

Request For Proposals

For the development of new affordable housing on a vacant lot fronting Bryant Street, at 19th Street, in San Francisco, known as

2070 BRYANT STREET
(Assessor's Block 4022, Lot 21)

Issued October 13, 2016 by:

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

Contact: Kate Hartley
(415) 701-5528
kate.hartley@sfgov.org

Responses due by 4:00pm, Monday, December 12, 2016

TABLE OF CONTENTS

| | |
|--|-----------|
| I. SUMMARY | 3 |
| II. IMPORTANT DATES AND SUBMISSION PROCESS | 4 |
| A. IMPORTANT DATES | 4 |
| B. PRE-SUBMISSION MEETING | 4 |
| C. QUESTIONS AND REQUESTS FOR INFORMATION | 4 |
| E. SUBMITTAL DATE AND METHOD | 4 |
| III. BACKGROUND | 5 |
| A. SITE HISTORY | 5 |
| B. THE SITE / ZONING/ LAND USE RESTRICTIONS | 6 |
| C. SOIL CONDITIONS | 7 |
| IV. DEVELOPMENT PLAN ELEMENTS | 8 |
| A. HOUSING PROGRAM..... | 8 |
| 1. <i>Minimum Number, Mix and Sizes of Housing Units</i> | 8 |
| 2. <i>Maximum Rents</i> | 8 |
| 3. <i>Occupancy Preferences</i> | 9 |
| 4. <i>Homeless Families</i> | 9 |
| 5. <i>Resident Services</i> | 10 |
| 6. <i>Community Outreach</i> | 11 |
| 7. <i>Priority Processing</i> | 11 |
| B. ARTS RELATED SPACE / GROUND FLOOR SPACE PLAN..... | 11 |
| C. DESIGN AND CONSTRUCTION..... | 12 |
| 1. <i>Design Objectives</i> | 12 |
| 2. <i>Preliminary Site Feasibility Design Considerations</i> | 13 |
| 3. <i>Other Design Considerations</i> | 14 |
| D. FINANCING PLAN | 14 |
| 1. <i>Sources & Uses Budget</i> | 14 |
| 2. <i>Services Funding</i> | 16 |
| 3. <i>Ground Lease</i> | 17 |
| 4. <i>Underwriting Guidelines</i> | 17 |
| 5. <i>Predevelopment Funding</i> | 17 |
| E. PROPERTY MANAGEMENT/MAINTENANCE OVERSIGHT | 17 |
| V. SELECTION PROCESS, SELECTION PROCESS AND SUBMITTAL REQUIREMENTS..... | 17 |
| A. SELECTION PROCESS..... | 17 |
| B. MINIMUM EXPERIENCE AND CAPACITY REQUIREMENTS | 18 |
| 1. <i>Development Team Characteristics</i> | 18 |
| 2. <i>Development Team Minimum Experience Qualifications</i> | 18 |
| 3. <i>Minimum Developer and Architect Capacity Qualifications</i> | 20 |
| C. SELECTION CRITERIA..... | 20 |
| D. SUBMITTAL REQUIREMENTS | 23 |
| E. SUBMITTAL DEADLINE AND OTHER IMPORTANT DATES..... | 27 |
| VI. TERMS AND CONDITIONS OF REQUEST FOR PROPOSALS..... | 28 |
| A. DEVELOPER RESPONSIBILITIES | 28 |
| B. ERRORS AND OMISSIONS IN RFP..... | 29 |

C. ADDENDA TO RFP 30
D. OBJECTIONS 30
E. CLAIMS AGAINST MOHCD 31
F. SUNSHINE ORDINANCE 31
G. RESERVATIONS OF RIGHTS BY THE CITY 31

EXHIBIT A: Insurance Requirements

ATTACHMENTS

1. Proposal Metrics
2. Respondent Description
3. Projected Staffing Workload
4. Service Provider Experience
5. Disclosures

I. SUMMARY

The City and County of San Francisco (“City”), through the Mayor’s Office of Housing and Community Development (“MOHCD”), is seeking submittals from qualified respondents to develop what will be a City-owned, vacant parcel as affordable family rental housing, including units serving formerly homeless households (“Project”). The site is a rectangular-shaped lot of approximately 22,750 square feet located at 2070 Bryant (Block 4022, Lot 21; “Site”). The Site is framed by Bryant Street to the east, Florida Street to the west, and to the south, existing two- and three-story structures. To the north, at 2000 Bryant, is a 42,250 square foot parcel that will be developed as 191 units of market-rate housing and 3 below market-rate units, approximately 12,000 square feet of below-market and market-rate production/distribution/repair (“PDR”) space, parking, and retail. As part of the land use entitlement process, the owner of 2000 Bryant (“Market-Rate Developer”) will subdivide the property spanning 2000-2070 Bryant and dedicate the Site to MOHCD for affordable housing development, pursuant to the Section 419.5 of the Planning Code. Per Section 419.5, the Market-Rate Developer is responsible for delivering the Site to MOHCD in a “shovel-ready” condition, that is, with all structures demolished, rough grading completed, and hazardous materials/conditions either mitigated or evaluated so that the cost of mitigation is identified and assigned to the Market-Rate Developer for future payment.

Eligible Respondents to this Request for Proposals (“RFP”) are described in detail below, but among required Development Team members, one must possess work experience in the Mission community that directly relates to the development of housing and/or the provision of housing or services to low-income households within an affordable housing setting.

The goals of this RFP are to 1) select a Respondent that can develop, own, and operate the Project in a professional, sustainable, and expert manner; 2) facilitate a Project that is high-quality while maintaining development and operational cost efficiencies; and 3) ensure that the Project confers extensive benefits to its future residents and the broader Mission community.

This RFP and the City’s plans for the Site pursue the goals articulated in MOHCD’s Consolidated Plan (2015), San Francisco’s Local Homeless Coordinating Board Five-Year Plan (2014), and the draft Mission Action Plan 2020 (October 2016), which memorializes Mission neighborhood advocates’ call for the production of 2,400 new, affordable housing units by 2020. Accordingly, 2070 Bryant’s development shall proceed under a long-term ground lease with the City, and maximum rents shall be restricted to a level affordable to households earning up to 60% of area median income, as defined by MOHCD. Thirty percent of the Project’s units will serve homeless families referred by the Department of Homelessness and Supportive Housing (“DHS”). Additional Site goals include on-site supportive services available to all households and ground floor space for arts-related uses, such as artist workspace, a gallery or exhibit space, and/or a performance space.

Finally, the selected Respondent must have the ability to successfully conduct neighborhood outreach and secure neighborhood support for the Project, while also meeting the City’s expressed goals. This component of the development process will be very important. While the Planning Department and Board of Supervisors (“Board”) approved the Site’s land dedication as part of 2000 Bryant’s larger entitlement process, community members appealed both its Conditional Use Permit and Community Plan Exemption under CEQA (the Board denied both

appeals). Bringing affordable housing onto the Site in a thoughtful, inclusive way will be vital to repairing community divisions and establishing a diverse and vibrant neighborhood.

II. IMPORTANT DATES AND SUBMISSION PROCESS

A. Important Dates

(MOHCD reserves the right to change dates to accommodate staffing schedules)

| | |
|--|---------------------------------------|
| RFP issued by MOHCD | Friday, October 14, 2016 |
| Pre-submission meeting at MOHCD | 1PM, Monday, October 24, 2016 |
| Deadline for questions and requests for additional information | Monday, October 31, 2016 |
| Proposal Submission Deadline | 4PM, Monday, December 12, 2016 |
| Notice to Respondents regarding satisfaction of minimum requirements | Friday, December 23, 2016 |
| Developer team interviews | Week of January 9, 2017 |
| Director of MOHCD review/approval of recommended development team | Week of January 30, 2017 |

B. Pre-Submission Meeting

A pre-submission meeting will be held at MOHCD (1 South Van Ness Avenue, 5th floor), on **Monday, October 24, at 1:00 pm**. The purpose of the meeting is to ensure that all teams understand the programmatic design, financing, scoring and submittal requirements. Although attendance at the Pre-Submission Meeting is not mandatory, it is highly recommended.

C. Questions and Requests for Information

Questions raised at the pre-submission meeting may be answered orally. If any substantive new information is provided in response to questions raised at this meeting, it will also be posted on the MOHCD website (<http://sfmohcd.org/nofas-rfp-rfq-bids-jobs>) and will be emailed to all parties that have attended the Pre-submission meeting or otherwise requested that they be included on the RFP emailing list. Subsequent to this meeting, questions or requests for interpretation will only be accepted by email and all questions and responses will be answered by email and posted on the MOHCD website. No questions or requests for interpretation will be accepted after **5:00 pm, Monday, October 31, 2016**. Emailed questions and information requests should be submitted to Kate Hartley at: kate.hartley@sfgov.org.

D. Submittal Date and Method

Submittal of **6 (six)** hard copies of the Proposal must be received by the MOHCD receptionist and an emailed copy sent to the kate.hartley@sfgov.org no later than **4:00 p.m., Monday, December 12, 2016**.

III. BACKGROUND

A. Site History

The three-lot property bounded by Florida, 18th, and Bryant Streets, of which the Site is part, currently contains seven mixed-use buildings, including residential, commercial, arts-activity, and PDR uses, all of which are now vacant. At 2070 Bryant specifically, a two-story, mixed-use building exists, with ground floor commercial space and a dwelling unit on the second floor.

The Market-Rate Developer's initial plan generated significant community opposition. That plan would have demolished all seven buildings and constructed a 274-unit rental building, including 44 below-market units (in satisfaction of the Planning Code's on-site inclusionary requirement), ground floor retail, and parking. Ten thousand square feet of Production Distribution and Repair (PDR) space would have been eliminated.

In response to community opposition, the Market-Rate Developer revised its plan over the course of several years. The current development program for the property, as approved by the Planning Commission and Board under a Conditional Use Permit (see: http://commissions.sfplanning.org/cpcpackets/2013.0677X_2016-05-12.pdf), includes the following elements:

- Subdivision and creation of the Site as a land dedication parcel of 22,750 s.f. for affordable housing
 - Approximately 7,000 s.f. of ground floor space dedicated to arts-related uses
 - Access to three car-share spaces on the market-rate parcel, which makes available approximately 2,000-3,000 s.f. of additional ground floor space that can be used as additional arts space, residential units, or other use to serve future residents
 - A 25-foot wide pedestrian, mid-block mews open space separating the market-rate and affordable developments, constructed at the cost of the Market-Rate Developer
 - A \$500,000 contribution to the arts-related uses' tenant improvements from the Market-Rate Developer
- Lot mergers to create a market-rate parcel of 191 unrestricted units and 3 below-market rate units, as well as:
 - 12,000 s.f. of PDR space
 - 3 car-share spaces in the garage to which residents of the affordable housing parcel will have access
 - Residential parking
 - Approximately 5,500 s.f. of retail

In early 2016, MOHCD reviewed the land dedication proposal, determined that the Market-Rate Developer was in full compliance with the requirement of Planning Code Section 419.5, and, on May 12, 2016, issued a letter accepting the land dedication. In addition, MOHCD determined that the significant additional benefits generated through the project revisions and the prospect of adding up to 136 units of affordable housing at the site (a potential unit count identified by the Market-Rate Developer's architectural team) fulfilled the goals of MOHCD's Consolidated Plan,

implemented MOHCD's mission to provide safe and decent housing for all San Franciscans, including homeless households, and pursued the draft MAP 2020 goals of increased affordable housing production.

It is anticipated that the Market-Rate Developer will commence construction on its parcel and the required work on the Site by June 2017. Construction completion is scheduled for 2019. The City anticipates that the developer selected through this RFP will commence site design, entitlement work, and permit applications immediately upon award, and be ready to begin construction prior to or concurrently with the completion of the market-rate project.

B. The Site / Zoning / Land Use Restrictions

As previously described, Site is bordered by Bryant and Florida Streets. It is located in the Mission Area Plan of the San Francisco General Plan, and is zoned Urban Mixed-Use (UMU) within a 68-X height and bulk district. The City adopted the Mission Area Plan and rezoned the area in 2008 as part of the Eastern Neighborhoods rezoning process. A program Environmental Impact Report (EIR) analyzing on a generalized level the impacts of implementation of the plan, including mixed-use development on the site, was certified at that time. The surrounding neighborhood is a mixture of residential, commercial and industrial. Immediately adjacent uses include industrial, two-story commercial properties, a four-to-five-story larger-scale residential development, and two-to-three story and six-story multi-family dwellings.

The EN Mission Area Plan includes, among other objectives:

- Strengthening of the Mission's existing mixed-use character, while maintaining the neighborhood as a place to live and work. (Objective 1.1)
- In areas of the Mission where housing and mixed-use is encouraged, maximizing development potential in keeping with neighborhood character. (Objective 1.2)
- Continuing and expanding the City's efforts to increase permanently affordable housing production and availability. (Objective 2.)

The Eastern Neighborhoods Plan can be found at: <http://www.sf-planning.org/index.aspx?page=1673>

Key zoning and land use provisions applicable to the Site, as restricted under UMU zoning, include:

- A Large Project Authorization requirement for projects greater than 25,000 square feet (Planning Code sec. 329)
- 68-X height/bulk
- Residential density limitations inapplicable for projects including at least 40% 2 BR units or 30% 3 BR units.
- No minimum parking requirement, but if parking is provided, minimum car-share spaces must be included (Secs. 151.1; 166)
- One off-street loading space requirement for residential uses between 100,001 and 200,000 gross s.f.; no off-street loading requirement for arts uses smaller than 10,001 s.f. (Sec. 152.1)
- Bicycle parking required (Sec. 155.1)

- Active use requirement along the first 25 feet of lot depth at the ground floor (Sect. 145.1)
- A rear yard equal to 25% of the depth of the lot at the lowest story containing a dwelling unit, and at each succeeding level or story of the building
- Residential open space at a ratio of 80 s.f. per unit for private or common open space and 54 s.f. per unit if it is public
- Common open space in an inner court requires a horizontal dimension no less than its vertical enclosure
- Minimum 25 feet of exposure to a street or open space, with the 25 ft. dimension increasing with the height of an inner court
- Principally permitted ground floor arts activities and other non-commercial and retail (except for restrictions on formula retail and liquor stores)
- Principally permitted assembly and social service space that provides social, fraternal, counseling or recreational gathering services to the community

When the Market-Rate Developer initially approached MOHCD regarding a land dedication, it proposed a generally code-conforming building with a 65' height. The proposed unit count was approximately 95. While 95 units exceeded the minimum unit count requirement for a land-dedicated parcel under Section 419.5, MOHCD staff desired to pursue the opportunity to provide more housing at the Site, pursuant to Mission neighborhood advocates' expressed desire for the immediate production of over 2,400 affordable housing units.

Accordingly, the Market-Rate Developer provided a schematic design for an 8-story building with 136 units. This scheme assumed use of the State Density Bonus (Cal. Govt. Code Section 65915) or the City's 100% Affordable Housing Bonus Program (Ordinance No. 143-16), which was under legislative review at the time and which the Board and Mayor subsequently approved. As presented, the 8-story building would not only require a density bonus to exceed the 68-X height/bulk restriction, but additional concessions available from either density bonus legislative program to address rear-yard, common open space, and unit exposure exceptions. In addition, a Large Project Authorization hearing will be required for the Project; the Planning Commission can grant zoning exceptions such as rear-yard, open space and unit exposure through that action. The State Density Bonus Law compels localities to grant such concessions.

The Market-Rate Developer's schematic design (found here: <http://sfmohcd.org/nofas-rfp-rfq-bids-jobs>) is for reference purposes only and primarily serves as a model for the Site's density potential. Respondents should approach the Site design with full creative license, and need not assume anything included in the schematic design except the mid-block mews. However, this RFP does impose certain design requirements, such as the ground floor arts use described in greater detail below. It is also the goal of the RFP that the winning proposal maximize the affordable unit count, pursuant either to the State Density Bonus Law or the 100% Affordable Housing Bonus Program, while also achieving excellent design and physical amenities at the site that create a desirable and pleasing living environment for future residents.

A copy of a survey showing the dimensions and locations of both the Site and the market-rate parcel can be found on the MOHCD website at <http://sfmohcd.org/nofas-rfp-rfq-bids-jobs>.

C. Soil Conditions

Pursuant to the requirements of Planning Code Section 419.5, the Market-Rate Developer submitted a Geotechnical Investigation and Supplemental Geotechnical Investigation for the Site, both of which can be found here: <http://sfmohcd.org/nofas-rfp-rfq-bids-jobs>.

The selected Developer will be required to commission its own geotechnical studies as part of its design and engineering work, but, for purposes of this RFP, it is assumed that soil and subsoil conditions on the Site are sufficient to support a development that complies with the maximum allowable height, bulk and density limitations of the Site's applicable zoning requirements, as modified through a density bonus.

IV. DEVELOPMENT PLAN ELEMENTS

A. Housing Program

1. Minimum Number, Mix and Sizes of Housing Units. The minimum unit count for the Project is 120, but Respondents should strive to maximize the unit count while still achieving excellent design and a high-quality physical amenities for residents. Additional considerations for the unit mix include:

- a. At least 40% of the units must be two-bedroom or larger, and some units must be three bedrooms. Developers should propose a unit mix that reflects the marketing demands and demonstrated needs of tenants they serve in recently completed developments.
- b. Unit sizes must meet or exceed the minimums required by the California Tax Credit Allocation Committee ("TCAC") in its regulations governing large family developments.
- c. Respondents should assume height increases and concessions necessary to achieve the optimal, maximized unit count through the Affordable Housing Bonus Program (or the State Density Bonus Program), in consultation with the San Francisco Planning Department.

2. Maximum Rents. Respondents should assume a mix of rent levels, but in no case greater than 60% of the unadjusted Area Median Income ("AMI") for HUD metro fair market rent area (HMFA) that contains San Francisco.

- a. A minimum of thirty percent (30%) of the units should be reserved for formerly homeless families, with rent and income levels set accordingly and assuming City-provided operating subsidies and services funding, in compliance with the requirements of DSHS.
 - The City reserves the right to request that this set-aside of units be made available for former occupants of housing managed by the San Francisco Housing Authority, rather than homeless households, in order to facilitate public housing redevelopment projects. For the purpose of this RFP, however, Respondents should not assume occupancy by public housing relocatees.

3. Occupancy Preferences. The selected Respondent will retain final selection authority over all resident respondents. Nevertheless, apart from the units set aside for homeless families, the following preferences will apply to the Project's lease-up, in the order provided:

| Preference | Respondent Category |
|------------|---|
| 1. | Certificate of Preference Holders |
| 2. | Displaced Tenant Housing Preference Certificate Holders (unless California Housing and Community Development funds apply) |
| 3. | Qualifying Neighborhood Preference Residents (unless California Housing and Community Development funds apply) |
| 4. | Households who Live or Work in San Francisco |

Respondents must include a draft Affirmative Marketing Plan in their responses to this RFP. The plan should include specific outreach toward Mission District-based tenants displaced by Ellis Act or Owner Move-In evictions and provision of all marketing and application materials in all City-recognized languages. The selected developer will be expected to comply with MOHCD's marketing requirements, including but not limited to requirements for language access and integration of the Fair Chance Act.

4. Homeless Families

DHSH will refer homeless families with children under the age of 18, and homeless pregnant women for residency in the Project. Single individuals and households without minor children are not eligible for the DHSH referral units.

DHSH will follow the definition of "homeless" provided in the chart below to determine eligibility. In addition, households can only be referred by DHSH for occupancy at the Project if their annual household income does not exceed 30% of AMI.

| The term "HOMELESS" includes individuals or families who lack a fixed, regular, and adequate nighttime residence and who have a primary nighttime residence in one or more of the following categories: | |
|---|--|
| Category | Description |
| Shelter | Anyone staying in a mission or homeless or domestic violence shelter, i.e., a supervised public or private facility that provides temporary living accommodations. Anyone displaced from housing due to a disaster situation. |
| Street | Anyone staying outdoors; for example, street, sidewalk, doorway, park, freeway underpass. |
| Vehicle | Anyone staying in a car, van, bus, truck, RV, or similar vehicle. |
| Make-Shift | Anyone staying in an enclosure or structure that is not authorized or fit for human habitation by building or housing codes, including abandoned buildings ("squats") or sub-standard apartments and dwellings. |
| Doubled-Up | Anyone staying with friends and/or extended family members (excluding parents and children), because they are otherwise unable to obtain housing, or , any family with children staying in a Single Room Occupancy (SRO) hotel room - whether or not they have tenancy rights, or , anyone staying in temporary housing for less than 6 months, and the accommodations provided the person are substandard or inadequate, for example, garage, small room, overly crowded space. |

| | |
|--------------|--|
| Transitional | Anyone staying in a Single Room Occupancy (SRO) hotel room <u>without</u> tenancy rights, or , anyone formerly homeless (formerly in one of the above categories) who is now incarcerated, hospitalized, or living in a treatment program, half-way house, transitional housing, or , anyone formerly homeless (formerly in one of the above categories) who has obtained supportive housing or permanent housing for less than 30 days. |
|--------------|--|

5. Resident Services. Respondents must include a trauma-informed services plan (“Services Plan”) that demonstrates an understanding of the housing and services needs of extremely low- and low-income households and the specific target population, including formerly homeless households who have experienced chronic trauma. The Services Plan should include:

- a. Access to and coordination with mainstream community services, subcontracted and/or partner services, and a commitment by each service provider to coordinate with onsite supportive services and property management through regularly scheduled meetings to ensure sound operational and building management practices.
- b. A description of the minimum services to be provided that are appropriate to the proposed target population, including homeless households, and the estimated frequency of the services. Examples of the services activities the supportive services staff perform for all sites may include:
 - Early intervention with Property Management in Resident Selection to conduct assessments.
 - Ongoing outreach and engagement of the tenant population with the goal of achieving housing stability.
 - Thorough outreach to outside providers to teach, coach and mentor adults and teens on various key areas, including, e.g., mental health needs, substance abuse treatment, domestic violence, and food security.
 - Help accessing benefits, pre-vocational and vocational training, legal services, and/or educational opportunities, as appropriate.
 - Referrals and assistance with accessing primary medical care and other community services as needed and connection with neighborhood community clinics.
 - Eviction prevention support and referrals.
- c. Specific strategies for addressing the needs of homeless households, e.g.:
 - A description of the way the Applicant will engage and assess formerly homeless families and individuals during the resident selection period.
 - The implementation plan for trauma-informed systems, including provisions for ongoing training for services staff and property management teams.
 - Collaboration with other trauma-informed services providers to teach self-reliance and empowerment with adults and teens.
 - Assistance with families’ transition out of homelessness, especially regarding mental health concerns and adverse childhood experiences.
 - Conflict resolution among tenants using trauma-informed principles.

- Recreation, community building, social, and/or other group programming.
- d. Staffing information (number of FTEs or percent thereof, type of services staff, roles of services staff), for both the homeless and non-homeless units. Services for the homeless units should be provided through a case manager to unit ratio of no less than 1 case manager for every 35 units; services for the non-homeless households should be provided at 1 services coordinator/connector for every 100 households. The winning Respondent will be required to work with the DSHS to determined final staffing ratios and budgets to successfully serve the homeless households.

6. Community Outreach. It is critical to the success of the development program that the selected Developer conduct extensive community outreach and establish positive links with surrounding neighbors and the larger community throughout the development process. As previously described, the approvals process for the adjacent market-rate development generated significant controversy. A community outreach plan that helps heal those divisions and creates a development program that community members can embrace is a principal goal of this RFP. Accordingly, Respondent submittals must include a Community Outreach Plan that includes:

- Demonstration of Respondents' ability to engage diverse communities, including but not limited to monolingual non-English speaking communities.
- Compliance with the City's Language Access Ordinance (Admin. Code Chapter 91).
- A proposed schedule for stakeholder meetings and other forums to present design and programmatic plans and solicit community input.

7. Priority Permit Processing. Pursuant to San Francisco Department of Building Inspection ("DBI") policy, this project qualifies for "priority permit processing" because 100% of the units will be affordable. The selected Respondent must understand this preference and secure all available priority processing benefits.

B. Arts-Related Space/ Ground Floor Space Plan

The footprint of the affordable parcel, at approximately 22,500 s.f., includes a mid-block mews of approximately 5,000 s.f. separating the market-rate and affordable parcels that the Market-Rate Developer will build out as open space. Within the balance of the affordable housing's ground floor space, 7,000 s.f. must be devoted to arts-related uses. In addition, approximately 2,000-3,000 ground floor s.f. may be added to the arts space by virtue of the Market-Rate Developer's agreement to move three car-share garage parking spaces that had previously been included on the Site to the market-rate parcel and provide access to those cars for the affordable housing residents.

Given the Site's history as a location of both PDR and arts uses, as well as the importance to the community of maintaining space for both activities in the neighborhood, the selected Developer must engage in a community dialogue prior to finalizing the arts-related use of the ground floor. In preparation for this process, Respondents must submit a potential ground floor plan that includes:

- *Proposed* use or uses of a minimum of 7,000 s.f. of ground-floor space for arts-related space. Such use(s) may have an individualized focus, e.g., work space for artists, or it may be more community-centered, such as a gallery and exhibit space.
 - Respondents should assume that the arts user(s) will fully cover their own operating expenses and pose no financial burden on the residential use. However, Respondents may also assume a below-market rent and long-term lease for the arts user, assuming that use provides community benefits.
 - Respondents may assume MOHCD funding for warm shell space, as provided in MOHCD’s Commercial Space Underwriting Guidelines (and described in more detail below).
- Additional ground floor uses necessary to carry out building operations and enhance resident enjoyment of the building, such as an entry lobby, mailboxes, bicycle parking, resident community space, property management and services offices, etc.
- Pursuant to the goal of maximizing the building’s unit count while maintaining excellent design, Respondents may also include residential units on the ground floor.

C. Design and Construction

MOHCD is seeking excellent architectural design and construction standards that represent an awareness of the Site’s location in a mixed-use neighborhood. The successful Respondent will maximize housing opportunities while also creating a strongly supportive environment with adequate amenities and open spaces to enhance the lives of residents. (Note: *Some portion of the architectural costs associated with this architectural analysis may be reimbursable by MOHCD. See Section VI.G.4. below for more information.*)

1. Design Objectives.

- a. To design the Project in a manner that is consistent with the Goals and Policies of the Eastern Neighborhoods Mission Area Plan, particularly with respect to the Area Plan’s Land Use, Housing, and Built Form guidelines. As the Plan states:

“The many cultures, land uses, architectural styles, street grids and street types that exist within the Mission neighborhood define its character and set it apart from other areas of San Francisco. Indeed it is the coexistence and commingling, at times chaotic, of all these different elements that attracts most residents to the Mission. Urban design is central to defining how such a diverse physical and social environment is able to function, and will determine whether new additions contribute to, or detract from, the neighborhood’s essential character.”

The Plan’s Built Form guidelines particularly address the issues of height, architectural design and the role of new development in supporting a more ecologically sustainable urban environment. See: http://www.sf-planning.org/ftp/General_Plan/Mission.htm#MIS_BUF

2. Preliminary Site Feasibility Design Considerations. Certain major factors will affect design and total unit count, all of which will be considered in evaluating and scoring proposals:

- a. Height Limits/Building Location and Massing: as previously described, Respondents should assume the Affordable Housing Bonus Program (or, if advised by the Planning Department, the State Density Bonus Program) in order to maximize unit count while maintaining excellent design.
- b. The Site's surrounding Urban Mixed-Use includes industrial, commercial, and residential as demonstrated below:
 - Bryant Street: view north, towards 18th Street:
<https://www.google.com/maps/@37.7609906,-122.4100589,3a,75y,350.21h,89t/data=!3m6!1e1!3m4!1sREA3nCjm2ZdT2PS8bIFNQg!2e0!7i13312!8i6656!6m1!1e1>
 - Bryant Street: view south, towards 19th Street:
<https://www.google.com/maps/@37.7611213,-122.4100724,3a,75y,196.16h,84.02t/data=!3m6!1e1!3m4!1ssFiN652wWrsXBtA7KIaKlg!2e0!7i13312!8i6656!6m1!1e1>
 - Bryant and 19th Streets: south end of site and adjacent properties:
<https://www.google.com/maps/@37.760805,-122.4100399,3a,75y,237h,84.65t/data=!3m6!1e1!3m4!1s6ofyD4KGMHRSA1e316wLAQ!2e0!7i13312!8i6656!6m1!1e1>
 - Florida Street, looking north toward 18th Street:
https://www.google.com/maps/@37.7607309,-122.4110014,3a,75y,346.3h,91.67t/data=!3m7!1e1!3m5!1s4vvy3AxXiDQ4rvGMDDcceA!2e0!6s%2F%2Fgeo2.ggpht.com%2Fcbk%3Fpanoid%3D4vvy3AxXiDQ4rvGMDDcceA%26output%3Dthumbnail%26cb_client%3Dmaps_sv.tactile.gps%26thumb%3D2%26w%3D203%26h%3D100%26yaw%3D24.549662%26pitch%3D0!7i13312!8i6656!6m1!1e1
- c. Resident Amenities: Respondents should submit a list of resident amenities and services to be provided through their proposal in addition to the arts-related ground floor space, including location, intended audience, and approximate size. Examples include a teen computer lab, community garden, and community lounge space(s).
- d. Resident Open Space: Respondents should reference Planning Code minimums as the base for their open space designs and, if applicable, indicate any potential need for a variance from such minimums as a concession to be granted through a density bonus application. Open space designs should reflect passive and active uses that best suit tenants of differing ages.

- e. Resident Livability: Respondents should propose designs that achieve high-quality habitability, comfort, security and housing stability through architectural considerations such as:
- Interior resident amenities – need for gathering spaces that support strong tenant communities while still anticipating great diversity within the tenant population;
 - Interior court open spaces – settings should promote accessibility, convenience, and usability while considering sun/shade patterns and relationship to adjacent interior uses and public amenities;
 - Upper floor open spaces – settings should take advantage of any potential views and consider relationship to surrounding structure heights as well as sun and wind.

3. Other Design Considerations

- a. Civic Design Review: Pursuant to Charter Section 5.103, any new construction on City property is subject to Civic Design Review. The Planning Department shall not approve any permit until this requirement is fulfilled. Applicants should contact the SF Arts Commission at (415) 252-2590 with any questions regarding the design review process. More information including the Civic Design Review Committee Submission Guidelines is available on the Arts Commission website:
<http://www.sfartscommission.org/CDR/home/index.html>.
- b. Storm Water Management Ordinance: Projects that disturb 5,000 square feet or more of the ground surface must comply with the Storm Water Design Guidelines and submit a Storm Water Control Plan to the SFPUC for review as part of their construction permit application. To view the Guidelines and download instructions for preparing a Storm Water Control Plan, go to <http://sfwater.org/index.aspx?page=446>.
- c. Green Design Guidelines. The City seeks to maximize the overall sustainability of the Project to the extent possible through the integrated use of sustainable building elements. Development plans that improve indoor air quality, reduce resource consumption, and approach zero-energy consumption are desired. At a minimum, Projects should meet the requirements of the 2013 San Francisco Green Building Code, California Title 24, and the California Tax Credit Allocation Committee regulations regarding sustainable buildings. Buildings that exceed this measurement and achieve net-positive sustainability strategies are highly encouraged. Among other resources, respondents may obtain more information at <http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities/resources/tools>, <http://www.greenaffordablehousing.org/>, and www.ecodistricts.org.

D. Financing Plan

1. Sources & Uses Budget. Developers should create a feasible Sources & Uses budget for the Project that includes but is not limited to the following:

- Total development costs, including, but not limited to; utility connections and site work; fine grading and shoring; the full costs of vertical construction; warm shell costs for the arts-related ground floor use(s); architectural and engineering expenses; all permitting and applicable City fees; financing costs; and marketing and lease-up costs.
 - The Market-Rate Developer is responsible for delivering the site free of environmental hazards and in “shovel-ready” condition. Currently, the cost estimate for such remediation is approximately \$585,000. MOHCD will conclude the analysis of the full remediation scope of work and costs with the Market-Rate Developer and provide the funds associated with the remediation to the winning Respondent in a MOHCD loan agreement. Respondents should review the Phase 1 and Phase 2 Environmental Reports commissioned by the Market-Rate Developer, found here: <http://sfmohcd.org/nofas-rfp-rfq-bids-jobs>
 - Respondents should assume the availability of \$500,000 in tenant improvement funds for the arts-related space from the Market-Rate Developer.
 - Respondents should determine construction type. Construction cost estimates should reflect current construction costs and exclude escalation assumptions.
 - Respondents should include sources and uses for development of the arts-related space and any other commercial spaces in a manner that is consistent with MOHCD’s Commercial Space Policy, as it may be amended prior to finalization of the Project’s sources and uses budget. See: <http://sfmohcd.org/sites/default/files/FileCenter/Documents/4881-Commercial%20Space%20Policy.pdf>
- 4% low-income housing tax credits and tax-exempt bond financing (9% LIHTC proposals will not be accepted).
- Federal Home Loan Bank Affordable Housing Program funds.
- Additional, non-MOHCD sources of funds for which the Project is competitive, that meet the City’s affordability goals, and reduce to the greatest extent feasible required MOHCD gap funding.
- MOHCD gap funds (in the form of a 55-year, residual receipts loan), minimized to the greatest extent feasible by other funding sources.
- A *maximum* rent level for all units of 60% of the unadjusted Area Median Income (“AMI”) for HUD metro fair market rent area (HMFA) that contains San Francisco, as established by MOHCD see: http://sfmohcd.org/sites/default/files/Documents/MOH/2016_AMI_RentLimits-SanFranHMFA.pdf
 - Developers are encouraged to balance financial feasibility and a tiered rent schedule, so that rent for some non-homeless units may be less than 60% AMI.

- Homeless households will contribute approximately 30% of their incomes in rent; Developers should assume tenant-paid rents (exclusive of utilities) of \$300 per month for homeless households.
- Funding from the City’s Local Operating Subsidy Program (“LOSP”), through a 15-year contract with MOHCD, to cover the difference between the costs to operate the homeless set-aside units and those households’ contributions. (Developers should make this assumption only for the purpose of modeling their submissions; in order to control LOSP contract values, the City may require cross-subsidization from higher-income units to offset operating expenses.)
- A 20-year cash flow that includes
 - Tenant-paid rents
 - Annual LOSP subsidy payments sized to capture the difference between tenant-paid rents in LOSP units and operating expense attributable to LOSP units *only*. LOSP operating subsidies should account for, on a pro-rata basis, all typical costs of operations; required reserves deposits; mandatory administrative fees required by HCD financing, if any; deferred developer fee, if any; partnership management fees; and investor management fees. LOSP subsidies may not be used to pay hard debt service.
 - Operating expenses reflecting full costs to operate the Project, hard debt service payments, reserves deposits, and all other residual receipts waterfall distributions typical for 4% tax credit transactions that conform to MOHCD’s Underwriting Guidelines (see Section IV.D.4, below). The operating budget should exclude support services such as case management and counseling but may include one FTE Services Coordinator/Connector. Respondents should highlight any innovative operating cost controls and their relationship to the leveraging of conventional debt.
 - Nominal rent from the arts-related space, assuming it achieves a Public Benefit Purpose, as described in MOHCD’s Commercial Space Policy, but no subsidies for the arts-related space for operations, including insurance, reserves, tenant improvements, and property tax payments, if any.

2. Services Funding. Respondents should submit a separate services budget that includes:

- Services staffing information (number of FTEs or percent thereof, type of services staff, roles of services staff), for both the low-income family and homeless units. Please see Section IV.A.5, Resident Services, below, for further information regarding required social services.
- Tier IV funding level of \$4,657 per unit per year in services funding provided by DSHS for the homeless units. DSHS will provide these funds through a direct contract with the Project’s services provider, conditioned on continuous compliance with terms of the Respondent’s LOSP agreement with MOHCD.

- Additional services funding sources beyond assistance provided by DSHS if available.
3. **Ground Lease.** Respondents should assume a 75-year initial term ground lease agreement (with an option to extend to a total of 99 years) with MOHCD for the Site. Annual rent shall be set at 10% of the appraised value, which, as of March 2016, was \$22,250,000 for the Site as-if-entitled. An annual Base Rent payment of \$15,000 shall be payable as an operating expense, with the balance of Annual Rent paid from surplus cash, if any. Annual Rent shall be re-determined every fifteen years, as determined by an MAI appraiser.
 - MOHCD’s eventual transfer of the Site to the selected Developer under a ground lease will be “as is” with respect to physical, environmental and regulatory conditions, including, but not limited to, any liabilities for remediation of toxic materials that may be present.
 4. **Underwriting Guidelines.** All submissions must conform to MOHCD’s most current Underwriting Guidelines: <http://sfmohcd.org/sites/default/files/Documents/CURRENT%20Underwriting%20Guidelines%202016.pdf>, and other published MOHCD policies, such as its Developer Fee Policy.
 5. **Predevelopment Funding.** MOHCD will provide up to \$2,000,000 in predevelopment funding to the selected Respondent, subject to the Respondent’s demonstration of its compliance with the City’s vendor requirements and approval by the San Francisco Citywide Affordable Housing Loan Committee.

E. Property Management/Maintenance Oversight

Respondents must provide information regarding the proposed property management team’s experience – including previous work with family rental housing. The preferred Respondent will include a property management company that has demonstrated successful approaches to managing buildings with some component of formerly homeless people, many of whom will continue to struggle with behavioral, health and medical issues.

V. SELECTION PROCESS, SELECTION CRITERIA AND SUBMITTAL REQUIREMENTS

A. Selection Process

MOHCD staff will review all submittals for completeness and satisfaction of minimum experience and capacity requirements.

A Selection Panel of up to six members will be appointed by the Director of the Mayor’s Office of Housing and Community Development composed of persons with expertise in the areas of development, affordable housing financing, architecture, property management and resident supportive services, at least one of which will be familiar with the Mission community. The Selection Panel will review all qualified responses and preliminarily score each qualified submittal. The Selection Panel will interview all Respondents, at which time Respondents will

be asked to present and explain the major characteristics of their proposal, particularly as they relate to the Scoring Criteria, and respond to questions from the Selection Panel. After all interviews have been completed, the Selection Panel will meet to determine the final ranking of all responses and present this ranking to the Director.

The Selection Panel's scoring of each proposal will be done by consensus and will be final. The MOHCD Director will then select a development team, and MOHCD will exclusively negotiate a loan agreement and ground lease for the Site in accordance with the terms of this RFP. Any objections to the RFP, qualification determinations or the final selection must follow the objection requirements outlined in Section VI.D. of this RFP.

B. Minimum Experience and Capacity Requirements

All respondents must meet the following Minimum Experience and Capacity Qualifications in order to qualify for selection under this RFP:

1. Development Team Characteristics: The proposed Development Team must include:
 - At least one community-based non-profit development entity as sole developer or joint-venture partner, defined as a nonprofit organization whose mission includes the development of affordable housing in low-income communities, with experience developing housing for low- and very low-income families in San Francisco;
 - A lead architectural firm with experience in design and construction of multifamily housing, preferably with residential experience in San Francisco;
 - A property management entity with experience managing low- and very low-income affordable housing in San Francisco, in a culturally competent manner;
 - A community-based, service-providing entity with experience providing culturally competent services appropriate for low- and very-low income families;
 - A community-based, service-providing entity with experience providing culturally competent services appropriate for formerly homeless families in a supportive housing context; and
 - At least one entity of the development team must have work experience in the Mission community that directly relates to the development of housing and/or the provision of housing or services to low-income households within an affordable housing setting.

Letters of Intent or Memoranda of Understanding from service providers and property management entities that are not affiliated with the developer must be submitted with the application. Respondents may also submit an LOI or MOU from an arts organization selected to operate the ground floor arts-related space.

2. Development Team Minimum Experience Qualifications

Minimum experience must be demonstrated by identifying specific **Qualifying Projects** in which team members have participated, as further described below.

For Developer, Owner and Property Manager, a **Qualifying Project (QP)** must have all of the following characteristics:

- new construction
- residential
- a majority of multiple-bedroom units
- at least 50 units in size
- location in San Francisco
- affordable to low- and very-low income families
- financed by use of Low Income Housing Tax credits

For the Architect, the last three characteristics of a QP (location in SF, affordability and tax credit financing) are not required. However, for the Architect, the QP building typology must match the typology of the proposed project (e.g., if the Respondent Team proposes a Type I building, the Architect must demonstrate experience designing and managing construction for a Type I building that must also have been new construction, residential, containing a majority of multiple-bedroom units, and at least 50 units in size).

Minimum Developer Experience: The proposed Developer must have completed within the past five years or have entitlements for at least one Qualifying Project in San Francisco targeting low and very low-income families and using financing sources similar to those proposed for development of the Site.

For joint venture Developer teams, the experience of the lead entity may suffice for the joint-venture partnership. A Memorandum of Understanding between joint venture Development partners must be submitted with the application.

Furthermore, a Respondent can qualify for development experience by contracting with a development consultant for comprehensive project management services. Project management services should include financial packaging, selection of other consultants, selection of construction contractor and property management agent, oversight of architectural design, construction management, and consultation on major aspects of the development process. The contract for development services must be submitted with the RFP response and must be acceptable to MOHCD.

Minimum Ownership Experience: The proposed Owner (the Developer or other entity if the proposal includes turning ownership over to a different corporate entity upon completion of development) must have owned at least one Qualifying Project in San Francisco for at least 5 years prior to the Submittal Deadline of this RFP. The project must have targeted low- and very low-income families and utilized financing sources similar to those proposed for development of the Site. For purposes of this requirement, the general partner of a tax credit partnership intended to take ownership of the completed project is the proposed “Owner”.

Minimum Property Manager Experience: The proposed property manager must have managed at least three Qualifying Projects in San Francisco, each for at least 24 months, all of which must have targeted low- and very low-income families, at least one of which must have included formerly homeless families, and at least one of which was financed with Low Income Housing Tax Credits.

Minimum Architectural Experience: The proposed lead architectural firm must have completed at least two (2) Qualifying Projects.

Minimum Service Provider Experience: The proposed service provider(s) must have at least 36 months experience providing supportive services to low-income families in San Francisco, preferably in the general vicinity of the Site and at least 36 months experience providing services to homeless families. This experience should include linking clients to the City’s safety net of services and supporting their efforts to access those services.

Note Regarding Experience: For any Respondent team member, the experience of key staff members may be substituted for the experience of the organization as a whole as long as the staff members’ experience in other firms was substantive and involved responsibilities similar to what they are anticipated to perform during the proposed development of the Site.

3. Minimum Developer and Architect Capacity Qualifications.

The proposed Developer and Architect must document their capacity to successfully plan, design, and develop the housing they propose to develop, throughout the period of development, either through staff with appropriate experience and capacity, contracted services, or collaboration with other organizations. This documentation should include a description of the experience and capacity of key staff, their workloads, and the organizational structure for supporting staff. In addition, the Developer or other proposed owner (as general partner of a proposed tax credit partnership) must provide evidence of its capacity to own and asset manage the proposed project or specific plans for increasing its capacity if necessary.

C. Selection Criteria – (100 points possible):

All applications that meet the minimum experience and capacity requirements will be rated and ranked according to the following scoring criteria (see Scoring Criteria details below):

| | Category | Points |
|-----|--|--------|
| (1) | Experience: | 40 |
| a. | Developer Experience (15 pts) | |
| b. | Architect Experience (15 pts) | |
| c. | Property Management Experience (5 pts) | |
| d. | Service Provider Experience (5 pts) | |
| (2) | Development Concept and Preliminary Site Plan: | 40 |
| (3) | Financing and Cost Control Innovations: | 10 |
| (4) | Services Plan: | 10 |
| | TOTAL POSSIBLE POINTS | 100 |

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

Respondents will be scored according to the number of Qualifying Projects that are affordable to low- or very low-income families completed or under development in excess of the minimum

and whether or not their experience includes as least one project that included units targeted to homeless persons (singles, seniors or families).

| | |
|---|------------------|
| One Qualifying Project for very low-income families completed or under development in excess of the minimum required QP. | 10 Points |
| Two or more Qualifying Projects for very low-income families completed or under development in excess of the minimum required QP. | 15 Points |
| At least one completed project that includes units targeted for formerly homeless persons (singles, seniors or families) | 5 points |

(1b) Lead Architectural Firm Experience – (10 points possible):

Points will be awarded only to lead Architects who have completed at least 2 Qualifying Projects. Proposals will be scored according to whether the Architects' experience includes work in San Francisco and experience developing housing for low- and very low-income families.

| | |
|---|------------------|
| Experience in San Francisco but none with affordable housing for low- and very low-income families. | 5 points |
| Experience with affordable housing for low- and very low-income families but none in San Francisco | 7 points |
| Experience with affordable housing for low- and very low-income families in San Francisco. | 10 points |

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

Points will be awarded only to Property Managers whose experience includes managing housing for homeless and low- and very low-income families for at least 24 months.

| | |
|---|-------------------|
| Two points for managing 3-5 affordable family housing rental properties | 2 points |
| Three points for managing 3-10 (or more) affordable family housing rental properties | 3 points |
| Two additional points for managing more than one affordable rental property that serves homeless families | + 2 points |

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

Proposals will be scored according to the amount of experience (length of time) the service provider has successfully provided services to low- and very low-income families and to homeless families. This experience should include linking clients to the City's safety net of services and supporting their efforts to access those services. A Letter of Interest from each service provider must be submitted with the application.

| | |
|--|-----------------------|
| One point will be earned for every 12 months experience providing services for low-income families in excess of the 36-month | Up to 5 points |
|--|-----------------------|

| | |
|--|--|
| minimum requirement for family services or in excess of the 36-month requirement for homeless family services. | |
|--|--|

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

Proposals will be scored according to the degree to which the preliminary site and development plan maximizes housing opportunities while also creating a strongly supportive environment with adequate amenities and open spaces to enhance the lives of the residents and to promote the long-term livability of that housing.

The Selection Panel will base its evaluation on how well the Development Concept and Preliminary Site Plan address the Design Considerations and Guidelines described above in section IV. B. and will score each respondent's plans using the following scoring system:

| | |
|-------------|------------------|
| Outstanding | 40 points |
| Very Good | 32 points |
| Good | 24 points |
| Fair | 16 points |
| Poor | 8 points |
| Inadequate | 0 points |

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

Proposals will be ranked according to the degree to which they propose a financing plan that is feasible and consistent with the requirements, limitations and opportunities associated with its proposed sources; minimizes MOHCD's permanent financing; proposes innovative sources or financing instruments; and uses innovative (i.e., non-standard, routine or commonly used) but practical materials or methodologies designed to reduce development, construction and/or operating costs, either directly or indirectly, without reducing the overall quality of the completed project. This should include both the residential and commercial/arts portions of the development.

| | |
|---|------------------|
| Top ranked proposal re: financial and cost control innovations: | 10 points |
| 2 nd ranked proposal | 7 points |
| All other proposals | 5 points |

(4) *Services Plan* – (10 points possible):

Proposals will be scored according to the degree to which the Services Plan includes providing access to an array of services appropriate to the diverse needs of low-income families, parents and children, including formerly homeless families; how access to those services will be encouraged and facilitated; the degree to which the Plan relies on coordination with existing

services in the neighborhood and community; and the appropriateness of the services budget, using the following scoring matrix:

| | |
|-----------|------------------|
| Excellent | 10 points |
| Very Good | 7 points |
| Good | 5 points |

D. Submittal Requirements

Responses to this RFP should be organized as follows:

1. Summary. Provide a concise narrative description of the proposal for developing the Site, including the development's overall size, uses, resident and community amenities, general layout, and summarized financing and services plans. Add **Attachment 1, Proposal Metrics**.

2. Development Team. Using **Attachment 2, Respondent Description**, provide the name of each organization, names of the Director and primary contact persons, and phone numbers and email addresses for each of the following:

- Lead Developer
- Co-Developer (if applicable)
- Development Consultant (if applicable)
- Lead Architect and co-architect (if applicable)
- Property Manager
- Service Provider(s)

For each Developer or Co-Developer, submit a current copy of the following documents:

- *Certificate of good standing from California Secretary of State*
- *Certification of 501(c)(3) status from the Internal Revenue Service* (for any nonprofit corporations).
- *The latest two (2) years of audited financial statements* (with management letters, if any).

3. Developer Team Experience and Capacity

a. *Developer Experience.* Describe at least one and no more than five (5) Qualifying Projects completed or under development by Respondent, including co-developer or development consultants if any, using one page per Project and including the following information for each Project in the following order:

- Developer or consultant's name and role in the project
- All uses included in the project, including resident or community amenities (e.g. childcare center, tenant services space), commercial uses, etc.
- Total number of units and unit sizes
- Construction Type(s)

- Location of the project
- Target Population, including incomes if applicable
- Summary of financing sources
- Current project status with dates of commencement, completion, as appropriate
- Whether the project was completed on/under/over budget and on/ahead/behind schedule.

Describe briefly the development team's experience with community outreach, particularly with monolingual non-English speaking communities.

- b. *Development Capacity*: Summarize in one page the organizational structure of the development team that will be responsible for developing the Site, including the roles of Developer, Co-Developer and Development Consultant. Identify and briefly describe the experience of key project development staff. Using **Attachment 3, Projected Staffing Workload**, describe their projected workload for the period of the Site's development.
- c. *Ownership Experience and Capacity*: Summarize in one page the ownership experience and, also in one page, the asset management capacity of the proposed owner of the Project including descriptions of:
- As described in Section V.B.2, the proposed Owner of the Project must have owned at least one Qualifying Project for at least five years. Describe that Qualifying Project, including location, non-residential uses, number of units, completion dates, capital financing and target population; and
 - The current asset management structure, staffing, and portfolio of the proposed owner, and its capacity for assuming asset management of an expanded portfolio once development is complete.
- d. *Lead Architect Experience*. Using no more than one page per project, describe at least two but no more than 3 (three) completed Qualifying Projects, including the projects':
- location,
 - number of units,
 - type of construction,
 - completion dates,
 - target population,
 - on-site amenities or associated uses (such as child care and/or small scale neighborhood serving commercial uses),

Using **Attachment 3, Projected Staffing Workload**, describe the projected workload of key staff expected to be involved in the development of the Site.

- e. *Property Manager Experience*. Using no more than two (2) pages, describe the following:
- At least three Qualifying Projects managed in San Francisco, including at least one project that was financed with low-income housing tax credits and one that serves

homeless households and that has been managed for at least 24 months. Describe their location, resident population, associated uses and amenities, size, capital financing sources, and relevant dates of service.

- The total number of buildings in the property management company's portfolio and the number of years each building has been successfully managed.
- The firm's experience with formerly homeless tenants, as well as its track record providing sound operational and building management, its standard procedures regarding resident meetings and resident outreach, and experience managing successful retail spaces.

f. Services Provider(s). Using no more than three (3) pages, describe the following:

- In general terms, the types of services made available to low-income and homeless families; where services are provided; how clients' needs are assessed and how a plan for addressing those needs is developed; how clients are linked to the City's safety net of services and assisted in their efforts to access those services;
- The duration of services contracts with City departments, contact information for any public agency providing funding for services, and documentation of quality of services provided such as contract monitoring reports or funding source evaluations;
- Using **Attachment 4: Service Provider Residential Experience**, describe experience providing on-site or off-site services to residents of low-income housing, highlighting (under "Population Served" and "Services Provided"), and any experience serving homeless families. If more than one service provider is engaged, provide one copy of Attachment 4 for each provider.

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

- a. Narrative Project Concept Description. In 1,000 words maximum describe the major qualities and features of the project design concept. When describing public and common areas and amenities, indicate what anticipated activities they accommodate. Indicate particular groups served by the programs and spaces (tots, children, teens, young adults, adults, elderly, disabled etc.) The description should include the following:
- Overall rationale for configuration of building and open spaces on the parcel.
 - Interior and exterior tenant amenity and activity spaces – list and describe size and qualities of each.
 - Interior community serving spaces, if any – list and describe size and qualities of each.
 - Description of the ground floor uses. Especially for the arts-related space, describe size, qualities, amenities, and access.
 - Response to local environmental factors such as traffic, sun/shade, wind – describe approaches.
 - Commercial spaces, if any in addition to the arts space – describe size, parking and loading (if needed)

b. Conceptual Design Documents. Respondents should limit their design document submissions to the following:

- Site plan showing ground level open space system. Show all proposed entries to uses.
- Conceptual Façade Elevations representing general fenestration, entries and roof lines **but not color nor materials**.
- Floor plans for the ground floor and each residential floor showing general location of proposed residential lobby and entry level tenant spaces, unit locations and sizes, resident amenities, ground floor arts uses, common areas for residents, and general location of any proposed publicly accessed community serving uses, commercial spaces, or retail. Indicate approximate square footages for these spaces on the plan.

5. **Financing and Cost-Control Innovations**. Describe the overall financing plan as further described and in conformance with the requirements of Section IV.D, “Financing Plan”, above, with sufficient information to allow MOHCD to fully determine the proposal’s feasibility, including:

- Predevelopment and Development Sources & Uses budget
- 20-year cash flow, including any commercial income/expenses
- Year 1 operating budget, including any commercial income/expenses
- A MOHCD proforma Excel file along with the electronic submission of response

Highlight any innovative financing approaches intended to minimize MOHCD’s projected capital gap financing. Highlight also any innovative (i.e., non-standard, routine or commonly used) direct or indirect cost-cutting strategies relevant to overall development, construction or operating expenses, including estimated savings calculations if appropriate.

6. **Services Plan**. Submit a services plan of no more than three (3) pages that meets the requirements of Section IV.A.5, “Resident Services”, above and includes the following information:

- The service provider(s) overall philosophy and plan for providing services to the residents, including a listing and brief description of the services to be provided, and highlighting, if appropriate, any innovative approaches it may include;
- The plan for engaging residents and encouraging access to services;
- How services for the residents will be coordinated with the existing net of services in the neighborhood and community;
- The proposed staffing model, including staff titles, position descriptions, salaries, and FTE status, and an explanation of how FTE time will be allocated; and
- A services budget that is consistent with the Services Plan.

7. **Affirmative Marketing Plan**. Submit a draft Affirmative Marketing Plan that includes specific outreach toward Mission District-based tenants displaced by Ellis Act and/or Owner Move-In evictions and other income-eligible Mission District residents who are at risk of losing their housing or are significantly under-housed. The plan should describe efforts to reach these populations that are consistent with Fair Housing law.

8. Community Outreach Plan. Submit a Community Outreach plan that describes how the selected development team will establish positive links with surrounding neighbors and the larger community, provide them with periodic updates and opportunities to provide input throughout the development process. The Outreach Plan should include efforts designed to engage all interested community members, including monolingual non-English speaking members of the community and how Respondents intend to comply with the City's Language Access Ordinance.

9. Disclosure Form. Submit a completed and signed copy of **Attachment 5 – Disclosures**, which requires any respondent to this RFQ to disclose defaults, lawsuits, legal proceedings, bankruptcy filings or financial interests affiliated with MOHCD staff or Citywide Affordable Housing Loan Committee members.

10. Evidence of Authority. Provide a certified corporate resolution of the applicant or, in the case of a partnership, the applicant's general partner, expressly authorizing the applicant to provide a response to this RFP and, if selected by the City, to enter into negotiations with the City for the long-term lease of the Site.

E. Submittal Deadline and Other Important Dates

Pre-Submittal Meeting: Monday, October 24, 2016 at 1:00 PM at the Mayor's Office of Housing and Community Development, 1 South Van Ness Avenue, 5th Floor, San Francisco. The meeting will include a short presentation on the RFP. Prospective respondents will have the opportunity to ask clarifying questions at this meeting and/or by email to kate.hartley@sfgov.org. All questions and their answers will be posted on the MOHCD website.

RFP mailing list: All attendees at the Pre-Submittal Meeting will be added to a 2070 Bryant RFP email list along with any others who may ask to be included. This list will be used to notify all interested parties of any Addenda to the RFP, changes in the schedule, and/or RFP-related postings on the MOHCD website that may occur prior to issuance. The same information along with the RFP itself will be posted on the MOHCD website.

Submittal Deadline: Monday, December 12, 2016 at 5 PM. Deliver 6 (six) hard copies of the Proposal including all attachments to MOHCD, 1 South Van Ness Avenue, 5th Floor reception, attention: Kate Hartley. In addition, email a complete proposal including attachments to: **kate.hartley@sfgov.org**.

The Selection Panel will review all qualified responses and preliminarily score each qualified submittal. The Selection Panel may interview Respondents, at which time Respondents will be asked to present and explain the major characteristics of their proposal, particularly as they relate to the Scoring Criteria, and respond to questions from the Selection Panel. After all interviews have been completed, the Selection Panel will meet to determine the final ranking of all responses and present this ranking to the MOHCD Director.

Scoring and Ranking: All respondents will be notified by Friday, December 23, 2016 as to whether their proposal was complete and meets the minimum experience and capacity requirements.

Interviews: At the discretion of MOHCD, the Selection Panel will schedule interviews with the relevant development teams during the week of **January 9, 2017**.

Final Selection: Subject to approval by the Director of MOHCD, final scoring and selection will be completed by **on or around January 30, 2017**.

VI. TERMS AND CONDITIONS OF REQUEST FOR PROPOSALS

A. Developer Responsibilities

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

- a. Investigating and determining conditions of the Site and the suitability of the Site for the proposed Project.
- b. Securing all required development approvals, including but not limited to any necessary permits or approvals from the City's Planning Department and Department of Building Inspection, and from federal and State agencies associated with environmental and historic preservation reviews as applicable.
- c. Obtaining adequate financing for all aspects of the proposed Project, including predevelopment, construction and operation.
- d. Designing and building the Project in a manner that produces a high-quality, enduring living environment.
- e. Owning, managing, and operating the Project in a manner that ensures its long-term financial viability and the ongoing satisfaction of residents.
- f. Complying with the requirements of any financing for the Project, including but not limited to:
 - Equal Employment Opportunities – The selected developer will be required to comply with local and federal procurement requirements, including the provision of equal employment opportunities for disadvantaged business consultants, architects, contractors, and other potential development team members to participate in the project. To ensure that equal opportunity plans are consistent with City and Federal procurement requirements, sponsors should meet with MOHCD and San Francisco Contract Monitoring Division (CMD) staff prior to hiring their development team to develop a plan for such compliance.
 - Environmental Review - Depending on conditions at the project site and on project plans, the proposed Project may be subject to review under the California

Environmental Quality Act (CEQA), the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA) and specifically the Section 106 historical resources preservation review. Department of City Planning design review may also be required.

- **Accessibility Requirements** - Project sponsors will be responsible for meeting all applicable accessibility standards related to publicly-funded multifamily housing under Section 504 of the Rehabilitation Act of 1973, the Architectural Barriers Act, the Americans with Disabilities Act, and certain statutes and regulations of the City and County of San Francisco. At least 50% of all units must be adaptable and a minimum of 10% of the units must be accessible, including units for the visually and hearing impaired.
- **Prevailing Wages** – This project will be subject to applicable local, state or federal requirements with regard to labor standards. Developers should take prevailing wage requirements and labor standards into account when seeking estimates for contracted work, especially the cost of construction, and other work to which the requirements apply, and when preparing development budgets overall.
- **Employment and Training** – The selected development team will be required to work with the CityBuild initiative of the Office of Economic and Workforce Development to comply with local and federal requirements regarding the provision of employment opportunities for local and low-income residents and small businesses during both the development and operation of the Project.
- **Sustainable Design** - The Mayor’s Office of Housing seeks to maximize the overall sustainability of financed projects through the integrated use of “green” building elements in partnership with the Green Communities Initiative established by Enterprise and Natural Resources Defense Council (NRDC) (see <http://www.greencommunitiesonline.org>). The selected development team will be required to pursue any funding that may become available to help pay for the cost of planning and implementing green building components.¹
- **Insurance Requirements** – see Exhibit A -- Insurance Requirements

B. Errors and Omissions in RFP

Respondents are responsible for reviewing all portions of this RFP. Respondents are to promptly notify MOHCD, in writing, if the respondent discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to MOHCD promptly after discovery, but in no event later than five (5) working days prior to the date for receipt of

¹ Programmatic goals for projects should focus on durability, energy efficiency, indoor air quality and recycling. Respondents may obtain more information about “green” building strategies and resources from Leadership in Energy and Environmental Design (LEED) program, described at <http://www.usgbc.org>. Additional information on “green” affordable housing initiatives can be found in Alameda County’s *Multifamily Green Building Guidelines* at <http://www.stopwaste.org/home/index.asp?page=291>, and at <http://www.greenaffordablehousing.org>.

proposals. (Note that this request for notification of RFP errors differs from requests for additional substantive information, for which the deadline is October 31, 2016.) Modifications and clarifications will be made by addenda as provided below.

C. Addenda to RFP

MOHCD may modify the RFP, prior to the response due date, by issuing written addenda. Addenda will be sent via email to the last known address of each person or firm listed with MOHCD as having received a copy of the RFP for proposal purposes. MOHCD will make reasonable efforts to notify Respondents in a timely manner of modifications to the RFP. Notwithstanding this provision, the Respondent shall be responsible for ensuring that its proposal reflects any and all addenda issued by MOHCD prior to the proposal due date regardless of when the proposal is submitted.

D. Objections

1. RFP Terms - Should any interested party object on any ground to any provision or legal requirement set forth in this RFP, that party must provide written notice to MOHCD setting forth with specificity the grounds for the objection by October 31, 2016. Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection.
2. Notice of Non-Responsiveness - Should a Respondent object on any ground to a determination that its proposal is non-responsive to this RFP, that party must provide written notice to MOHCD setting forth with specificity the grounds for the objection no more than 7 calendar days after the date of the letter notifying the Respondent of MOHCD's determination of non-responsiveness. Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection.
3. Selection of Respondent for Exclusive Negotiations - Should any interested party object on any ground to the MOHCD Director's authorization to proceed with exclusive negotiations with a selected Respondent, that party must provide written notice to MOHCD setting forth with specificity the grounds for the objection no more than 7 calendar days after the developer selection is made public and exclusive negotiations are authorized. If a Respondent files a timely objection, MOHCD's authorization to enter into exclusive negotiations with the selected Respondent will not be binding until the MOHCD Director denies the protest. A Mayoral decision to grant the protest will void MOHCD's prior exclusive negotiations authorization. Failure to object in the manner and within the time set forth in this paragraph will constitute a complete and irrevocable waiver of any objection.
4. Delivery of Objections - Objections must be submitted in writing, addressed to the person identified on in this RFP and delivered to the MOHCD receptionist during business days between the hours of 8:00 a.m. and 5:00 p.m. at 1 South Van Ness Avenue, 5th Floor by the dates due in order to be considered. If an objection is mailed, the objector bears the risk of non-delivery by the deadlines specified above. Objections

should be transmitted by a means that will provide written confirmation of the date MOHCD received the objections.

E. Claims Against MOHCD

No Respondent will obtain by its response to this RFP, and separately by its response waives, any claim against MOHCD by reason of any or all of the following: any aspect of this RFP, any part of the selection process, any informalities or defects in the selection process, the rejection of any or all proposals, the acceptance of any proposal, entering into exclusive negotiations, conditioning exclusive negotiations, terminating exclusive negotiations, approval or disapproval of plans or drawings, entering into any transaction documents, the failure to enter into a lease or lease disposition and development agreement, any statements, representations, acts, or omissions of MOHCD, the exercise of any discretion set forth in or concerning any of the above, and any other matters arising out of all or any of the above.

F. Sunshine Ordinance

In accordance with San Francisco Administrative Code Section 67.24(e), contractors' bids, responses to RFP's and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

G. Reservations of Rights by the City

1. The issuance of this RFP and the selection of a developer pursuant to this RFP are in no way a limitation of the discretion of any City board, commission, department, employee or official with respect to any review or approval required in connection with the proposed Project. The City's selection of a developer is in no way deemed to be the final approval of any project proposed by the developer.

2. The information in this RFP is provided solely for the convenience of respondents.

3. The City expressly reserves the right at any time to do waive or correct any defect or technical error in any response or procedure, as part of the RFP or any subsequent negotiation process; reject any or all responses, without indicating the reasons for such rejection; reissue a Request for Proposals; modify or suspend any and all aspects of the selection procedure, the scope of the proposed project or the required responses, or the processes indicated in this RFP; request that respondents clarify, supplement or modify the information submitted; extend deadlines for accepting responses, or request amendments to responses after expiration of deadlines; negotiate with any, all or none of the respondents to this RFP; make a selection based directly on the proposals, or negotiate further with one or more of the respondents; during negotiation, expand or contract the scope of the proposed project, or otherwise alter the project

concept in order to respond to new information, community or environmental issues; if at any time prior to the execution of binding agreements with the developer MOHCD, in its sole discretion, determines that the selected developer will be unable to proceed with a timely and feasible Project in accordance with this RFP, MOHCD may terminate negotiations with the highest ranked respondent and begin negotiations with the next highest ranked respondent; or determine that no project will be pursued.

4. The issuance of this RFP does not obligate the City to pay any costs whatsoever incurred by any respondent, including but not limited to costs incurred in connection with the preparation or presentation of responses or negotiations with the City. Developer teams responding to this RFP do so at their own expense. **The foregoing notwithstanding, MOHCD will reimburse the cost for architectural analysis and submittal materials required by this RFP as set forth below.**

MOHCD is requiring the submittal of a number of architectural work products as part of this RFP. In order to encourage participation by qualified architects and to mitigate some of the design costs to the developers and architects submitting proposals, MOHCD will reimburse Respondents whose proposals are not selected pursuant to this RFP and which, in the sole discretion of MOHCD, are deemed to have been complete and to have met each of the minimum qualifications described in Section **V. B. *Minimum Experience and Capacity Requirements*** of this RFP. The total aggregate payment for architectural reimbursables by MOHCD shall not exceed \$50,000 and the reimbursement paid to any single Respondent shall not exceed \$5,000. Reimbursement requests may be made upon a Respondent's receipt of notice from MOHCD that its proposal was complete and met the minimum qualifications but was not selected by the Director of MOHCD for implementation on 17th and Folsom, upon execution of a grant agreement with MOHCD for these funds, and upon submission of invoices from the appropriate Architects.

5. The issuance of this RFP is only an invitation to submit qualifications, and does not constitute an agreement by the City that any contract will actually be entered into by the City. This RFP does not in any way limit the discretion of any City board, commission, employee or official with respect to any review or approval of any aspect of a proposed project.

6. The City will not approve any ground lease for the Site that would allow for its development until there has been compliance with the California Environmental Quality Act (CEQA), and, as applicable, the National Environmental Protection Act (NEPA). If the proposed Project is found to cause significant adverse impacts, the City reserves absolute discretion to require additional environmental analysis, and to: (a) modify the project to mitigate significant adverse environmental impacts; (b) select feasible alternatives which avoid significant adverse impacts of the proposed project; or (c) reject or proceed with the project as proposed, depending upon a finding of whether or not the economic and social benefits of the project outweigh otherwise unavoidable significant adverse impacts of the project.

7. The City reserves the right to disqualify any respondent to this RFP based on any real or apparent conflict of interest that is disclosed by the responses submitted or on the basis of other information available to the City. This City may exercise this right in its sole discretion.

Exhibit A: Insurance Requirements

1. Developer, Contractors.

(a) to the extent Developer or its contractors and subcontractors have "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident, injury or illness;

(b) commercial general liability insurance, with limits no less than One Million Dollars (\$1,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000) annual aggregate limit for bodily injury and property damage, including coverage for contractual liability; personal injury; fire damage legal liability; advertisers' liability; owners' and contractors' protective liability; products and completed operations; broad form property damage; and explosion, collapse and underground (XCU) coverage during any period in which Developer is conducting any activity on, alteration or improvement to the Site with risk of explosions, collapse, or underground hazards;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) professional liability insurance of no less than One Million Dollars (\$1,000,000) per claim and Two Million Dollars (\$2,000,000) annual aggregate limit covering all negligent acts, errors and omissions of Developer's architects, engineers and surveyors. If the professional liability insurance provided by the architects, engineers, or surveyors is "Claims made" coverage, Developer shall assure that these minimum limits are maintained for no less than three (3) years beyond completion of the constructions or remodeling. Any deductible over Fifty Thousand Dollars (\$50,000) each claim must be reviewed by Risk Management; and

(e) a crime policy or fidelity bond covering Developer's officers and employees against dishonesty with respect to the Funds of no less than Seventy Five Thousand Dollars (\$75,000) each loss, with any deductible not to exceed Five Thousand Dollars (\$5,000) each loss, including the City as additional obligee or loss payee;

(f) pollution liability and/or asbestos pollution liability applicable to the work being performed with a limit no less than One Million Dollars (\$1,000,000) per claim or occurrence and Two Million Dollars (\$2,000,000) annual aggregate per policy. This coverage shall be endorsed to include Non-Owned Disposal Site coverage. This policy may be provided by the Developer's contractor, provided that the policy must be "claims made" coverage and Developer must require Developer's contractor to maintain these minimum limits for no less than three (3) years beyond completion of the construction or remodeling.

2. Property Insurance.

Developer must maintain, or cause its contractors and property managers, as appropriate for each, to maintain, insurance and bonds as follows:

(a) Prior to construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all improvements prior to commencement of construction and City property in the care, custody and control of the Developer or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

(b) During the course of construction:

(i) Builder's risk insurance, special form coverage, excluding earthquake and flood, for one hundred percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Developer or its contractor, including coverage in transit and storage off-site; the cost of debris removal and demolition as may be made reasonably necessary by such covered perils, resulting damage and any applicable law, ordinance or regulation; start up, testing and machinery breakdown including electrical arcing, copy of the applicable endorsement to the Builder's Risk policy, if the Builder's Risk policy is issued on a declared-project basis; and with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City and all subcontractors as loss payees.

(ii) Performance and payment bonds of contractors, each in the amount of One Hundred Percent (100%) of contract amounts, naming the City and Developer as dual obligees or other completion security approved by the City in its sole discretion.

(c) Upon completion of construction:

(i) Property insurance, excluding earthquake and flood, in the amount no less than One Hundred Percent (100%) of the replacement value of all completed improvements and City property in the care, custody and control of the Developer or its contractor. For rehabilitation/construction projects that are unoccupied by residential or commercial tenants, Tenant must obtain Property Insurance by the date that the project receives a Certificate of Substantial Completion.

(ii) Boiler and machinery insurance, comprehensive form, covering damage to, loss or destruction of machinery and equipment located on the Site that is used by Developer for heating, ventilating, air-conditioning, power generation and similar purposes, in an amount not less than one hundred percent (100%) of the actual replacement value of such machinery and equipment with a deductible not to exceed Ten Thousand Dollars (\$10,000) each loss, including the City as loss payee.

The following notice is provided in accordance with the provisions of California Civil Code Section 2955.5: Under California law, no lender shall require a Developer, as a condition of receiving or maintaining a loan secured by real property, to provide hazard insurance coverage against risks to the improvements on that real property in an amount exceeding the replacement value of the improvements on the property.

3. Commercial Space.

Developer must require that all nonresidential tenants' liability insurance policies include Developer and the City as additional insureds, as their respective interests may appear. Throughout the term of any lease of Commercial Space in the Project, Developer must require commercial tenants to maintain insurance as follows:

(a) to the extent the tenant has "employees" as defined in the California Labor Code, workers' compensation insurance with employer's liability limits not less than One Million Dollars (\$1,000,000) each accident;

(b) commercial general liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including coverage for contractual liability; personal injury; advertisers' liability; including coverage for loss of income due to an insured peril for twelve (12) months; owners' and contractors' protective; broadform property damage; explosion, collapse and underground (XCU); products and completed operations coverage;

(c) business automobile liability insurance, with limits not less than One Million Dollars (\$1,000,000) each occurrence, combined single limit for bodily injury and property damage, including owned, hired and non-owned auto coverage, as applicable;

(d) with respect to any tenant who has (or is required by Law to have) a liquor license and who is selling or distributing alcoholic beverages and/or food products on the leased premises, to maintain liquor and/or food products liability coverage with limits not less than One Million Dollars (\$1,000,000), as appropriate;

(e) special form coverage insurance, including vandalism and malicious mischief, in the amount of 100% of the full replacement cost thereof, covering all furnishings, fixtures, equipment, leasehold improvements, alterations and property of every kind of the tenant and of persons claiming through the tenant; and

(f) full coverage plate glass insurance covering any plate glass on the commercial space.

4. General Requirements.

(a) General and automobile liability policies of Developer, contractors, commercial tenants and property managers must include the City, including its Boards, commissions, officers, agents and employees, as an additional insured by endorsement acceptable to the City.

(b) All policies required by this Agreement must be endorsed to provide no less than thirty (30) days' written notice to the City before cancellation or intended non-renewal is effective.

(c) With respect to any property insurance, Developer hereby waives all rights of subrogation against the City to the extent of any loss covered by Developer's insurance, except to the extent subrogation would affect the scope or validity of insurance.

(d) Approval of Developer's insurance by the City will not relieve or decrease the liability of Developer under this Agreement.

(e) Any and all insurance policies called for herein must contain a clause providing that the City and its officers, agents and employees will not be liable for any required premium.

(f) The City reserves the right to require an increase in insurance coverage in the event the City determines that conditions show cause for an increase, unless Developer demonstrates to the City's satisfaction that the increased coverage is commercially unreasonable and unavailable to Developer.

(g) All liability policies must provide that the insurance is primary to any other insurance available to the additional insureds with respect to claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought and that an act of omission of one of the named insureds that would void or otherwise reduce coverage will not void or reduce coverage as to any other insured, but the inclusion of more than one insured will not operate to increase the insurer's limit of liability.

(h) Any policy in a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs are included in the general annual aggregate limit must be in amounts that are double the occurrence or claims limits specified above.

(i) All claims based on acts, omissions, injury or damage occurring or arising in whole or in part during the policy period must be covered. If any required insurance is provided under a claims-made policy, coverage must be maintained continuously for a period ending no less than three (3) years after recordation of a notice of completion for builder's risk or the Compliance Term for general liability and property insurance.

(j) Developer must provide the City with copies of endorsements for each required insurance policy and make each policy available for inspection and copying promptly upon request.

ATTACHMENTS

1. Proposal Metrics
2. Respondent Description
3. Projected Staffing Workload
4. Service Provider Experience
5. Disclosures