

CITY OF OAKLAND



Homekey 3.0

City of Oakland  
Request for Proposals



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# AGENDA

1. Introduction of City Staff
2. Homekey RFP Presentation
3. Question & Answer Session

# HOMEKEY

# HOMEKEY

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The State's Round 3 Homekey NOFA is expected to be released Spring 2023.

Like the 2021-2022 round, we expect that CA HCD will accept applications on a continuous, over-the-counter basis until available funds are exhausted.

# ELIGIBLE HOMEKEY USES:

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- 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 or interim 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 units purchased, converted, constructed, or altered with funds awarded under the Homekey Round 2 NOFA for FY 2021-22.
- Past and Existing Homekey projects awarded under the 2020 or 2021 Homekey rounds are ineligible for this RFP.

# HOMEKEY RFP PRIORITIES

## RACIAL EQUITY

A commitment to advancing racial equity

## HOMELESS HOUSEHOLDS

A commitment to assist housing projects that target homeless households

## COVID-19

A commitment to provide housing for persons experiencing homelessness & impacted by COVID-19

A photograph of a modern, multi-story glass building at a street intersection. The building has a prominent glass facade with a grid pattern. In the foreground, there is a street with a traffic light on the left and a utility pole on the right. The text 'REQUEST FOR PROPOSALS' is overlaid in large white letters across the center of the image. The background shows other buildings and trees under an overcast sky.

# REQUEST FOR PROPOSALS

# REQUEST FOR PROPOSALS

With this Request for Proposals (RFP), the City of Oakland Department of Housing and Community Development is **seeking proposals for permanent, semi-permanent, and/or interim affordable housing for homeless individuals and households under the State Homekey Program.**



# REQUEST FOR PROPOSALS

Through this RFP, the City will select projects to co-apply with sponsors to the State Homekey NOFA.

- The City will be the lead applicant on all Oakland Homekey projects.
- Teams must co-apply with the City and cannot apply to the State Homekey NOFA outside of the City's RFP process.

# REQUEST FOR PROPOSALS



1

City awards projects under City Homekey RFP



2

Top Scoring Projects from the RFP will go to pre-consultations with the State



3

City and top scoring teams submit applications to the State Homekey NOFA together



4

City goes to City Council for project funding approvals



5

State makes award determinations



# CITY OF OAKLAND HOMEKEY PROGRAM

# 2021 RFP VS. 2022 RFP

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## TAY SET-ASIDE POOL

Projects that reserve 25% or more units for Transitional Aged Youth (TAY) shall qualify for a set-aside pool which will award up to 25% of Oakland's matching resources.

## SCATTERED SITES

Scattered site projects are eligible, but proposals must identify all project addresses.

## CITY-OWNED SITE

Proposals will be considered for one city-owned site for interim to semi-permanent ( 15 years or more) or permanent, contingent on demonstrated built examples of meeting rapid timelines like Homekey's.

# CITY-OWNED SITE

## 9418 Edes Avenue/606 Clara Street

Approximately 26,311 square feet (.5 acres) combined total  
Assessor Parcel Numbers: 044-5014-005 and 044-5014-006-3



- The two adjacent lots are considered one site
- Proposals must be for interim or semi-permanent affordable housing (operating for 15 or more years) or permanent affordable housing (operating for 55 or more years) for this site
- Proposals are contingent on teams demonstrating built examples of meeting rapid timelines like Homekey's.

# CITY-OWNED SITE



Applicants should assume a **minimum of 4 months** to secure necessary building permits.

Pursuant to a recently passed resolution, City will provide the appraised FMV before the RFP deadline



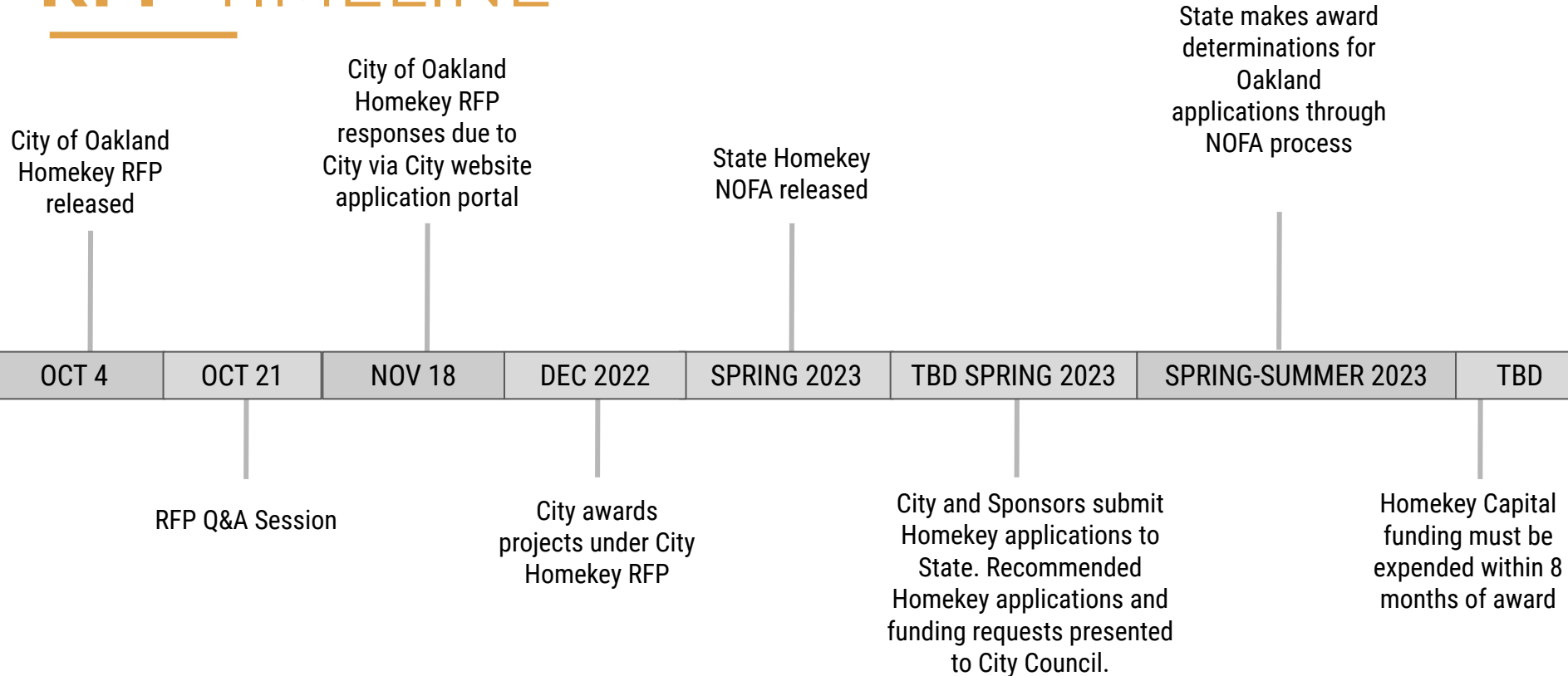
# CITY-OWNED SITE



There is a billboard on the property that can be removed once a building permit is obtained for the development and a 30-day notice is sent to the billboard company.

A Phase I **Environmental Site Assessment** dated August 2022 found no evidence of recognized environmental conditions and recommended no further investigation. This report will be provided to the selected sponsor.

# RFP TIMELINE





# PROJECT TIMELINES

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## Expected project timelines based on the 2021-2022 Homekey NOFA

- All Homekey capital funds must be expended within 8 months of the State Homekey award.
- Projects must complete all applicable construction and/or rehabilitation within 12 months of the date of State Homekey award.
- All projects shall achieve a full occupancy (fully occupied with consideration for an average of 10% vacancy rate at any given time) within 90 days of construction/rehabilitation completion.

# \$20M+ CAPITAL SUBSIDY

**AFFORDABLE  
HOUSING  
IMPACT FEES**

**LOW AND  
MODERATE  
INCOME  
HOUSING  
ASSET FUNDS**

**HOME-ARP**

**BOND FUNDS**

**DONATION OF  
LAND VALUE  
FOR  
CITY-OWNED  
SITE**

**BOOMERANG**

The City expects approximately \$20 million of City funds as capital match comprised of these sources.

# \$13M+ OPERATING SUBSIDY

**HOME-ARP**

**PERMANENT  
LOCAL  
HOUSING  
ALLOCATION**

The City expects approximately \$14 million total of City funds as operating match comprised of these sources.

# HOMEKEY OPERATING SUBSIDY

## HOMEKEY OP SUBSIDY: 3 YEARS + POTENTIAL BONUSES

State may provide up to 3 years of capitalized operating subsidy at a rate of \$1,000 to \$1,400 /month/unit.

## CITY AND/OR OHA OPERATING SUBSIDY POTENTIAL

If seeking City operating subsidy, fill out the Operating Subsidy calculator. OHA may rely on this RFP to evaluate potential operating funding availability later; please do not assume your project will have access to PBS8.

## ALTERNATIVE FUNDING

The City may prioritize projects that have secured alternative sources of operating subsidy outside of what Homekey and the City offers.

# TAY POOL

Projects will be considered in two pools: Transitional Aged Youth (TAY) and General.

**25%**

The TAY pool will represent 25% of local capital and operating subsidy funding and will comprise of a separate competition than the general pool.

**STRUCTURE**

A TAY project may compete in the general pool if the TAY pool is exhausted by higher scoring TAY projects.

**QUALIFICATIONS**

Project must meet all the requirements derived from the last State Homekey NOFA. Project must have at least 25% of Assisted Units reserved for Homeless Youth or Youth at Risk of Homelessness.

# QUALIFICATIONS

**All teams are required to meet the minimum qualifications and documentation as outlined in the RFP.**

- This RFP defines a team as one or more entities that together have the capacity to develop, manage, and provide services for a proposed Homekey project.
- Teams must meet all qualifications of Developer/Owner, Property Manager, and Service Provider
- Only one project per team will be considered under this RFP, however individuals or organizations may be part of multiple teams with different compositions.

# QUALIFICATIONS

## DEVELOPER/OWNER

Completed project similar in scope & size OR at least 2 affordable rental housing projects in the last 10 years with at least one unit housing target population.

## PROPERTY MANAGER

Three or more years of property management experience serving the proposed target population.

## SERVICE PROVIDER

Demonstrated experience providing services to proposed target population.

# RENT & INCOME LIMITS: Cannot exceed 30%

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

2022 MTSP Regular Income Limits					
Household (HH) Size <sup>5</sup>	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



# RENT & INCOME LIMITS: Cannot exceed 30%

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:

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

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

# SCORING

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Project must meet the minimum Homekey score of 120 points using reasonable assumptions.

Applications will be predominantly scored using the Homekey application scorecard in Exhibit B (207 points max) plus up to 60 additional City points.

# ADDITIONAL CITY PRIORITIES

- City will not directly acquire any new Homekey properties
- Project is feasible with little to no City capital subsidy or operating subsidy, and/or has secured alternative sources of operating subsidy besides Homekey or Section 8
- Purchase contract or exclusive purchase option contract already executed with appropriate financing and due diligence contingencies
- Project restricts rents to below 30% AMI rent levels, or down to 30% of income rather than requiring a minimum rent
- Project can realistically reach full occupancy well within eight months of the date of award and secure Homekey operating bonus

# CEQA & NEPA

- City encourages teams to use CEQA and land use streamlining tools provided by State Homekey NOFA
- City expects teams to seek legal counsel on applying CEQA exemptions and obligations for their project
- Projects awarded City's allocation of HOME-ARP funds must be assessed in accordance with NEPA prior to grant closing. Teams must sign a certification that they understand this restriction.

# CONTRACT COMPLIANCE

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Teams must comply with the following City of Oakland employment and contracting programs:

- Payment of State prevailing wages (Homekey and City requirement)
- If awarded HOME-ARP funds, payment of Federal Davis-Bacon prevailing wages
- City of Oakland Living Wage Ordinance
- City of Oakland Equal Benefits Ordinance
- Electronic Certified Payroll Submittals
- If awarded funding, teams must meet with Contract Compliance

**The City has waived City Requirements for Local and Small Local Business Enterprise (/SLBE) Program, Local Employment Program, and the Oakland Apprenticeship Program due to strict timelines imposed by State HCD.**

A photograph of a modern, multi-story apartment building with a dark grey facade. The building has large windows and a prominent sign that reads "Piedmont Place LODGING". The building is situated on a street with a parking lot in front. A silver SUV and a blue car are parked in the lot. The sky is clear and blue. The text "HOMEKEY RFP PROCEDURE" is overlaid in large white letters across the center of the image.

Piedmont Place  
LODGING

# HOMEKEY RFP PROCEDURE

# REQUEST FOR PROPOSALS

Applications must be submitted into the City's Homekey RFP Application portal by **Friday, November 18th, 2022 at 4:00PM.**

**We encourage applications submitted before the deadline.**



# HOMEKEY RFP PROCEDURE

[Services](#) ▾[Departments](#) ▾[My Government](#) ▾

## City Homekey RFP

The 2022 City of Oakland Homekey RFP and all exhibits are below. **Responses are due Friday, November 18, 2022 at 4:00pm.** To apply, please click the green button below to submit your application.

*Download the 2022 City Homekey RFP Materials:*

[2022 City Homekey RFP \(PDF\)](#)

[Exhibit A: Required City Certifications \(PDF\)](#)

[Exhibit B: State Homekey Workbook \(Excel\)](#)

[Exhibit C: City of Oakland Homekey Workbook \(Excel\)](#)

[Exhibit D: Disclosure of Campaign Contributions Form \(PDF\)](#)

[Exhibit E: Homekey and City Insurance Requirements \(PDF\)](#)

[Exhibit F: City Surplus Land Information \(PDF\)](#)

[Apply for the 2022 Homekey RFP](#)



# HOMEKEY RFP PROCEDURE

## Request for Proposals for Homekey Program 2022



**My progress: 0%**

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### Submit Sponsor Qualifications

Please provide your organizations' contact information. If forming a joint venture or other partnership, please respond for the team's qualifications collectively as one team rather than individually for each organization.

If submitting for a team, please provide team name

Lead Development Sponsor Organization Name

Lead Development Sponsor Contact Name

Lead Development Sponsor Contact Phone

# UPLOADS

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My progress: 50%

## Required Uploads

Applicable Site Control Document Required

Select file



Drop a file to upload it

Max file size: 50 MB

Max number of files: 20 files

Developer/Owner MOU or Joint Venture Agreement (if more than one organization) Required

Select file



# INTERESTED SELLERS & SPONSORS

CITY OF  
OAKLAND

Services ▾

Departments ▾

My Government ▾



## Seller and Sponsor Lists

In order to share information on potential properties and sponsors, the City is accepting Seller and Sponsor Expression of Interest forms. Please submit your interest forms below.

### Seller Expression of Interest Form

I am a property owner interested in selling or leasing my property to Homekey.

### Sponsor Partnership Expression of Interest Form

I am a project sponsor interested in partnering with other sponsors on a Homekey project.

[2022 Seller Expression of Interest Form Responses](#)

[2022 Sponsor Expression of Interest Form Responses](#)

[2021 Seller Expression of Interest Form Responses](#)

# QUESTIONS

***Question:** Can a developer apply to Homekey with 2 projects?  
If so, should each project have a separate application?*

**Answer:** 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.

# QUESTIONS

*Question: Do I need an appraisal?*

**Answer:** It is not required for the RFP response, but will be required by the time of Homekey application in the Spring. For the City-owned site, the City will provide the required appraisal to the selected applicant.



**THANK YOU!**  
QUESTIONS?