

Notice of Funding Availability

For the Development or Acquisition of
Affordable Multi-Family Rental Housing



NOFA ISSUED: 6/5/20

RESPONSE DUE DATE: 6/19/20 at 5:00 pm

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Notice of Funding Availability

For the Development or Acquisition of Affordable Multi-Family Rental Housing

INTRODUCTION

The City of San Rafael hereby announces the availability of one million six-hundred thousand dollars (\$1,600,000) of initial funding to spur the creation of affordable family rental housing. Funding above this initial funding amount may be awarded as part of this NOFA depending on the availability of additional Trust Fund monies. These funds are being made available through a commitment by the San Rafael City Council to encourage the development and preservation of family rental housing in the City of San Rafael. The City of San Rafael Community Development Department ("CDD") will be leading these efforts on behalf of the City and is now seeking applications for the development or acquisition of rental housing affordable to lower income households.

Successful applicants will be responsible for all entitlements, construction and long-term management of the housing. CDD will provide technical assistance on topics such as site analysis, assistance with fee waivers, and conducting public outreach.

Guidelines for the Administration of the Affordable Housing Trust Fund

On January 21st, 2020, the San Rafael City Council approved *Guidelines for the Administration of the Affordable Housing Trust Fund* ("Guidelines"). These Guidelines outline the policies and procedures for administering the City's Trust Fund. All applicants must meet the requirements outlined in the Guidelines.

The Guidelines can be found here:

https://cityofsanrafael.granicus.com/MetaViewer.php?view_id=38&clip_id=1762&meta_id=151723

Available Funding

The funding, granted through a competitive process, will be available for one or more projects that meet the goals and selection criteria outlined in this Notice of Funding Availability ("NOFA"), subject to formal approval by the City Council.

Through this NOFA, the City is seeking to identify and engage prospective housing partners to construct new affordable rental units and/or to acquire market rate family housing for conversion to affordable housing.

SELECTION CRITERIA

All submissions must meet the following minimum qualifications:

Eligible Projects:

- Rental housing that meets the affordability requirements, including Permanent Supportive Housing;
- SRO (single-room occupancy) projects;
- Supportive and transitional housing;
- The residential portions of mixed-use and live/work projects that meet the affordability requirements of the Guidelines;
- Conversion of market rate housing to affordable, or of non-residential buildings to affordable housing;
- Single-family or multifamily homeownership projects that meet affordability guidelines
- Any other project that meets the goals and priorities of the Guidelines.

Eligible Applicants:

- Non-profit organizations, qualified under Section 501(c)(3) of the Internal Revenue Code;
- Public agencies;
- For-profit developers working in partnership with a 501(c)(3) nonprofit organization will be eligible to apply;
- Any other application that CDD determines helps to address program goals and priorities of increasing affordable housing as reflected by ordinances and resolutions established by the City Council.

Activities eligible for funding:

- Seed/Catalyst funds for very early costs to initiate or expedite project development (such as feasibility analysis or community planning);
- Land or property acquisition for new development;
- Predevelopment (architecture, engineering/soils, environmental reports, financial consultants, etc.);
- Construction (site preparation, construction, materials);
- Rehabilitation activities to renovate existing rental units;
- Conversion of market rate housing, or non-residential buildings, to deed-restricted affordable housing;
- Any other activity that CDD determines helps to address program goals and priorities of increasing affordable housing as reflected by ordinances and resolutions established by the City Council.

Additional consideration will be given to proposals that exceed the minimum qualifications.

Submissions will be ranked based on selected criteria, including, but not limited to:

- A tangible cost-effective benefit to the City;
- Readiness to proceed, including but not limited to site control, which may be in the form of: executed deed; a contract of sale; option to purchase; a local Land Disposition Agreement; or a letter from a public agency or other entity agreeing to convey the property, including the terms and conditions of such a transfer.
- Expertise and experience of the development entity and team in designing and constructing high-quality affordable housing projects.
- Financial and organizational capacity of the team to successfully complete the project, including the ability to secure financing and leverage other funding sources.
- Successful record of long-term management of affordable housing.
- Capacity to provide the greatest return on the City's investment by maximizing the number of affordable units created through the creative use of building designs, materials, construction techniques, etc.
- Reasonable per unit subsidy including evaluation of the target population, project type and cost effectiveness (cost per person, externalities, reserves, leveraging).
- Ability to leverage other sources of funding, including Low-Income Housing Tax Credits.

Priority will be given to new development projects and to projects that are located within ¼ mile of transit, provide units for larger families, or serve very-low- and/or extremely-low-income households.

PROCUREMENT AND FUNDING APPROVAL PROCESS

PROPOSAL DEADLINE: Friday, June 19, 2020 at 5:00 pm

APPLICATIONS AVAILABLE HERE: <https://www.cityofsanrafael.org/documents/affordable-housing-trust-fund-application/>

Email submissions are due to ethan.guy@cityofsanrafael.org no later than June 19, 2020 at 5:00 pm.

Incomplete submissions or submissions that do not meet the minimum qualifications or otherwise do not conform to the requirements specified herein will not be considered.

Applicants are encouraged to contact CDD staff with questions regarding this NOFA. All questions or clarifications should be submitted via email to the Ethan Guy, Principal Analyst, City of San Rafael Community Development Department at ethan.guy@cityofsanrafael.org or (415) [458.2392](tel:458.2392).

Timing

City staff anticipates the NOFA process will take approximately one month following submittal of responses. Staff will provide recommendations of which projects to fund to the San Rafael City Council and request City Council approval to negotiate the appropriate funding agreement.

Disclaimers

The City reserves the right to suspend, amend or modify the provisions of this NOFA, to extend the submission deadline, to reject all proposals, to negotiate modifications of proposals, or to award less than the full amount of funding available.

While the dates and schedule stated in this NOFA represent the City's preferred timetable, it shall not be considered binding on the City. The submission of a response to this NOFA shall not be binding upon the City nor construed as a contract with or a commitment by the City. The City will not pay any costs incurred in the preparation of a response to this request. The City reserves the right to make decisions on which proposal it deems in the City's best interest, including rejecting all applicants or

All submissions shall be public records subject to public disclosure pursuant to the provisions of the California Public Records Act (Government Code Section 6250 et seq.).

Minimum City Contracting Requirements

The City of San Rafael will enter into the appropriate funding agreement with the successful applicants. The funding agreement will require the organization to maintain insurance coverage for the organization and its employees and for the property funded by the City, as specified below. The City of San Rafael will require each organization to carry the following minimum insurance:

1. Commercial general liability insurance policy in the amount of \$1,000,000 (\$2,000,000 aggregate). The City of San Rafael shall be named as an additional insured on the commercial general liability policy;
2. Commercial automobile liability policy including non-owned and hired automobile, in the amount of \$1,000,000; and
3. Workers Compensation as required by state law.

All of the above policies shall be payable on a per occurrence basis.

Contractors may also be required to carry errors & omissions, professional liability or malpractice insurance.

Environmental review and assessment

Before the final funding commitment, projects must be assessed in accordance with the California Environmental Quality Act (CEQA). If Federal funding is involved, the project must also be assessed in accordance with the National Environmental Policy Act (NEPA).

SUBMISSION REQUIREMENTS

All submissions must include specific information regarding the developer's experience with the development and management of affordable rental housing and clearly indicate the roles and responsibilities of each member of the development team.

All submissions shall be concise and relevant to the proposed scope of services and shall include the following information and documents:

- i. [Housing Trust Fund Application](#)
- ii. Cover letter summarizing the proposed project, including number of units, number of bedrooms/baths per unit, affordability levels, accessibility features.
- iii. Qualifications and experience of the entities that will be involved in the development and the roles of each firm. This should include company profile for each firm and identification of the Lead Consultant. Please include:
 - a. A brief description of each firm.
 - b. Information on all staff that will be working on the project including experience with similar projects.
 - c. List of previous similar work including client, property location, and number of units, type of financing (Federal, State, and local).
- iv. Preliminary development budget and financing plan including sources and uses.
- v. Proposed development schedule with major milestones.
- vi. Long term rental management plan including operating pro-forma of at least 20 years.
- vii. Resolution or some other form of authority, signed by a Chief Executive Officer, Corporate Secretary, or managing partners, which lists the specific Officers who are authorized to execute agreements on behalf of the firm.
- viii. Any other information that would help City staff and the selection committee understand and evaluate the development proposal. Information may include client references for past development projects. References should include the following information:
 - a. A brief project description including number of units and populations served.
 - b. The client contact person's name, title, organization, physical and email address, telephone number, and the project(s) that were completed under that client's direction.