, 2017
Board of Commissioners approval of selected Developer team and direction to sign an Exclusive Negotiating Agreement (“ENA”)*	January 2018

\*subject to change

**B. Submission Deadline and Format**

1. Submittals will be accepted at the HACSM/San Mateo County Department of Housing offices, located at 264 Harbor Boulevard, Building A, Belmont, California, only until the date and time shown in Section IV(A). **Hand delivery is advised** so that the Applicant can obtain a date/stamp receipt from the Department receptionist.
2. Late, emailed or faxed submittals will **not** be considered.
3. Submittals must include one original with wet signatures plus five (5) hard color copies, and one digital version submitted on a USB (thumb) drive, to be considered.
4. All attachments are to be submitted digitally in portable document format (“PDF”). However, Applicants are also required to submit an unlocked Excel version of the financial proforma, in addition to the PDF format.
5. It is requested that attached Narratives be submitted in an 8-1/2” by 11” format using 11-point font at 1.07 line spacing.

**C. Pre-Submission Meeting**

A pre-submission meeting will be held at the Midway Village community room (please check in at Midway Village office, 47 Midway Drive) on THURSDAY, JULY 20<sup>th</sup> from 1:30 p.m. to 4:00 p.m. As part of the pre-submission conference, applicants will be invited to walk the Redevelopment Site with HACSM staff. We expect the pre-submission meeting will run approximately 1-2 hours and the site walk, approximately one additional hour. The purpose of the meeting is to ensure that all prospective Applicants understand the program elements, submittal requirements, and scoring system. Although attendance at the pre-submission meeting is not mandatory, it is highly recommended.

**D. Questions and Requests for Information**

***\* Prospective respondents shall refrain from contacting or directing any inquiries or requests for clarification regarding this RFP to the City or its agencies, DTSC, Midway Village, Peninsula Family Service, SCS Engineers, or any other agency or organization associated with Midway Village, Bayshore Park, or the Half-Acre Property, except as permitted in this section.***

With the exception of questions raised at the pre-submission meeting, all questions or requests for clarification relating to this RFP must be submitted by email to HACSM at [midwayrfp@smchousing.org](mailto:midwayrfp@smchousing.org). All questions must be received no later than 4:00 p.m. PST on the date specified in this RFP.

HACSM will seek to respond through email to all questions in a timely fashion, by responding directly to the proposer of each set of questions. Later, all questions and answers will be posted electronically for all prospective applicants to review on [www.smchousing.org](http://www.smchousing.org) under the “NOFA’s, Bids & Proposals” tab, by the date specified in this RFP.

HACSM may, at its option, email prospective applicants with the complete list of questions and answers in addition to posting them on the website listed above. If you wish to receive such notice, you may email HACSM at [midwayrfp@smchousing.org](mailto:midwayrfp@smchousing.org) before you submit an Application.

Questions raised at the pre-submission meeting may be answered orally. If any substantive new information is provided in response to questions raised at this meeting, it will also be posted on the DOH website ([www.smchousing.org](http://www.smchousing.org)) and will be emailed to all parties that have attended the pre-submission meeting or otherwise requested that they be included on the RFP follow-up email list as described above. Questions or requests for interpretation received either prior to or after the pre-submission meeting will **only** be accepted by email, and all questions and responses will be answered by email directly to the respondent, and also emailed to the RFP follow-up email list as well as posted on the DOH website. No questions or requests for interpretation will be accepted after 4:00 pm, Thursday, August 31, 2017. Emailed questions and information requests should be submitted to HACSM at: [midwayrfp@smchousing.org](mailto:midwayrfp@smchousing.org).

If changes to the RFP are warranted, they will be made in writing, clearly marked as addenda to the RFP, and posted to the RFP at [www.smchousing.org](http://www.smchousing.org). It is the responsibility of each proposer to check the website listed above for changes and/or clarifications to the RFP prior to submitting a response, and a proposer’s failure to do so will not provide a ground for protest.

## **E. Applicant Description and Definitions**

An applicant, proposer, or respondent (“Applicant”), is a qualified housing developer as defined in Section IV (E) (1) below. The Applicant must submit their response to this RFP on behalf of a “Developer Team”, which is defined as a team comprised of only the following: a qualified housing developer (“Developer”), qualified architect (“Architect”), qualified property management entity (“Property Manager”), and a qualified resident services provider entity (“Resident Services Provider”). See Section IV (F) below for minimum experience and capacity requirements for each member of the Developer team.

1. Developer: A qualified Developer is defined as: a nonprofit or for-profit organization, a joint venture, or a partnership of more than one entities, where the Developer or identified lead Developer (in the case of more than one developer entities) has a demonstrated track record of: (i) securing low-income housing tax credits and other sources of affordable housing financing; (ii) successfully developing and owning deed-restricted affordable multifamily rental mixed-use complexes; and (iii) successfully developing and maintaining high quality affordable housing developments in the nine-county Bay Area (San Mateo, San Francisco, Marin, Sonoma, Napa, Solano, Contra Costa, Alameda, and Santa Clara).
2. Architect: A qualified Architect is defined as a lead architectural firm with experience in performing key roles including site and improvements design, obtaining entitlements, community outreach and

engagement, and construction oversight for deed-restricted affordable multifamily rental housing and mixed-use developments, preferably in the nine-county Bay Area as defined above.

3. Property Manager: A qualified Property Manager is defined as a nonprofit or for-profit organization or entity with expertise in contracting with owners of income-restricted affordable housing developments to provide ongoing property management services.
4. Resident Services Provider: A qualified Resident Services Provider is defined as a nonprofit or for-profit organization with expertise in contracting with owners of income-restricted affordable housing developments to provide resident-focused social and other services as well as coordination of services for the residents.

While it is not necessary for the Applicant to have already identified and selected a Supportive Services Provider for any proposed supportive housing units, the Applicant must be able to describe in their proposal the types of supportive housing services that would be offered for any proposed supportive housing units.

## **F. Applicant Minimum Experience and Capacity Requirements**

### **1. Minimum Experience Requirements**

- a. Developer: A qualified Developer must have the following minimum experience:

(i) a successful track record of development, including at least two (2) years of ownership\*, of at least **two** (2) new-construction affordable housing projects within the nine-county Bay Area as defined in IV (E) (1) in which at least 50% of the units are LIHTC-financed, income-restricted units and which serve populations similar to the Applicant's proposed development; **AND**

(ii) a successful track record of development, including at least two (2) years of ownership\*, of at least **one** new-construction, mixed-use affordable rental housing project containing at least sixty (60) residential units restricted to those at or below 60% AMI (additional units in the project may target higher income levels) and at least one community-serving use such as a childcare center, health clinic, senior center, retail food store, or other type of non-residential community-serving use (*as described by Applicant in Attachment #3*). A mixed-use project meeting these requirements may also be counted toward meeting the minimum experience requirements in Section IV(F) (1) (a) (i) above if it is located in the nine-county Bay Area and meets all of the other requirements in that section.

(\*NOTE: Ownership by an affiliated limited partnership or LLC for tax credit purposes will qualify as ownership of the project).

- b. Architect: A qualified Architect must have the following minimum experience: successful service as the lead architect during the entire predevelopment and construction phases for a minimum of three (3) completed tax credit-financed, new-construction multifamily rental developments, at least one of which is within the nine-county Bay Area as defined above.

- c. Property Manager: A qualified Property Manager must have the following minimum experience: successful management, for a period of at least 24 months within the last five years, of at least one hundred (100) tax credit financed multifamily rental units serving similar populations to those proposed by the Applicant for the Project. Such income-restricted rental units must be within developments containing at least 15 income-restricted rental units. At least 50 of these 100 managed units must be located within the 9-county Bay Area as defined above.
- d. Resident Services Provider: A qualified Resident Services Provider must have the following minimum experience: successful provision of resident services/service coordination for at least three (3) income-restricted multifamily rental developments for a period of at least 24 months within the last five years serving similar populations to those proposed by the Applicant. Such income-restricted affordable multifamily rental developments must consist of properties containing at least 15 income-restricted rental units. At least two (2) of these three (3) rental developments must be located within the nine-county Bay Area as defined above.

2. Capacity Requirements

The Developer(s) and Architect must indicate in Attachment #5 (Developer Staffing Workload Form) and Attachment #6 (Architect Staffing Workload Form) the percent of time that key personnel will devote to the Project. While there is no required minimum for such capacity commitment, the Applicant will be evaluated about their capacity to undertake the Project based on an indication of staffing sufficient to carry out necessary tasks.

**V. SUBMITTAL REQUIREMENTS**

Applicants are to provide the requested information in the order indicated below, including a table of contents, with sections separated by labeled tabs corresponding to sections V (A.) – V (I.) below and their sub-sections. Again, please use an 11-point font with 1.07 line spacing for all narratives:

**A. Submittal Checklist:**

The Applicant must complete and submit **Attachment #1**, Submission Checklist, certifying that all of the items on the Checklist are contained in the Applicant’s response.

**B. Proposal Table of Contents**

**C. Applicant Information:**

- 1. **Applicant & Team Description Form:** Complete **Attachment #2**, the Applicant & Team Description Form.
- 2. **Resumes:** Submit resumes for all persons identified on the Applicant & Team Description Form.

**D. Proposed Project Information:**

Present a development concept, financing proposal, and other proposed project information, clearly describing all important assumptions, by providing the following documents:

- 1. **Project Narrative:**  
Submit a narrative of no more than five (5) pages describing:

- the proposed development program, including the proposed populations and AMI range to be served; types and approximate square footages of uses; housing types, unit counts and sizes; residential amenities; community-serving uses; open space areas; parking ratios and numbers of parking spaces; and other important elements (quantities may be expressed as ranges, so long as a specific program is identified for purposes of the financing proforma)
- the phasing of Project build-out, including effects on current residents; approach for considering current HACSM Midway staff; relocation of the Childcare center; and use of Bayshore Park
- the overall financing strategy (a more detailed narrative to be provided separately) and any other important Project or program elements.
- how the proposed populations were identified, how they will fit together compatibly within the Project, and approach for providing services (a more detailed narrative regarding services to be provided separately). Describe how any community-serving uses serve the proposed population(s) and the surrounding community. Describe your expectations for stakeholder acceptance of the proposal and any plans for supporting that process.

2. **Financing Narrative:**

Submit a narrative of no more than three (3) pages describing your proposed financing structure. Given the early stage of this process, multiple options and strategies may be discussed, but the narrative should explain your expectations for feasibility and reasoning for using various structures, preferences among scenarios and decision points that will lead to a final financing plan consistent with the Development Program Elements and Financing Assumptions as described in Section III.

The narrative should discuss the Applicant’s plans for financing the development of the core and shell portion of the new childcare center, and expectations for calculating rent to be charged to the Childcare Operator, as described in Section III (E).

The Applicant’s considerations, process for evaluating and expectations for the feasibility of any new community facility uses or community-serving retail to be investigated should also be described in this narrative, as noted in Section III (G).

Applicants should also describe their reasoning for the proposed type of payment and proposed amount to be reimbursed to HACSM as described in Section III(C)(2) and III(L)(4). Applicants should also discuss their confidence in being able to make such payments to HACSM.

3. **Financial Proforma:**

Submit a project proforma in both PDF and unlocked Microsoft Excel formats. At a minimum, the Financial Proforma should include the following information/tabs:

- Construction and permanent sources and uses
- Development budget
- Income and expense projections
- Loan sizing worksheet (including debt coverage ratio, interest rate, etc.)
- 30-year cash flow projections
- Tax credit worksheet with basis projections and credit pricing

If multiple scenarios are discussed in the Financing Narrative, Applicants may describe resulting variations in the narrative, or may (but are not required to) submit additional proformas or alternate tabs within one workbook.

Applicants may also submit multiple separate budgets corresponding to multiple development phases, if the phases are expected to be financed separately.

***IMPORTANT NOTE:*** Please note that HACSM is not seeking to make its selection of an Applicant based on the “lowest cost” submission. We are seeking efficient, cost-effective design, with realistic cost assumptions to achieve that design. To facilitate across-the-board comparisons between Applicant proposals, please use the following assumptions when developing your Financial Proforma, although such assumptions are only for comparative purposes and may not represent the terms in a final development scenario:

**Figure 2. Summary of Financial Assumptions**

Prevailing Wage	Use California prevailing wage rates
Costs Level	Assume all costs based upon current standards as of the date of the RFP submission deadline
Appraised Property Value	Assume an appraised value of \$12 million for the roughly 11.75-acre portion of the Redevelopment Site to be redeveloped with housing and associated community-serving uses and controlled by Developer.
DCR	Use a 1.15 debt coverage ratio across all hard debt
City Fees	For purposes of this RFP, assume a total of \$1,000,000 in City fees. (the selected Developer will work with the City to determine applicable City fees)
Project-Based Vouchers	Assume that 150 PBVs will be available
FMRs	Assume the following DOH-calculated Fair Market Rents (FMRs) for the 150 project-based Section 8 units: Studio (\$1915); 1-BR (\$2411); 2-BR (\$3018); 3-BR (\$3927); 4-BR (\$4829)
HACSM Capital Subsidy	Assume a total of \$8 million to support Project development
City Subsidy	Assume no City subsidy contribution (this may change during the predevelopment period)
Childcare Center Lease	Assume a below-market rent of \$10 per square foot
Resident Services	Assume \$500 per unit per year for the resident services budget based on the number of units targeted to households with incomes at/below 60% Area Median Income.

4. **Services Plan:**

Submit a services plan *of no more than three (3) pages* that is consistent with the requirements of the Services Component described in Section III (H) and that includes the following information:

- Services Provider’s overall philosophy and plan for providing services at a mixed-population, mixed-income, and mixed-age development, with a minimum of 8% of units set aside for households who are clients of County services to be referred by HACSM and the Center on Homelessness. If the Services Provider has adopted an innovative approach to support service provision for any of the proposed resident population(s),

please describe that approach. Discuss the services to be provided on-site and what referrals are typically made to other off-site resources, as well as your expectations for accessing such off-site resources from the Project site.

- Methods which have been most useful in engaging residents. Please also describe ways to tailor those methods, or develop new approaches, to best serve the proposed resident population(s).
- Describe your proposed staffing model (i.e., note staff titles, position descriptions, salaries, and percentage of full-time equivalents, or FTEs) and explain how FTE time will be allocated.
- Describe what sources of funding will be used to pay for the services.

5. **Services Budget:**

Submit a services budget that is consistent with the Service Provider's proposed Services Plan in Section V (D) (4), above. Include, at a minimum, sources as well as uses.

6. **Community Outreach Plan:**

Submit a community outreach plan of *no more than two (2) pages* that describes the Applicant's overall philosophy and strategy for informing and engaging the community during the development process. Explain why this particular strategy is likely to be successful, and in particular, why it is likely to be successful for gaining community acceptance of the proposed massing, height, and unit counts.

7. **Marketing Plan:**

Submit a marketing plan of *no more than two (2) pages* that includes the following information:

- a. Applicant's overall strategy for marketing the non-targeted affordable units proposed in the Project Narrative (those NOT set-aside for clients of County service agencies or other special needs populations). Describe outreach elements (advertising, community meetings, etc.) as well as the proposed staffing model to support potential tenants through the application and leasing process (i.e. through internal staffing or through the use of a dedicated consultant).
- b. Specific outreach methods which have been most useful in engaging a diverse pool of potential applicants.
- c. Specific methods for marketing any set-aside units targeted to supportive or special needs populations proposed in the Project Narrative.
- d. A marketing budget line item cost, appropriate for the work involved and consistent with the Financial Proforma and the Applicant's marketing plan.

8. **Site Plan and Massing Concept:**

a. **Narrative:**

Provide a narrative of *no more than three (3) pages* describing the conceptual Site Plan, building massing, and form, as shown in the drawings described in Section V (B) (8) (b) below. The narrative should explain the Applicant team's primary goals and strategies for site planning; how the proposal fits into the surrounding neighborhood; reasoning for the proposed density, unit count, building height and building typology; and the factors to be considered in formulating the final design proposal for City review which may change the ultimate proposal from the conceptual proposal submitted herein. It should also include green building / sustainability goals and proposed methods of achieving them. Describe

how the conceptual Site Plan supports the plans for development phasing described in the Project Narrative V (D) (1). Using either prose or bullet-points for the narrative is acceptable. *Up to three (3) additional pages* of example images may be attached to aid in communicating these guidelines, but are not required.

b. Conceptual Site Plan and Massing Drawings:

Provide pre-schematic level drawings, as follows. Any printed pages larger than standard letter size must be folded to fit within the 8.5 x 11-inch submittal format. Drawings should be in black and white (color may be used only to differentiate program areas from one another but shall NOT be used to depict material finishes):

- i. Site Plan: At a scale of 1" = 80' indicate the locations and footprints of buildings, open space, streets, walkways, parking, and other major physical features and amenities. Indicate building heights and unit counts or ranges, as well as locations of community-serving use(s).
- ii. Building Massing and Form: Provide at least two aerial or axonometric views illustrating building massing and form, and the relationships of the proposed urban form to the surrounding neighborhood buildings. Supplement with massing diagrams to the extent needed to fully depict proposed building massing.

**NOTE:** The intent of the drawings is not to develop schematic-level design for the project, but to illustrate the development team's intentions for a mix of uses; communicate proposed building typology and building layouts, parking, circulation, and open space; indicate expected unit mix, count and locations; and illustrate the massing implications of the proposed development program according to the criteria for drawings listed above.

**No other drawings, renderings, elevations, or models of any kind are required, nor will such materials be accepted as part of an Application. Furthermore, unless otherwise requested by HACSM, Applicants are prohibited from presenting any additional drawings, renderings, elevations or models in excess of the accepted submission at Applicant interviews or any other County presentations.**

E. Developer Experience & Capacity:

1. Developer's Experience in Comparable Projects:

a. Project Details:

Complete **Attachment #3**, the Comparable Projects Experience Form. Developers should use this form to convey their experience in up to a maximum of three (3) projects completed within the past ten (10) years by the Developer(s) that are comparable to the proposed project. At least one of these projects must be located within the nine-county Bay Area. For purposes of this RFP, a comparable project would be new construction mixed-use affordable rental housing project containing at least sixty (60) residential units restricted to households at or below 60% AMI (additional units may target households with incomes above 60% AMI) and at least one community-serving use such as a childcare center, health clinic, senior center, retail food store, or similar community-serving use. *Using the form provided, please limit your response to no*

*more than three (3) pages per project, including the narrative section. Up to three pages of project photos may be included, but are not required, and are not counted toward the length of the response.*

b. **Community Outreach Narrative:**

Provide a narrative of *no more than three (3) pages* describing how the Developer successfully conducted community outreach for the projects listed on Attachment #3 (Comparable Projects Experience Form).

c. **Summary Statement of Experience and Strategy for Comparable Projects:**

Provide a narrative statement of *no more than three (3) pages* describing the Developer's overall experience in developing and managing larger, comparable mixed-use and/or mixed-income projects, including the amount of experience of each member of the Developer team. Include a summary of challenges faced in these types of projects and the strategies used for addressing such challenges.

2. **Developer's Experience in Other Projects in the Nine-County Bay Area:**

Complete **Attachment #4**, the Bay Area Projects Experience Form to describe *up to three (3)* additional projects, as needed, so that the sum of the comparable projects described under V (E) (1) (a) (Comparable Project Experience, above) plus the projects described in this section equals no more than four (4) projects. For example, an Applicant that describes two comparable projects may describe up to two additional projects in this section, and so forth. Developers should use this section to convey their experience developing new construction affordable housing projects completed with the past ten (10) years and located within the nine-county Bay Area. These additional projects may, but are not required to be, comparable to the proposed project, but should represent projects that have relevant qualities to the proposed project. *Using the form provided, please limit your response to no more than two (2) pages per project, including the narrative section. Photos of projects may be included, but are not required, and are not counted toward the length of the response.*

3. **Developer's Experience with Child Care Facilities:**

Provide a brief narrative describing the Developer's experience, if any, with incorporating a child care facility into an affordable development. Include information on how the child care facility was financed and whether ongoing rent is charged to the child care operator. If the Developer does not have child care facility experience, experience incorporating other similar community-serving facilities (community center, senior center, etc.) may be described.

4. **Developer's Overall Experience:**

Provide a brief narrative, up to one (1) page in length, describing the Developer's overall development experience and portfolio. If a Developer already has a short handout describing its development experience, that document may be submitted in lieu of this narrative, if desired.

5. **Developer's Workload Capacity:**

Complete **Attachment #5**, the Developer Staffing Workload Form. All "Key Personnel" of the Developer who will be working on this Project must be included in this form.

**F. Architect Experience & Capacity:**

1. **Architect's Experience in Comparable Projects:**

- a. **Comparable Projects Descriptions:** In a narrative of no more than one page per project, describe at least one, but not more than three (3), comparable developments completed within the last ten years, including dates completed and client contact information for each. (If the Architect was not the sole architect, please describe the Architect's role in the project). The term "comparable" means that the development is similar in building type and density to the proposed project. At least one of these comparable developments must be in the 9-county Bay Area, and it is preferable, but not required, that the other developments are also located in the nine-county Bay Area.
- b. **Photos:** Submit up to six (6) photos of the interiors and exteriors for each of the comparable projects listed above, to display architectural design features, relationships of buildings and relationships with adjacent uses (other developments, streets, etc.)

2. **Architect's "Sustainable Building" Experience:**

In a narrative of no more than one page, describe experience with sustainable building design and evidence of current Green Point Rated, LEED accredited, or other comparable certification-holding professionals, if any.

3. **Architect's Workload Capacity:**

Complete **Attachment #6**, the Staffing Workload Form, for the Architect's team. All "Key Personnel" of the Architect who will be working on this Project must be included in this form.

**G. Property Management Experience:**

1. **Property Management Approach Narrative:**

Provide a written narrative of no more than two (2) pages describing the Property Manager's philosophy for managing affordable housing projects and any challenges posed by the listed projects that the Property Manager successfully addressed, and which the Applicant would like to share.

2. Complete **Attachment #7**, the Property Management Experience Form.

**H. Resident Services Provider Experience:**

1. **Services Approach Narrative:**

Provide a written narrative of no more than three (3) pages describing the Resident Services Provider's approach to providing general services to residents of the affordable housing. Applicant may use this opportunity to describe how Resident Services coordination with any Supportive Housing service providers would be carried out.

2. Complete **Attachment #8**, the Resident Services Provider Experience Form.

**I. Other Required Information:**

1. **Disclosure Questions:**

Applicant (including each Developer Entity if more than one, as defined in Section (A) of Attachment #2 (Applicant & Team Description Form) shall complete and submit **Attachment #9**, Disclosure Questions. These questions are designed to identify any potential conflicts of

interest, problems with previous projects, and/or liability issues. **\*Failure to include a complete, signed certification will disqualify the submittal.**

2. **Statement of Compliance with HACSM Policies:**

The Developer must agree, should they be selected, to comply with all of HACSM’s policies, including but not limited to, non-discrimination, insurance, and jury duty policies (see standard County Agreement, attached for reference as Exhibit I) and shall execute a statement of compliance certifying the same, included as **Attachment #10**, the Statement of Compliance & Certification Form. **\*Failure to include a complete, signed certification will disqualify the submittal.**

3. **Organizational Documents:**

Submit a current copy of the following documents. NOTE: If Applicant is a joint venture or partnership of multiple Developer entities, EACH Developer entity must submit the following:

- a. Certification of 501(c)(3) status from the Internal Revenue Service (if applicable, for any nonprofit corporations).
- b. Certification of 501(c)(3) status from the California Franchise Tax Board (if applicable, for any nonprofit corporations).
- c. The latest two (2) years of either:
  - (i) signed federal income tax returns (including schedules or attachments, if any); or
  - (ii) audited financial statements (with management letters, if any).

**THIS IS THE END OF THE SUBMISSION REQUIREMENTS SECTION**

**ALL INFORMATION REQUESTED IN SECTION V MUST BE SUBMITTED IN ORDER FOR A SUBMITTAL TO BE DEEMED COMPLETE. ALL ATTACHMENTS MAY BE DOWNLOADED FROM THE DOH WEBSITE AND FILLED OUT ELECTRONICALLY (BUT MUST BE SUBMITTED AS A PDF OR EXCEL DOCUMENT, ALONG WITH ALL OTHER PROPOSAL MATERIALS AS DESCRIBED ABOVE)**

**VI. SELECTION PROCESS AND CRITERIA**

**A. Selection Process**

1. **Qualifying Threshold Requirements:** San Mateo County DOH staff will review all submittals for completeness, response to RFP questions concerning potentially disqualifying issues, and satisfaction of minimum experience requirements. Applicants will be notified whether their submittal satisfied these qualifying threshold requirements. In cases where the submittal meets the minimum requirements but is defective because of typographical or minor calculation errors, HACSM may, in its sole discretion, allow a short grace period for the Applicant to correct such issues upon notification from HACSM, but serious deficiencies in submission completeness or accuracy may result in disqualification of the submittal.

2. DOH staff will contact references.
3. A selection panel appointed by the Executive Director of HACSM will review all submittals satisfying the qualifying threshold requirements. This screening will identify applications which, at the panel's sole discretion, best match the selection criteria and meet the redevelopment objectives program goals described herein. HACSM reserves the right to reject any or all submittals, to change or add to the selection criteria at any time during the screening process, and to change the preliminary schedule if appropriate.
4. After a review of all submittals satisfying the qualifying threshold requirements, applications will be ranked. The highest ranked Applicants will be invited for an interview, at which time the Applicant will be asked to present and explain their qualifications and the major characteristics of their proposal, particularly as these relate to the selection criteria, and respond to questions from the selection panel.
5. Interviews are tentatively scheduled to be held on the date(s) shown in Section IV (A) (Important Dates). These dates are subject to change. All Applicants selected for an interview should advise HACSM staff of availability on these days. Interviews will be held at the HACSM offices located at 264 Harbor Blvd, Bldg. A, Belmont, California.
6. Further information or written material regarding qualifications or submittals may be requested prior to or following interviews.
7. After completion of Applicant interviews, the selection panel will determine the final ranking of all qualifying Applicants, and present this ranking list and recommended finalist(s) to the HACSM Executive Director. The recommendations of the panel will be based on evaluation of the Applicant submittals, interviews, and reference checks.
7. The selection panel's ranking of each qualified proposal will be final. No appeals of the rankings or recommendations made by the selection panel or the HACSM Executive Director will be accepted.
8. With the Executive Director's approval, the recommended Developer Team will be offered the opportunity to enter into an ENA with HACSM, with the intention of subsequently executing a DDA and long-term ground lease for the Redevelopment Site.
10. The selected Applicant will have one week to submit a written letter accepting the offer to enter into an ENA.
11. Upon receipt of the letter of acceptance, HACSM will begin preparations to present its recommendation to the Board of Commissioners.
12. It is HACSM's intent to have a complete ENA draft acceptable to both HACSM and the selected developer to present to the Board of Commissioners along with its recommendation to sign the ENA and begin negotiating a DDA.

13. Upon Board approval, the ENA will be executed, and HACSM and the selected developer will begin work on successfully completing the ENA milestones, leading to preparation and execution of a DDA and ground lease, and start of construction.

**B. Evaluation Criteria**

The selection panel will evaluate qualifying responses to the RFP based on each respondent’s relevant experience, qualifications, detailed concept proposal, financing assumptions, and overall contributions to meeting the goals for the Project. The evaluation process will consider the Applicant’s written submittal, submittal presentation to the selection panel, references, and ability to comply with HACSM policies and requirements.

The table below provides a summary of the factors that will be evaluated and scored in this RFP.

**Summary of Evaluation Factors and Maximum Points Available**

<b><u>EVALUATION FACTORS</u></b>	<b><u>POSSIBLE POINTS</u></b>
<b>Proposed Development Concept</b>	<b>60</b>
Degree to which proposed development concept furthers the stated Project goals and objectives	15
Financial Feasibility & Leverage of HACSM and County Subsidy	12
Thoughtful and appropriate mix of resident populations, housing-related amenities, and community-serving facilities and/or uses	10
Thoughtful strategies for site planning and conceptual design approach	10
Overall quality and effort reflected in the proposed development concept	7
Proposed Services Plan including any Supportive Housing services for special needs populations	6
<b>Developer Team Experience and Capacity</b>	<b>40</b>
Developer experience in successfully developing and owning high-quality affordable residential mixed-use projects <i>comparable</i> to the development proposed in this RFP	10
Developer experience with government assisted affordable housing programs and ability to secure a variety of financing sources	10
Property Manager experience and approach	5
Resident Service Provider experience and approach	5
Developer experience successfully developing and owning high-quality affordable and other residential and mixed-use developments, broadly	4
Developer workload and capacity to adequately staff the project	3
Architect experience and capacity to adequately staff the project	3
<b>Total Points</b>	<b>100</b>

## VII. GENERAL TERMS AND CONDITIONS

- A. **Read All Instructions.** Please read the entire RFP and all enclosures before preparing your proposal.
- B. **Proposal Includes the RFP.** This RFP constitutes part of each proposal and includes the explanation of HACSM's needs, which must be met.
- C. **Housing Authority Right to Modify, Clarify, or Suspend RFP.** No alteration or variation of the terms of this RFP is valid unless made or confirmed in writing by HACSM.

If a prospective Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the RFP, the proposer must immediately notify HACSM of such error in writing and request modification or clarification of the document. If a prospective Applicant fails to notify HACSM of an error in the RFP prior to the date fixed for submission, the Applicant shall submit a response at its own risk.

Modifications or clarifications to the RFP will be posted to [www.smchousing.org](http://www.smchousing.org) without divulging the source of the request for same. HACSM may, at its discretion, also give notice by email to all parties who have notified HACSM of their electronic contact information for the email follow-up list, but no party that fails to receive email notice has any basis for protest given that all clarifications will be available online. It is the obligation of all proposing parties to check [www.smchousing.org](http://www.smchousing.org) for updates regarding the RFP if they wish to be kept advised of clarifications prior to submitting a proposal.

- D. **Incomplete Submittals May be Rejected.** If an Applicant fails to satisfy any of the requirements identified in this RFP, the Applicant may be considered non-responsive and the submittal may be rejected. HACSM reserves the right to reject a proposal at any time for misinformation, errors or omissions of any kind, no matter how far such proposal has been proceeded in the review process.
- E. **Withdrawal of Proposal.** Applicants may withdraw their proposals before or after the RFP submittal deadline by submitting a written request to HACSM.
- F. **Proposal Becomes HACSM Property.** The RFP and all materials submitted in response to this RFP will become the property of HACSM.
- G. **Proposal Costs.** Costs for developing proposals are entirely the responsibility of the Applicant and shall not be charged to HACSM or the County or otherwise reimbursed.
- H. **Questions Directed Only to HACSM.** Prospective Applicants shall refrain from contacting or directing any inquiries or requests for clarification regarding this RFP to the City or its agencies, DTSC, Midway Village, PFS, SCS Engineers, or any other agency or organization associated with Midway Village, Bayshore Park, or the Half-Acre Property. Questions and requests for clarification shall be directed only to HACSM, as described in Section IV (D).
- I. **Questions and Response Process.** See Section IV (D) for details.
- J. **Contact with HACSM, DOH or County Employees.** As of the issuance date of this RFP and continuing until the final date for submission of responses, all prospective Applicants are specifically

directed not to hold meetings, conferences, or technical discussions with any HACSM, DOH or County employee for purposes of responding to this RFP except as otherwise permitted by this RFP. Any prospective Applicant found to be acting in any way contrary to this directive may be disqualified from entering into any contract that may result from this RFP.

Prospective Applicants should submit questions or concerns about the process as outlined in Section IV (D) above. The prospective Applicant should not otherwise ask any HACSM, DOH, or County employee questions about the RFP or related issues, either orally or by written communication, unless invited to do so.

## **K. Public Inspection of Documents**

### General Provisions Regarding Public Nature of Submissions

Government Code Section 6250 et. seq., the California Public Records Act (the "PRA"), defines a public record as any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. The PRA provides that public records shall be disclosed upon request and that any citizen has a right to inspect any public record, unless the document is exempted from disclosure.

Be advised that any contract that eventually arises from this RFP is a public record in its entirety. Also, all information submitted in response to this RFP is itself a public record **without exception**. Submission of any materials in response to this RFP constitutes a waiver by the submitting party of any claim that the information is protected from disclosure. By submitting materials, (1) you are consenting to release of such materials by HACSM if requested under the PRA without further notice to you and (2) you agree to indemnify and hold harmless HACSM for release of such information.

### Applicant's Rights regarding Confidentiality of Submissions

HACSM cannot represent or guarantee that any information submitted in response to the RFP will be confidential. If HACSM receives a request for any document submitted in response to this RFP, it will not assert any privileges that may exist on behalf of the person or business submitting the proposal. If an Applicant believes that a portion of its proposal is confidential and notifies HACSM of such in writing, HACSM may, as a courtesy, attempt to notify the Applicant of any request for the proposal. However, it would be the sole responsibility of that Applicant to assert any applicable privileges or reasons why the document should not be produced, and to obtain a court order prohibiting disclosure. The Applicant understands that HACSM is not responsible under any circumstances for any harm caused by production of a confidential submission, and by its submission expressly waives any such claim against HACSM.

### HACSM's Rights Regarding Confidentiality of Submissions

To the extent consistent with applicable provisions of the PRA and applicable case law interpreting those provisions, HACSM and/or its officers, agents and employees retain the discretion to release or to withhold disclosure of any information submitted in response to this RFP.

## **L. Post Award Conditions**

An Applicant selected through this RFP process will receive a letter notifying the Applicant of such selection, and the Applicant shall confirm its interest in proceeding into the Exclusive Negotiations

Agreement stage. After such confirmation, HACSM reserves the right to make a general announcement to the public and to HACSM and County of San Mateo (“County”) boards, commissions and agencies regarding the results of the RFP selection process.

The winning Applicant will be expected to comply with HACSM’s and the County’s policies and procedures concerning Equal Benefits, Jury Duty, Insurance, and Indemnification upon entering into any future contract with HACSM or the County. Please see Exhibit I, the standard County contract template, for reference purposes.

#### **M. Reservation of Rights by the Housing Authority**

This RFP is not a commitment or contract of any kind. HACSM reserves the right to pursue any and/or all ideas generated by this RFP. HACSM reserves the right to reject any and all submissions; waive or modify any HACSM requirement of this RFP; suspend or terminate the RFP process; or suspend or terminate the ENA negotiating process, reject a previously-selected Applicant, and select another Applicant to negotiate an ENA if it determines that taking any such action is in the best interest of HACSM and/or the Project. Further, while every effort has been made to ensure the information presented in this RFP is accurate and thorough, HACSM and the County assume no liability for any unintentional errors or omissions in this document.

#### **EXHIBITS:**

All Exhibits listed below can be found and downloaded from the DOH webpage, at

<http://housing.smcgov.org/rfp-midway-bayshore-redevelopment-project>

- Exhibit A: Glossary of Terms
- Exhibit B: Maps
- Exhibit C: Memorandum of Understanding Among Bayshore Elementary School District, the County of San Mateo, the Housing Authority of the County of San Mateo and the City of Daly City (3/31/16)
- Exhibit D: Amendment to Memorandum of Understanding (12/20/16)
- Exhibit E: Option Agreement to Purchase Bayshore Park (11/03/16)
- Exhibit F: Phase I Environmental Site Assessment – Bayshore Park, 45 Midway Drive, Daly City, California
- Exhibit G: Phase I Environmental Site Assessment – Midway Village, 47 Midway Drive, Daly City, California
- Exhibit H: Feasibility Study for Bayshore Park and Midway Village – Daly City, California
- Exhibit I: Standard County Agreement with Contractors

#### **ATTACHMENTS:**

All Attachments listed below can be found and downloaded from the DOH webpage, at

<http://housing.smcgov.org/rfp-midway-bayshore-redevelopment-project>

- Attachment 1: RFP Submission Checklist
- Attachment 2: Applicant & Team Description Form
- Attachment 3: Comparable Projects Form
- Attachment 4: Other Bay Area Projects Form
- Attachment 5: Developer Staffing Workload Form

- Attachment 6: Architect Staffing Workload Form
- Attachment 7: Property Management Experience Form
- Attachment 8: Services Provider Experience Form
- Attachment 9: Disclosure Questions
- Attachment 10: Statement of Compliance / Certification

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