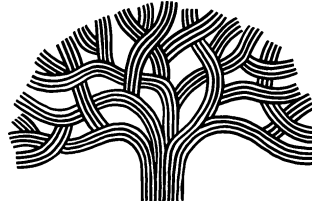


2022 Request for Homekey Proposals



City of Oakland

Department of Housing and Community Development

Release Date: 10/4/22

Due Date: 11/18/22

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2022 City of Oakland Request for Homekey Proposals

The City of Oakland Department of Housing and Community Development (City) is seeking proposals for interim, semi-permanent, and permanent affordable housing for homeless and formerly homeless individuals and households under the State of California Homekey program. In addition, semi-permanent affordable housing and interim housing proposals are also being solicited for two city-owned sites, 9481 Edes Avenue and 606 Clara Street. **Any team that meets the requirements of the “Qualifications” section listed below will be eligible to apply under this Request for Proposals (RFP). There will be no separate Request for Qualifications process, and participation in a prior RFP or RFQ is not required.**

Teams seeking to be the City’s co-applicant on a Homekey project must complete the application described below, including all supporting documentation. For the purposes of this RFP, a team is defined as one or more entities that together have the capacity to develop, manage, and provide services for a proposed Homekey project.

Applications must be submitted into the City’s Homekey RFP portal no later than 4:00 p.m. on Friday, November 18, 2022: <https://www.oaklandca.gov/topics/city-homekey>. No email or hard copy submittals will be accepted. Applications submitted after this deadline will not be accepted. **All Exhibits for this RFP are available online at <https://www.oaklandca.gov/topics/city-homekey>.**

The following City housing values and priorities guide the scoring priorities for this RFP:

1. A commitment to advancing racial equity;
2. A commitment to provide housing for persons experiencing homelessness or at risk of homelessness, and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic¹.

The following are a list of notable ways this RFP is different from the 2021 Oakland Homekey RFP:

1. Projects that reserve 25% or more of their units for Transition Aged Youth (TAY) residents shall qualify for a set-aside pool, which will award up to 25% of Oakland’s matching resources. If a project serving TAY residents does not receive funding through the TAY pool, it shall still be eligible for consideration in the main pool.
2. All projects must identify the specific addresses of property used. Scattered site projects are eligible, but the proposal must identify all project addresses.
3. This RFP includes only two City-owned sites, 9481 Edes Avenue and 606 Clara Street, which are adjacent to each other and can be treated as one site. For these sites, the City will consider proposals for interim to semi-permanent (operating up to 15 years) or permanent affordable housing (operating 55+ years), contingent on teams demonstrating built examples of meeting rapid timelines like Homekey’s.

¹ Homeless or who are At Risk of Homelessness, as defined in 24 CFR part 578.3.

4. The City is relying on the State of California Homekey NOFA and regulations from the 2021-2022 round of Homekey to inform this RFP.

I. RFP Timeline

October 4th, 2022	City of Oakland Homekey RFP released
October 21, 2022 at 1:00PM	City of Oakland Homekey RFP Pre-Application meeting https://us02web.zoom.us/j/3202776725
November 18, 2022 at 4:00PM	Oakland RFP Proposals due to City via City website application portal https://www.oaklandca.gov/topics/city-homekey
December 2022	City announces top scoring RFP projects to co-apply for State Homekey NOFA funds, when the State Homekey NOFA is released
TBD-Expected Early Spring 2023	State Homekey NOFA application available

State Homekey NOFA Schedule Requirements

Expected project timelines based on the 2021-2022 State Homekey NOFA:

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

II. Application Process and Pre-Application Meeting

Applications must be submitted through the City’s Homekey website. Paper or e-mail applications will not be accepted. See the City’s Homekey website for application portal:

<https://www.oaklandca.gov/topics/city-homekey>

Teams are strongly encouraged to attend a pre-application meeting via video conference, scheduled for October 21, 2022, at 1:00-2:00PM. City Housing staff will review the online application process and be available for questions, and a recording of the meeting will be posted on the City’s Homekey website afterwards. See below for Zoom meeting call-in info:

City of Oakland Homekey RFP Pre-Application Meeting

<https://us02web.zoom.us/j/3202776725>

Meeting ID: 320 277 6725

One tap mobile

+16699009128,,3202776725# US (San Jose)

Dial by your location

+1 669 900 9128 US (San Jose)

III. State Homekey Program Guidelines

The State has stated that the Homekey Program Notice of Funding Availability, Round 3 (State Homekey

NOFA) will be issued in Spring 2023. Like the 2021-2022 round, we expect that California HCD will accept applications on a continuous, over-the-counter basis until available funds are exhausted.

The City intends to apply jointly with eligible Teams as co-applicants for projects selected through this RFP. The State Homekey NOFA should include a California Environmental Quality Act (CEQA) exemption set forth at Health and Safety Code (HSC) section 50675.1.4 and the provision for land use consistency and conformity set forth at HSC section 50675.1.3, subdivision (i). Although the Homekey CEQA exemption is largely limited to existing buildings, the State has identified alternate streamlining pathways for new construction projects that the City encourages Teams to explore².

Homekey Eligible Projects:

The City will consider a variety of innovative housing solutions. Awarded funds must be used to provide interim, semi-permanent (up to 15 years) or permanent housing for individuals and families experiencing homelessness. The State will likely set-aside funds for housing serving homeless youth and youth at risk of homelessness.

Eligible Homekey uses may include:

- Acquisition with or without rehabilitation of motels, hotels, hostels, or other sites and assets, including apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, commercial properties, and other buildings with existing uses that could be converted to permanent housing.
 - Master leasing of properties for non-congregate housing.
 - Conversion of units from nonresidential to residential.
 - New construction of dwelling units.
 - The purchase of affordability covenants and restrictions for units.
 - Relocation costs for individuals who are being displaced as a result of the Homekey project.
 - Capitalized operating subsidies for Homekey units purchased, converted, constructed, or altered.
- Past and existing Homekey projects awarded by the State under the 2020 or 2021 Homekey rounds are ineligible for this RFP.*

IV. City Capital and Operating Subsidy Guidelines

Homekey projects may seek local capital subsidy to meet Homekey match requirements and achieve project feasibility. This match requirement will be a limiting factor for the number of Homekey applications that the City will ultimately support and submit to the State.

The City has identified the City funding for Oakland Homekey projects responding to this RFP. The amount of capital and operating subsidy for the TAY and general pools will not exceed the following:

	TAY	General
Capital	\$5,402,110	\$16,206,331
Operating Subsidy	\$3,419,178	\$10,257,535

² In 2011, the State issued a CEQA Exemption Q&A: <https://homekey.hcd.ca.gov/sites/default/files/2021-09/CEQA%20Exemption%20in%20AB%20140%20-%20Questions%20%26%20Answers.pdf>

1. **Capital Subsidy:** The City expects to dedicate up to **\$21,608,441** of City funds as capital match for eligible Homekey projects, comprised of funds from the City's Affordable Housing Impact Fees, Boomerang funds, Excess Redevelopment Bond funds, Low and Moderate Income Housing Asset Funds, and HOME-ARP funds.
 - a. HOME-ARP funds are subject to National Environmental Protection Act (NEPA) review per HUD's implementing regulations at 24 CFR part 58³. Please see City Program Guidelines below for more details.

2. **Operating Subsidy:** This RFP identifies the following as potential sources of operating subsidy for Oakland Homekey projects:
 - a. **Homekey Operating Subsidy: 3 years + potential bonuses**
 - i. The State Homekey NOFA may provide up to three years of capitalized operating subsidy at a rate of \$1,000 per unit per month for most Homekey units, and \$1,400 per unit per month for units serving chronically homeless or homeless youth. These subsidy rates are included in the State's application workbook.
 - ii. Although the State included Timely Submission and Expedited Occupancy Bonuses in the 2021-2022 Homekey NOFA, the City will exclude these bonuses when assessing proposals under this RFP.
 - b. **The City may dedicate up to \$13,676,713 in funding towards operating subsidy**

Please see instructions in Section VI for application proforma guidance.
 - c. **Projects will be considered in two pools: Transition Aged Youth (TAY) and General.** The TAY pool will represent 25% of local capital and operating subsidy funding and will comprise a separate competition than the general pool. However, a TAY project may compete in the general pool if the TAY pool is exhausted by higher scoring TAY projects. To participate in the TAY pool, a project must meet all of the following requirements derived from the last State Homekey NOFA:
 - i. Have at least 25 percent (25%) of Assisted Units reserved for Homeless Youth or Youth at Risk of Homelessness;
 - ii. Have jointly applied and/or partnered with a nonprofit corporation(s), including community-based organization(s), with experience serving Homeless Youth, or Youth at Risk of Homelessness; and
 - iii. Have reasonable proximity to youth-centered amenities, including, but not limited to, community colleges, universities, trade schools, apprenticeship programs, employment programs,

³ [eCFR :: 24 CFR Part 58 -- Environmental Review Procedures for Entities Assuming HUD Environmental](#)

childcare centers for parenting youth, and community centers for youth (e.g., LGBTQ+ centers, drop-in youth centers).

- d. **Please do not assume that your project will have access to Project-Based Section 8 or other Oakland Housing Authority (OHA) funds.** RFP proposal budgets should not include Project-Based Vouchers (PBVs). The City does not award PBVs. The Oakland Housing Authority (OHA) will assess projects for a capitalized operating subsidy. The City will notify OHA of projects successfully awarded through the State Homekey NOFA, and OHA will evaluate projects for potential funding awards based on its priorities, established process, and funding availability. For any project receiving federal funds, the award is conditioned on compliance with the requirements of the National Environmental Policy Act (NEPA). If funding resources are available, OHA may rely on this RFP process to award them. OHA priorities include projects with wrap around services for the duration OHA investment, evidence of commitment to resident involved best practices for health and safe communities, on-site property management, proximity to public transportation, commitment to advancing racial equity; targeting homeless populations and those impacted by gender based violence, projects integration with surrounding communities, outreach and engagement and projects offering one and two bedroom units with kitchen and bathroom.
- e. **The City may prioritize projects that have secured alternative sources of operating subsidy to those listed above.**

V. City Program Guidelines

Based on the State Homekey NOFA, the City has established the following conditions to the City Homekey Program.

1. **Qualifications: All Teams are required to meet the minimum qualifications and documentation found in the following subparts.** There will not be a separate Request for Qualifications to identify a list of eligible applicants. For the purposes of this RFP, a team is defined as one or more entities that together have the capacity to develop, manage, and provide services for a proposed Homekey project.
 - a. **Developer/Owner:** Acquisition, development/rehabilitation, ownership, and operation of a project similar in scope and size to the proposed project, completed on time and within budget; OR acquisition, development/rehabilitation, ownership, and operation of at least two affordable rental housing projects in the last ten years, with at least one of those projects containing at least one unit housing the proposed target population. Projects must have been completed on time and within budget.
 - b. **Property Manager:** Three or more years of property management

experience serving the proposed target population.

- c. **Service Provider:** Demonstrated experience providing services to proposed target population.
 - d. **All:** Has/have no non-compliance actions from the City, Alameda County, TCAC, CDLAC, or other State agencies, lenders or tax credit investors in the last five years.
 - e. **All:** Is not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by HUD or any other Federal department or agency.
 - f. **All:** Agrees to maintain the proposed development as affordable rental housing in compliance with all applicable regulatory agreements.
 - g. **All:** Has not had any unfavorable judgments or bankruptcies in the last seven years and is not currently involved in any pending or threatened lawsuits or judgment or bankruptcy involving itself or any entity in which it has been or is now involved, OR provides a complete description of any and all known bankruptcies, unfavorable judgments and/or pending lawsuits involving itself or any entity in which they have been or is now involved. Please note that all entities are required to disclose pending disputes with the City when bids, proposals or applications are submitted for a City contract or transaction.
 - h. **All:** Commitment to using the Coordinated Entry System (CES) for all resident referrals.
 - i. **All:** Uploads:
 - i. For teams of more than one sponsor, please upload an organizational chart
 - ii. Please upload attachments with specific examples supporting your certified qualifications. As much as possible, please consolidate qualifications into one PDF file for each organization.
 - iii. Please upload the City of Oakland Campaign Contributions Disclosure Form with your sponsor qualifications (Exhibit D of this RFP, also available for download on City website)
2. **Only one project per Team will be considered under this RFP.** Please put forth your strongest proposal for City consideration. However, individuals or organizations may be part of multiple teams with different compositions. As the two city sites available in this RFP are adjacent, a project that uses both properties for a single development will still be considered one project.
 3. **The City's Homekey website will include a list of interested partners and interested sellers for your information.** Please visit <https://www.oaklandca.gov/topics/city-homekey> for self-reported lists of properties and partners. The City makes no representation regarding the accuracy of this

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

4. **The City will not directly acquire any new Homekey properties.** Teams must acquire, own, develop, and manage the proposed properties (except for the existing City-owned sites). The City will not provide predevelopment funding under this RFP or conduct any due diligence for Teams.
5. **Homekey income and rent levels cannot exceed 30% of Area Median Income (AMI).** However, because the incomes of Oakland residents currently in the Coordinated Entry System are typically well below 30% of AMI, the City may prioritize projects that restrict rents to 30% of tenants' income with very low or no minimum income requirements.

Rent Limits: Proposed projects not requesting City subsidy should assume the following Multifamily Tax Subsidy Project (MTSP) income and rent limits adopted by the State Homekey program⁴:

2022 MTSP Regular Income Limits					
Household (HH) Size ⁵	1 person	2 persons	3 persons	4 persons	5 persons
Income Limit	\$30,000	\$34,290	\$38,580	\$42,840	\$46,290

2022 MTSP Regular Rent Limits					
Bedroom Size	SRO	0 BR	1 BR	2 BR	3 BR
Rent Limit	n/a	\$750	\$803	\$964	\$1114

Proposed projects that are requesting City matching funds should assume the following income and rent limits prescribed by Sections 50053 and 50052.5 of the California Health and Safety Code:

2022 Official State Income Limits (Use if Local Funds Anticipated)					
Household (HH) Size ⁵	1 person	2 persons	3 persons	4 persons	5 persons
Income Limit	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300

2022 Rent Limits (Use if Local Funds Anticipated)					
Bedroom Size	SRO	0 BR	1 BR	2 BR	3 BR
Rent Limit	\$750	\$750	\$857	\$965	\$1,071

6. **Through the Team service provider, Teams should inquire with Alameda County Health Care Services Agency on availability of services funding to support proposed projects.** The City is open to a range in service delivery under Homekey, from permanent supportive housing with wrap-around

⁴ Pursuant to California Health and Safety Code Section 50675.1.3

⁵ <https://www.oaklandca.gov/resources/rent-and-income-limits-for-affordable-housing>

services to extremely low-income housing with light touch services or service coordination.

7. **Although the State’s Homekey NOFA does not require an entire project to be comprised of Homekey units, the City will prioritize projects with fully vacant units that will be quickly available for homeless Oakland residents.** Further, the City will not consider projects that require permanent relocation of any existing tenants.
8. **Up to twenty-five percent (25%) of the City’s capital and operating subsidy will be dedicated to projects serving homeless transitional aged youth (TAY) populations.**
9. **The City and Team will be co-applicants to the State for Homekey funding.** The Team will prepare all application materials for City review, and when approved, the City will upload and submit the application through the Homekey portal. If awarded, the State will execute a Standard Agreement with both co-applicants. The City’s Department of Housing and Community Development (DHCD) will serve as the main point of contact for selected projects and Teams.
10. **The City will record a regulatory agreement against the project property** that will restrict rents and occupancy and enforce other Homekey and City operational requirements. Please note that the City will not subordinate the priority of its regulatory agreement to private financing.

The term of the regulatory agreement must be at least:

- a. 55 years for permanent affordable housing projects
 - b. 15 years for the purchase of affordability covenants and restrictions for existing residential units, interim or semi-permanent housing, or for master leasing projects.
11. **The State requires that Homekey funds be provided as grants.** Under this structure, the City will accept the Homekey grant capital and operating funds, combine those funds with any local matching subsidy, and enter into a single recoverable grant agreement with the developer/owner member of the Team.
 - a. For-profit partners will likely require a nonprofit partner in the ownership structure to feasibly accept the grant. Project Teams are responsible for determining the tax implications of receiving grant funds.
 - b. The City will secure the grant and the performance of grant covenants with a deed of trust recorded against the property.
 12. **The City supports Teams accessing the CEQA and land use streamlining tools provided by the State Homekey NOFA, and expects Teams to seek counsel for legal advice in applying the exemptions and obligations to their projects.** Teams will be responsible for compliance with the applicable Skilled and Trained Workforce and Prevailing Wage requirements of the Homekey program. For any proposal on the two city-owned sites available through this RFP, applicants should assume in their project timeline that any housing project will require a minimum of 4 months to secure necessary building permits.
 13. **Project- Based Vouchers:** Please do not assume that your project will have access to Project-Based Section 8. RFP proposal budgets should not include Project-Based Vouchers (PBVs). The City does not award PBVs. The Oakland Housing Authority (OHA) will assess projects for a capitalized operating subsidy. The City will notify OHA of projects successfully awarded through the State

Homekey NOFA, and OHA will evaluate projects for potential funding awards based on its priorities, established process, and funding availability. For any project receiving federal funds, the award is conditioned on compliance with the requirements of the National Environmental Policy Act (NEPA). If funding resources are available, OHA may rely on this RFP process to award them. OHA priorities include projects with wrap around services for the duration OHA investment, evidence of commitment to resident involved best practices for health and safe communities, on-site property management, proximity to public transportation, commitment to advancing racial equity; targeting homeless populations and those impacted by gender based violence, projects integration with surrounding communities, outreach and engagement and projects offering one and two bedroom units with kitchen and bathroom.

14. **NEPA:** Projects that are awarded HOME-ARP must be assessed in accordance with the National Environmental Policy Act of 1960 (NEPA) prior to grant closing. Teams must sign a certification that they understand this restriction (see Exhibit A).
 - a. **Choice-Limiting Actions Prohibited During NEPA Review.** Teams must refrain from undertaking activities that would have an adverse environmental impact or would otherwise limit the choice of reasonable alternatives between the time of application submittal and when the City has completed its environmental review process. Such activities include acquiring, rehabilitating, converting, leasing, repairing or constructing property, any kind of site preparation, or committing or expending HUD or non-Federal funds for program activities with respect to any project eligible under this NOFA. The prohibition against choice-limiting actions begins on the date that the application is submitted to the City.
 - b. If the Team has entered into a purchase agreement or contract for any of the above activities prior to applying for NOFA funds, work may continue pursuant to that contract. But amendments to the contract or new contracts may not be entered into. HOME-ARP funds may not be used to reimburse a Team for project related costs incurred after the Team has submitted the application for funding and before the completion of the City's environmental review process except for activities that are excluded and not subject to federal environmental review requirements, and for certain relocation costs.
 - c. Teams are required to hire a qualified NEPA consultant to work with City Planning staff to prepare the NEPA document, any necessary attachments, appendices or analysis, all publication documents, monitoring reports, mailings, and responses to comments, etc. The City's role is solely for review of the documents submitted. Completing the NEPA review, including local and federal noticing periods, takes a minimum of 8-14 weeks after receipt of all necessary information including the entire draft NEPA document, attachments and analysis and is dictated by the project description and type of NEPA document required. Development budgets should include NEPA consultant costs as well as the City review.
 - d. **Other Federal Requirements:** The following federal statutes and laws may

apply:

- i. Section 3 of the U.S. Housing Act of 1968, as amended
- ii. Equal Opportunity and related requirements in 24 CFR Section 982.53
- iii. Section 504 of the Rehabilitation Act of 1973
- iv. Americans with Disabilities Act of 1990
- v. Architectural Barriers Act of 1968
- vi. Fair Housing Act of 1988
- vii. National Environmental Protection Act (NEPA) Federal prevailing wage requirements (please note that projects will be required to meet the higher of Federal or State prevailing wage requirements).

15. **Contract Compliance:** Teams must comply with the following City of Oakland employment and contracting programs:

- a. Payment of State prevailing wages (Homekey and City requirement),
- b. If awarded HOME-ARP or OHA funds, payment of Federal Davis-Bacon prevailing wages
- c. City of Oakland Living Wage Ordinance
- d. City of Oakland Equal Benefits Ordinance
- e. Electronic Certified Payroll Submittals
- f. More information can be found at the City of Oakland's website at <https://www.oaklandca.gov/departments/workplace-employment-standards>

If a project receives a funding commitment through this RFP and rehabilitation is part of the project, Teams are required to meet with Contract Compliance staff and contractors (if applicable) before the grant closes. Please contact Vivian Inman (vinman@oaklandca.gov) for more information.

16. **Maximum Developer Fee:** The maximum allowable developer fee for permanent affordable housing is the lesser of 10% of total development cost or \$1,000,000. Teams may request all or a portion of the developer fee at their discretion; developer fee is not a requirement. Higher limits may be considered for new construction project proposals on a case-by-case basis. Developer fee may be further restricted for transitional housing proposals at the City's discretion.

VI. RFP Submittal Requirements

To be considered complete, proposals in response to this RFP must include the following components. Failure to complete applicable worksheets will be recorded as a "0" for the applicable scoring category.

1. Enter following project info on City website:
 - a. Project Team (including the names of all members)
 - b. Project address
 - c. Project type
 - d. Number of total units
 - e. Number of homeless units
 - f. Target population(s)

2. Required uploads

- a. Copy of applicable site control document, e.g., letter of intent or purchase contract.
- b. MOU or joint venture agreement between developer/owner partners: If the Team is a joint venture, an executed joint venture agreement is required, clearly describing the roles and responsibilities of each partner, and identifying who is the lead partner, or if the responsibilities are approximately equally split between the partners. If not applicable, select “N/A”.
- c. Organizational chart of partnership or joint venture that features ownership percentages and roles and responsibilities. Not applicable for single entity Teams.
- d. Single PDF of qualifications of the project team, to demonstrate meeting the minimum experience requirements described by the “Qualifications” section listed above.
- e. Audited financial statements for all developer/owner organizations from the past two years. If these are consolidated financial statements, they must also include the standalone financial statements for the parent organization(s). If particular circumstances about an organization's financial position or capacity require explanation, include a narrative summary in addition to the financial statements.
- f. City Certifications (Exhibit A) must be executed by all sponsors
- g. **Homekey Workbook (Exhibit B) must have the following tabs completed.** Please enter the Homekey Workbook content but disregard the Homekey Workbook questions regarding attachment uploads.
 - i. **Overview**
 - ii. **Threshold**
 - iii. **Certification & Legal** – please complete the form and upload executed PDF
 - iv. **Supportive Services Plan** – as part of the Supportive Services Plan narrative, please state commitment to referrals through the Alameda County Coordinated Entry System (CES) based on countywide assessment and prioritization process. Please also describe any additional referral or screening process to implement, if any, in the context of Housing First principles⁶.
 - v. **Award, Match, and Revenue**
 - vi. **Development Sources**
 - vii. **Development Budget**
 - viii. **Operating:**
 - Must include City asset monitoring fee of \$610 project base fee + \$8 per unit.
 - Sponsor Partnership Management and Asset Management Fees combined cannot exceed \$12,500 per year.
 - Replacement Reserves of 0.5% of the replacement cost of the structure annually, up to \$500 per unit. For rehabilitation

⁶ <https://homekey.hcd.ca.gov/sites/default/files/2021-09/Housing%20First%20Guidance%20Checklist.pdf>

projects, developers will be required to submit a third-party replacement cost analysis (such as a PNA), in which the lifecycle and cost of major building systems is estimated and amortized over the number of units and years.

- ix. **Cash Flow**
- x. **The following tabs from the State Homekey workbook are not required to be completed for this RFP:** Applicant Docs, Local & Environmental Verification, Application Scoring Criteria (see Homekey Self-Score in City workbook below), Application Support, and Upload Checklists.
- h. **City of Oakland workbook (Exhibit C)**
 - i. **Narrative Questions**
 - ii. **Capitalized Operating Subsidy Reserve Worksheet**, if seeking City or OHA operating subsidy, to calculate capitalized operating reserve request through Year 15. Please assume three years of Homekey operating subsidy per Homekey guidelines.
 - iii. **Timeline** for project approvals, permits, environmental clearances, and construction/rehabilitation. Please assume NEPA if requesting City subsidy.
- iv. **Team Experience**
- v. **Homekey Self-Score**

Additional uploads, if available, such as appraisal, Physical Needs Assessment, Preliminary Title Report, Phase I Environmental Report, etc.

Although not required for this application, all proposals must commit to complying with the following requirements by the time of Homekey Application:

1. **Resolutions:** City and co-applicants must submit authorizing resolutions that, in the State HCD's reasonable determination, materially comports with the program's requirements and is legally sufficient. For the City, the City Council has already passed a resolution authorizing the City to submit a Homekey application using the local match funds; for developer/owner organizations, this will be a resolution of the organization's governing boards. In addition, each co-applicant shall submit a complete set of its organizational documents (including any amendments thereto).
2. **Appraisal:** "As is" appraisal of the project property to determine fair market value. Appraisals must conform to the Uniform Standards of Professional Appraisal Practice (USPAP), in particular Standards 1 and 2. In addition, appraisals must comply with the appraisal requirements of the Appraisal Institute's Regulation 3. All appraisers must be California State Licensed/Certified.

3. **Physical Needs Assessment:** Acquisition and/or rehabilitation projects must provide a copy of a Physical Needs Assessment (PNA) that describes the deficiencies to be addressed by the rehabilitation, emergency repairs, health and safety issues and lead abatement and asbestos report, if applicable. The PNA must also include preliminary cost estimates for the repairs.
4. **Executed Purchase Contract (if relevant)** with appropriate financing and due diligence contingencies.
5. **Preliminary Title Report** for the project property
6. **Phase 1 Environmental Report** for the project property
7. **Preparation of CEQA Determination**
8. **Preparation of NEPA Determination** (if federal funding awarded)

VII. Project Scoring

Projects will be scored as follows:

1. Threshold Requirements:
 - a. Only Teams that meet the minimum qualifications listed in the “Qualifications” section above are eligible to participate in this RFP.
 - b. Only one project proposal per Team.
 - c. Project must meet the minimum Homekey score of 120 points using reasonable assumptions.
 - d. Project may not require permanent relocation
 - e. All RFP certifications and submittals must be complete
2. As shown in Homekey Self-Score tab in Exhibit C (207 points max), the City in its discretion may award projects up to 60 additional points for the following:
 - a. Project is feasible with little to no City capital subsidy or operating subsidy, and/or has secured alternative sources of operating subsidy besides Homekey, HHAP, or Section 8 (20 points).
 - b. Purchase contract or exclusive purchase option contract already executed with appropriate financing and due diligence contingencies (20 points).
 - c. Project restricts rents to below 30% AMI rent levels, or down to 30% of income rather than requiring a minimum rent (up to 10 points depending on depth of rent affordability).
 - d. Project can realistically reach full occupancy well within eight months of the date of award and secure Homekey operating bonus (10 points).
3. Projects will be considered in two pools: Transition Aged Youth (TAY) and general. The TAY pool will represent 25% of local capital and subsidy funding and will provide a separate competition than the general pool. However, a TAY project may compete in the general pool if the TAY pool is exhausted by higher scoring TAY projects. To participate in the TAY pool, a project must meet all of the following requirements:
 - a. Have at least 25 percent (25%) of Assisted Units reserved for Homeless Youth or Youth at Risk of Homelessness;
 - b. Have jointly applied and/or partnered with a nonprofit corporation(s),

- including community-based organization(s), with experience serving Homeless Youth, or Youth at Risk of Homelessness; and
- c. Have reasonable proximity to youth-centered amenities, including, but not limited to, community colleges, universities, trade schools, apprenticeship programs, employment programs, childcare centers for parenting youth, and community centers for youth (e.g., LGBTQ+ centers, drop-in youth centers).

VIII. City Rules

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

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

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

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

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

pursuant to this RFP.

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

IX. Questions

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

X. Relevant Definitions from State Homekey NOFA

Below are relevant terms as defined by the State in its Homekey NOFA. Please refer to the State Homekey NOFA for more terms and details⁷.

"At Risk of Homelessness" has the same meaning as defined in Title 24 CFR Part 578.3.

"Chronic Homelessness" means a person who is chronically homeless, as defined in Title 24 CFR Part 578.3.

"Door" refers to units at the time of the acquisition, which may differ from the number of units that are available after a conversion of the property. Homekey will fund a maximum grant amount per door, pursuant to the conditions of the Homekey NOFA, which includes both the acquisition cost and any needed Rehabilitation or new construction.

"Extremely Low Income" or "ELI" has the same meaning as in Title 24 CFR Part 93.2.

"Homeless" has the same meaning as defined in Title 24 CFR Part 578.3.

"Interim Housing", "Transitional Housing" or "Congregate Shelter" means any facility whose primary purpose is to provide a temporary shelter for the Homeless in general or for specific populations of the Homeless, and which does not require occupants to sign leases or occupancy agreements.

"Operating Expenses" means the amount approved by the Department that is necessary to pay for the recurring expenses of the Project, such as utilities, maintenance, management fees, taxes, licenses, and supportive services costs, but not including debt service or required reserve account deposits.

"Permanent Supportive Housing" has the same meaning as "supportive housing," as defined at HSC section 50675.14, subdivision (b)(2), except that "Permanent Supportive Housing" shall include associated facilities if used to provide services to housing residents.

"Permanent Housing" means a housing unit where the landlord does not limit length of stay in the housing unit, the landlord does not restrict the movements of the tenant, and the tenant has a lease and

⁷ https://homekey.hcd.ca.gov/sites/default/files/2021-09/NOFA_Homekey_0.pdf

is subject to the rights and responsibilities of tenancy.

"Target Population" means individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined at HSC section 50675.1.3, subdivision (l), and who are inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases.

"Transition Aged Youth" "Homeless Youth" or "Youth at Risk of Homelessness" has the same meaning as defined in Title 24 CFR Part 578.3.

"Unit" means a residential unit that is used as a primary residence by its occupants, including individual units within the project.

"Youth Assisted Unit" means an Assisted Unit serving Homeless Youth, or Youth at Risk of Homelessness, as defined in Title 24 CFR Part 578.3. Pursuant to Section 203, Youth Assisted Units may also serve current and former foster youth through the age of 25.

EXHIBITS

All Exhibits for this RFP are available online at <https://www.oaklandca.gov/topics/city-homekey>.

The exhibits for this RFP include:

- Exhibit A: Required City Certifications
- Exhibit B: State Homekey Workbook
- Exhibit C: City Homekey Workbook
- Exhibit D: Disclosure of Campaign Contributions Form
- Exhibit E: Homekey and City Insurance Requirements
- Exhibit F: City Surplus Land Sites