



City and County of San Francisco
Mayor's Office of Housing and Community Development

**Request for Proposals (RFP) for Housing for a
Healthy California (HHC) Funds to Develop
Permanent Supportive Housing**

Summary

In July 2020, Mayor London Breed announced the [Homelessness Recovery Plan](#), which includes a slate of investments in housing, shelter and prevention that prioritizes housing as healthcare and ensures that the City's recovery from the COVID-19 pandemic prioritizes our most vulnerable residents. A key element of the Plan is the placement of residents experiencing homelessness into existing permanent supportive housing or into upcoming permanent supportive housing in the City's pipeline. To create additional permanent supportive housing and to support the Mayor's Plan, the Mayor's Office of Housing and Community Development (MOHCD) applied for funding from the State of California's Housing for a Healthy California (HHC) program and was awarded \$6,798,810 in capital funding to support the development of permanent supportive housing. MOHCD is seeking proposals from affordable housing developers who can put this funding to work immediately on a project that meets the criteria below.

Schedule

RFP Issued	April 29, 2021
Final Deadline for Submitting Proposals	May 12, 2021
Award Announcement	May 14, 2021

RFP Questions and Responses

Interested parties are directed **not** to contact any employees, agents or officials of the City other than those specifically designated in this RFP. All questions must be submitted by email to anne.romero@sfgov.org. Responses to the RFP must also be submitted by email to anne.romero@sfgov.org.

Background

The State of California's [HHC program](#) creates supportive housing for individuals experiencing homelessness, or chronic homelessness, and are a high-cost health user, a MediCal beneficiary, or eligible for Medi-Cal through the California Department of Health Care Services (DHCS) Medi-Cal program. The goal of the HHC program is to reduce the financial burden on local and state resources due to the over utilization of emergency departments, inpatient care, nursing home stays and use of corrections systems and law enforcement resources as the point of health care provision for extremely low-income people who are experiencing homelessness, or chronic homelessness, and a High-cost health user. The intent of this program is to allow certain individuals who are (1) extremely low income, (2) experiencing homelessness or chronic homelessness and (3) are a High-cost health user to benefit from supportive housing opportunities that include intensive services promoting housing stability, while decreasing their utilization of emergency departments, inpatient care, nursing stays and other health care costs.

MOHCD applied for, and was allocated, \$6,798,810 in HHC funds to award locally for HHC-eligible uses.

Purpose of this Request for Proposals

MOHCD is issuing this Request for Proposals (RFP) to identify **one** permanent supportive housing project that 1) advances the Mayor's Homelessness Recovery Plan housing goals and, 2) will become feasible with the infusion of the awarded HHC funding. In order to meet the urgent need outlined in the Mayor's Plan, the awarded project must be able to close construction financing by January 2022 and complete rehabilitation by June 2023.

The awarded project will be eligible to receive a LOSP commitment from MOHCD to subsidize the operations of the project's HHC-funded units, as well as, supportive services funding from the Department of Homelessness and Supportive Housing (HSH) to provide services support to individuals living in HHC-funded units.

Contents of Proposal

Interested affordable housing developers must include the following information in their proposal, presented in the order below:

1. Project description that addresses the following requirements (limited to 4 pages single spaced):
 - a. Project Type: Rehabilitation of under-utilized permanent supportive housing that does not create displacement of existing residents. Include a description of past experience over the last 10 years of developing similar rehabilitation projects, as well as operating supportive housing for the target population.
 - b. Use of Funds: Capital financing
 - c. Number of Residential Units: 30
 - d. Population Served: Individuals who meet the [HHC](#) program criteria –
 - i. Extremely low-income
 - ii. Experiencing chronic homelessness or homelessness
 - iii. A high-cost health user, a MediCal beneficiary, or eligible for Medi-Cal through the California Department of Health Care Services (DHCS) Medi-Cal program
2. Detailed project schedule that addresses the timing requirements described above.
3. Pro forma that presents a feasible project with the inclusion of MOHCD's HHC funds. Pro forma must meet the underwriting standards of [MOHCD](#) and California's Department of

Housing and Community Development ([HCD](#)). Pro forma must be submitted in the MOHCD Application format. MOHCD evaluation will focus on:

- a. 1st Year Operating Budget (assume LOSP subsidy for HHC units)
 - b. 20-Year Cash Flow
 - c. Development Budget representing Sources and Uses
4. A Supportive Services Plan and Budget that meets the requirements of the [HHC](#) program (see Sections 112 and 113); identify service provider and experience serving the target population (limited to 4 pages single spaced).
 5. A racial equity strategy for the project that discusses the following (limited to 2 pages single spaced):
 - a. Racial equity awareness of applicant
 - b. Experience serving historically excluded communities of color
 - c. Proposed approach to overcoming historical obstacles for communities of color in obtaining the high-quality affordable housing provided by the proposed project

Scoring of Proposals

Proposals will be scored and ranked by MOHCD staff according to the following criteria:

Category		Points
1. Developer/Owner Experience	<ul style="list-style-type: none"> ➤ Experience completing substantial rehabilitation projects with temporary relocation on time and on budget ➤ Experiencing operating supportive housing for the target population ➤ Experience developing and/or owning affordable housing in the same neighborhood as the proposed project 	25
2. Service Provider Experience and Proposed Services Plan	<ul style="list-style-type: none"> ➤ Experience delivering services to target HHC population ➤ Experience linking residents to the City's safety net of services ➤ Track record working with property management to achieve high rates of housing retention ➤ Services Plan supports positive outcomes for residents around health 	25
3. Racial Equity Strategy	<ul style="list-style-type: none"> ➤ Demonstrates experience serving historically excluded communities of color ➤ Thoughtfulness of approach to overcoming historical obstacles to communities of color obtaining high quality affordable housing ➤ Diverse staff and Board of Directors 	15
4. Shovel Ready Status	<ul style="list-style-type: none"> ➤ Demonstrates ability to close construction financing by January 2022 and complete rehabilitation by June 2023 to provide 30 new permanent supportive housing units for the HHC target population 	15
5. Financial Feasibility	<ul style="list-style-type: none"> ➤ Demonstrates project feasibility and sound financing assumptions ➤ Demonstrates competitiveness for CDLAC allocation ➤ Minimizes use of MOHCD gap financing 	20

TOTAL POSSIBLE POINTS:

100

The commitment of HHC funding to the selected project will be subject to Loan Committee approval.

The City will not pay any costs incurred in the preparation of a proposal. Only written proposals, submitted via email, will be considered. MOHCD reserves the right to reject any or all proposals without further discussion or negotiations, and may waive technical errors or discrepancies if to do so serves the interest of the City. This Request for Proposals does not commit MOHCD to select a proposal.