



**HOUSING AUTHORITY OF THE COUNTY OF MONTEREY**

**REQUEST FOR PROPOSALS FOR DEVELOPMENT PARTNER**

**TO EXPAND AFFORDABLE HOUSING OPPORTUNITIES  
IN THE COUNTY OF MONTEREY CALIFORNIA**

**Proposals will be accepted at the address shown below until and not  
later than 3:00 P.M. local time on July 3<sup>rd</sup>, 2024.**

**Please reference HACM-RFP-2024-01**

Housing Authority of the County of Monterey  
Procurement Department  
123 Rico Street  
Salinas, CA 93907

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Attachment A – Mixed Finance Development Due Diligence Checklist

## SECTION I INTRODUCTION

The Housing Authority of the County of Monterey (the "Authority") is a public body corporate and politic organized under the laws of the State of California. The Authority desires to revitalize, acquire, develop, own and manage affordable housing in the County of Monterey, California (the "County"). The Authority is looking to diversify and revitalize existing affordable housing and expand affordable housing available in the County. This initiative could include mixed-finance communities, assisted living, rental housing and homeownership development.

In furtherance of this initiative, the Authority invites written proposals from qualified persons or entities (each a "Respondent") to be a development partner with the Authority, or an affiliate of the Authority, in acquiring, developing, revitalizing and/or rehabilitating affordable residential real estate in the County. The Authority intends to engage qualified Respondents to work with the Authority to obtain financing and develop the affordable housing needed in the County. The Authority anticipates that each selected Respondent will generally provide the following services:

- Fund all pre-development expenses, reimbursable without interest, out of available proceeds at closing.
- Obtain all equity and debt, including tax credit and bond allocations, HOME funds, CDBG funds and similar state, federal and private funding.
- Serve as the co-developer and manage, in coordination with the Authority, the design, engineering, permitting and construction processes.
- Provide all financial and performance guarantees.
- Share developer fee (realized and deferred), cash flow and residual value with the Authority.
- Provide the Authority, or its affiliate, with an option and right of first refusal to acquire the development.

A full description of the scope of services to be provided by the Respondent ("Respondent Services") is identified in Section II (*Scope of Services*) of this Request for Proposals ("RFP").

The Authority requires that all Respondent Services performed be in compliance with all applicable rules, regulations and requirements promulgated by the United States Department of Housing and Urban Development ("HUD") and all other applicable federal regulations. Additionally, all Respondent Services must be performed in compliance with all state and local laws and regulations, including where applicable, those governing the Low-Income Housing Tax Credit ("LIHTC") program.

This procurement will be done on a rolling basis. Each Respondent that meets the criteria will be qualified to provide Respondent Services for one or more developments and the Authority will enter into a Master Development Agreement ("MDA") with each selected Respondent as its development needs require.

Any questions regarding this RFP should be in writing and directed to:

Procurement Managers- Delayna Cambunga or Pablo Verdugo  
Housing Authority of the County of Monterey  
123 Rico Street  
Salinas, CA 93907  
[dcambunga@hamonterey.org](mailto:dcambunga@hamonterey.org) or [pverdugo@hamonterey.org](mailto:pverdugo@hamonterey.org)

Reference HACM-RFP-2024-01

## SECTION II SCOPE OF SERVICES

Respondent will assist and be an integral partner with the Authority in fulfilling the Authority's initiative to diversify, revitalize and expand affordable housing available in the County. Respondent shall secure the funding needed to implement the revitalization of existing housing and the development of new affordable housing communities and ensure compliance with any and all regulatory requirements.

The scope of services for Respondent Services may include, but shall not be limited to, the following:

**Site Control and Planning.** Where the Authority does not already have site control, Respondent will be responsible for locating an acceptable site in the County on which to develop an affordable or mixed-income community and providing the Authority with evidence of site control at the time of proposal submission. A preliminary conceptual plan shall be developed, approved by the Authority and subsequently presented to stakeholders for feedback and input. A final master plan shall be completed with designation of development phases and a detailed development schedule.

**Market Analysis and Appraisal.** Respondent will provide a detailed market study to determine the overall feasibility of the conceptual plan of each project as proposed by Respondent. Respondent will also be responsible for any additional market analysis and appraisals to develop and obtain financing for the project.

**Design/Approvals.** Respondent will be responsible for the development of design and construction documents in accordance with the design criteria approved by the Authority, and obtain HUD's approval as needed. Respondent will also be responsible for obtaining permits and any other approvals required.

**Financing.** Respondent will obtain all private financing and structure public financing in a timely and cost effective manner, including the preparation of all necessary financing applications. Respondent will work with the Authority in the preparation of other applicable documents necessary to the development processing and provide all evidentiary materials, necessary financial guarantees and assurances as required.

**Tax Credit Application/Solicitation of Tax Credit Syndicator.** Where LIHTCs are to be used, Respondent will be responsible for the preparation of applications to obtain tax credit allocations in accordance with the qualified allocation plan. Respondent will also be responsible for soliciting, following approval of the solicitation process by the Authority, three tax-credit investors or syndicators to bid on tax credits received for each development.

**Coordination.** All development activities, including reporting and budget requirements must be coordinated throughout the life of the project and Respondent must assure the maximum feasible contribution to the overall development effort.

**MBE/WBE Participation.** Respondent shall ensure consistency with Presidential Executive Orders 11625, 12138 and 12432 and the Authority goals for MBW/WBE participation that may be established.

**Construction.** Respondent must oversee and provide all appropriate guarantees for the completion of any project approved by the Authority in a timely and cost-effective manner, and ensure all occupancy permits and necessary approvals are obtained after construction to permit occupancy and operation of the mixed-income community.

**Property Management.** Respondent must assist the Authority in providing high quality management of rental property consistent with the terms and conditions of funding sources and market driven property management standards.

**Long Term Affordability of Rental Property.** Respondent must devise a means to ensure the long-term affordability of the rental property used by low to moderate-income residents, in conjunction with the Authority .

**Marketing Plan.** Respondent must develop an effective lease-up strategy to obtain rapid initial occupancy and maintain on going high occupancy of all residential units.

**Assist the Authority with the Development Process.** Respondent shall assist the Authority by ensuring that each development project assigned to Respondent is in compliance with all applicable laws, rules, regulations and/or processes. Attachment A sets forth some of the duties that may be assigned to Respondent.

### SECTION III TERMS

The following terms will govern any development assigned to Respondent:

1. Pursuant to a task order issued under a contract resulting from this RFP, Respondent shall be required to participate in all phases of the development project.
2. Any contract awarded pursuant to this RFP will have no dollar value attached to it; however, a MDA will be negotiated separately for each development that, among other things, will set forth the value fee sharing for such development.
3. The scope of services for any task order will be more fully defined in each task order. The scope of services identified in the task order may include, but shall not be limited to, the items set forth in Section II (*Scope of Services*).
4. Respondent must pay for all due diligence items as more fully described throughout this RFP.
5. Respondent shall maintain at Respondent's expense insurance as required in the MDA, including but not limited to worker's compensation insurance, commercial general liability, automobile liability and professional liability insurance.
6. The Authority and Respondent will negotiate the developer fee share for each development, which shall be set forth in the MDA, but in no event shall the Authority 's portion of the developer fee be less than 25%.
7. It is expected that the Authority will be the fee simple owner of the property, and will ground lease the property for the development to an owner-entity.
8. It is anticipated that the Authority, or an affiliate, will have a 49% general partner or managing member interest in the development owner entity. The Authority will have the option to become the manager of the property within five-years of the placed-in-service date.
9. The Authority, at its option, shall have a right of first refusal to acquire any development and an option to purchase the development at the end of the 15-year tax credit compliance period.
10. The Authority shall receive 50% of net cash flow, and any other fees received by the Respondent such as administrative fees or incentive management fees.
11. The Authority shall receive 50% of every dollar saved from the construction contingency reserve.

## SECTION IV DEVELOPMENT GOALS

The Authority intends to expand physically, socially and financially viable affordable and/or mixed-income communities that will blend into the existing neighborhoods and provide safe, secure housing for all residents for many years. The Authority has established a general set of development goals to be used as a guide in all new developments. A summary of the Authority 's general development goals are outlined below:

**Participatory Process.** One of the keys to a successful new development is meaningful and active participation by key stakeholders throughout the planning, design, construction and operations of the new development.

**Design/Construction Standards.** New developments will be designed and constructed with materials and features that reflect the character of the surrounding neighborhood and will provide long-term viability. New developments should have a private market quality look and feel. Affordable housing units should be indistinguishable from any market rate units. It is also important to design and construct new developments to enhance the safety and security of the residents. In addition, it is the Authority 's desire to maximize the quality and affordability of the new housing units by maximizing the positive impact of buildings on the environment, and on the building occupants with design and construction practices that ensure sustainable site planning, safeguarding water and water efficiency, energy efficiency, conservation of materials and resources and indoor environmental quality.

**Financing.** The Respondent shall be responsible for obtaining all sources of financing necessary for each development. These sources may include LIHTC equity, grants, bond financing or similar funding. The Respondent will work with the Authority to determine other financial resources which may include housing choice vouchers and/or site-based Section 8 assistance. The Authority expects that these resources will be leveraged to the maximum extent feasible by utilizing other funding sources such as: LIHTC equity, bond financing, other grants and Respondent investment.

**The Authority as a Partner.** To the greatest extent feasible, the Authority intends to be an active and equal partner in all aspects of the development process.

**Employment and Contracting.** A significant number of the employment opportunities generated through this process should go to lower income residents of the County. At a minimum, all consultants, contractors and subcontractors must comply with Section 3 of the Housing and Urban Development Act of 1968, and HUD regulations thereto located at 24 C.F.R. Part 75.

**Occupancy.** The Authority believes that the long-term viability of any new development requires occupancy by residents with a variety of income levels. In addition, the Authority desires to minimize relocation of residents through phasing of construction activities.

**Handicap Accessibility.** The Uniform Federal Accessibility Standards ("UFAS") require a minimum of 5% of the units in each development be fully accessible for the mobility impaired and an additional 2% of the units for hearing and visual impaired in accordance with Section 504 of the Rehabilitation Act of 1973, and the UFAS. The Authority will require that these minimums be met or exceeded. The Authority also desires to maximize the number of adaptable units that can easily be converted into accessible units. New developments must be fully compliant with all requirements of the Americans with Disabilities Act ("ADA"), including but not limited to site, common areas and accessible route to and from common areas. Finally, it is important that, to the greatest extent feasible, all units meet the current visitability standards according to HUD guidelines.

## SECTION V RESPONDENT RESPONSIBILITIES

Respondent will be responsible for the successful planning, design, construction and management of the new development.

**Predevelopment Schedule.** Respondent will be responsible for submitting to the Authority for approval a final and complete predevelopment schedule detailing all predevelopment activities necessary to obtain all required funding and regulatory approvals to allow development activities to begin. The timeframe for providing such schedule will be set forth in the MDA.

**Predevelopment Budget.** Respondent will be responsible for submitting to the Authority for approval a final and complete predevelopment budget detailing the budgeted cost of each predevelopment activity. The timeframe for providing the predevelopment budget will be set forth in the MDA. Respondent will be responsible for funding all pre-development expenses, which shall be reimbursable without interest out of the available proceeds at closing. Respondent should indicate its financial commitment to the development project.

**Predevelopment Activities.** Respondent shall not be authorized to begin any predevelopment activities until: (i) it has submitted, and the Authority has approved, the predevelopment schedule and the predevelopment budget, and (ii) the Authority has issued a task order with notice to proceed. Once the Authority has issued a task order with notice to proceed, Respondent shall plan, coordinate, manage and complete all predevelopment activities necessary to get all required funding and regulatory approvals to allow development activities to begin within the timeframe detailed in the predevelopment schedule and within the dollars agreed to in the predevelopment budget. Predevelopment activities will include, but not be limited to: market studies, geotechnical studies, infrastructure analyses, design alternative analyses, financial model analyses, identification and solicitation of various funding sources, resident participation plans, Section 3 Program, MBE/WBE participation plans, implementation schedule, preparation of required mixed finance documents, solicitation of various consultants and contractors and preparation of required evidentiaries.

**Development.** Respondent will only be authorized to perform services and work as more fully described in the task order. The following is a summary of some of the more significant responsibilities of Respondent.

1. Implement the Respondent Services as set forth in Section II (*Scope of Services*) of this RFP.
2. Complete necessary funding applications.
3. Site preparation.
4. Construction.
5. Construction administration (quality monitoring, schedule monitoring, payment processing, change order processing, etc.).
6. Ensure completion of project on schedule.
7. Ensure completion of project within budget.
8. Coordinate various entities, contractors, subcontractors, etc.
9. Identify investors/funders, secure funding commitments.
10. Financial guarantees and assurances.
11. Coordinate with the Authority.
12. Ensure development of units which are fully compliant with UFAS/ADA.



**Compliance Monitoring.** Implement systems to ensure compliance with all applicable laws and regulatory requirements including, but not limited to:

1. Davis-Bacon Act.
2. Section 504 / UFAS / ADA.
3. Local requirements (bldg. dept., zoning, etc.).
4. MBE/WBE Program (monitor and report).
5. Section 3 Program (monitor and certify Contractor's compliance).

**Management.** Respondent's management team must manage the day-to-day operations of the completed development in accordance with any partnership or operating agreement and all applicable federal and local laws and regulations. The Authority may, at its option, assume the day-to-day operation of the development as soon as possible. In transactions involving the use of tax credits, the transition of management to the Authority will take place no later than the end of the compliance period.

**Communication.** Respondent must provide, in a format acceptable to the Authority, monthly reports during the predevelopment and development stages detailing the status of schedule, budget, expenditures, obligations, upcoming activities and completed activities. Respondent must also schedule and attend regular meetings and maintaining all meeting minutes, in addition to all other services necessary to ensure successful completion of the new development community.

## **SECTION VI GENERAL REQUIREMENTS**

Respondent may be an individual or a business corporation, partnership or a joint venture duly authorized to do business in the State of California, which is financially sound and able to provide the services being procured by this RFP.

If Respondent has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, such Respondent shall disclose that information in its offer and that may be sufficient ground for disqualification.

Respondent must be in good standing with the Authority and any federal, state or local government that has or has had a contracting relationship with the Respondent. Therefore, if a federal, state or local government has terminated any contract with Respondent for deficiencies or defaults, or if Respondent has been debarred or received a Limited Denial of Participation that Respondent is not eligible to submit a response to this RFP.

Only responses with the following minimum team members who meet the following basic qualifications will be considered. Any response not meeting these criteria will be deemed non-responsive and will not be evaluated.

### **Respondent:**

1. Minimum of five years of satisfactory experience and project management of a multifaceted community planning and development process working with a public housing authority, public housing resident groups and related organizations.
2. Successfully developed/constructed housing at least three developments consisting of at least 50 affordable mixed-finance rental housing units.
3. Experience in areas of homeownership counseling, social service provisions community service, economic development.
4. At least five years' experience with private market financing, tax credits and affordable housing programs.
5. On at least two previous occasions, successfully applied for, and obtained, an award of LIHTCs from the California Tax Credit Allocation Committee ("CTCAC"). At least one such award must have been for "9% LIHTCs".

### **Architect**

1. Minimum of five years of satisfactory experience in design and implementation of multifaceted communities.
2. Licensed in the State of California.

### **Cost Estimator**

1. A minimum of five years of experiences estimating multi-family residential construction and a minimum of two years estimating in the northern California market.
2. Certified by the American Association of Certified Estimators, the American Society of Professional Estimators or other accrediting organization acceptable to the Authority.

**Management Agent**

1. Minimum of five years of successful experience with management of at least 50 units under Section 8 guidelines.
2. Minimum of five years of successful management of at least 50 units under tax credit compliance guidelines.

## SECTION VII SUBMISSION REQUIREMENTS

Respondents should fully read and comprehend this RFP. Responses received without all of the required information may be rejected. **Respondents must submit one original plus five copies of their proposals.** Proposals must include, in the same order as below, the following information, exhibits and schedules:

### A. General Information

1. Letter of interest, including contact name and telephone number (cover letter).
2. Type of Organization: corporation, partnership, joint venture or sole proprietorship. Names of shareholders, partners, principals and any other persons exercising control over the entity(ies).
3. Organizational Certifications:
  - (a) Copies of certificate of incorporation, partnership agreement, joint venture or other organizational document.
  - (b) All applicable licenses/certifications.
  - (c) A corporate resolution signed by the secretary of the corporation and notarized, certifying the name of the individual(s) authorized to sign the offer, the contract and any amendments thereto.
4. A narrative listing the organization's members and the roles each will have in this initiative.
5. An organizational chart to show all of the entities that are a part of the organization and the key individuals within each entity that will provide the services referenced in this RFP.

### B. Experience

Provide details of the experience of each member of the Respondent as outlined below.

1. **Respondent.** Describe Respondent's experience in successfully implementing mixed-finance and mixed-income developments similar to those being contemplated in this RFP. At a minimum, describe the Respondent's experience in the following areas:
  - (a) **Affordable Housing.** Provide evidence of experience in developing or redeveloping affordable housing property. Also, provide information to demonstrate the Respondent's knowledge of HUD regulations that are relative to this procurement.
  - (b) **Construction and Construction Management.** Describe Respondent's experience in managing complex residential/commercial/mixed-income construction projects in a timely manner and within budgetary constraints. Respondent should submit clear information regarding the number of construction sites they have managed at one time and the size of each. The narrative should indicate what type of construction and management methods were used; what portion of the projects has been completed on time and within budget. For those projects not completed on time and within budget, please indicate the reason why.
  - (c) **Partnering with Neighborhood Groups.** Describe Respondent's experience in working with neighborhood groups to achieve locally determined goals.

- (d) **Service Providers and Supportive and Community Service Programming.** Describe Respondent's experience with incorporating a supportive and community service component into the revitalization process. This includes, but is not limited to, family self sufficiency programs, neighborhood development, and education, training and employment programs and Section 3.
  - (e) **Financing.** Describe Respondent's experience in assembling financing packages for low income housing, and mixed-income developments. The description of experience should include any use of varied financing instruments including LIHTC, bond financing, first and second mortgage financing, etc. Respondent should submit clear information regarding their experience with a variety of financing methods. Specifically, Respondent should submit examples of at least two developments where Respondent was awarded LIHTCs by CTCAC (one of which received 9% LIHTCs, and completed such developments in compliance with all CTCAC requirements.
  - (f) **State and Local Knowledge and Experience.** Describe Respondent's knowledge and experience with state and local building codes, regulations, sources of funding, and financing for low-income, mixed-income and commercial development.
2. **Architect/Engineer.** Provide details of previous large development projects the Architect/Engineer has participated in and its role in each project. Also, provide the Architect/Engineer's knowledge and experience in state and local building codes and regulations. Finally, provide experience the Architect/Engineer has in designing energy efficient residential buildings.
  3. **Management Agent.** Describe in detail the management plan to manage a mixed-finance development. Where Respondent has participated directly or indirectly in the management of residential facilities, list all properties under management now or in the last three years including name, owner, location, type of site, type of construction, income or subsidy mix, number and size of units, financing, operating and mortgage status. If any management contract has been terminated, show when and explain the reasons for termination.
  4. **Legal Counsel.** Describe the experience of the law firm and the key individuals who will work on the new development have had in structuring and negotiating complex real estate matters. Identify any experience in handling tax credit and other related transactions.
  5. **Marketing Agent.** Provide a statement of the marketing agent's previous experience in marketing large (greater than one hundred (100) units), urban mixed-income rental housing units. Also provide information and documentation regarding the agent's experience in marketing and selling affordable housing in an urban area.
- C. References.** For each Respondent member, provide a list of references for developments or projects in which Respondent has performed services similar to those described in this RFP. Such listing shall include at least the following information:
1. Name of the contracting entity.
  2. Name, title and a telephone number of a contact person for each identified contracting entity to permit reference checks to be performed. The identified party must be one who has first-hand knowledge regarding the operation of the development or project and who was involved in managing the contract between Respondent and the contracting entity.
  3. Start and completion dates of the development or project.
  4. Description of Respondent's responsibilities including; planning, financing, construction, marketing, ownership, management, etc.

**D. Experience of Staff Proposed.** Provide background information regarding each identified staff member of the lead entity and sub-consultants to be assigned to this project that accurately describes his or her employment history and relevant experience providing services similar to those described in this RFP.

**E. Methodology – Planning/Predevelopment.**

1. **Participatory Process.** Provide a detail of the process Respondent will put in place to ensure that all stakeholders, including residents and neighborhood groups, are included at the appropriate levels in the planning and implementation of the new development.
2. **Management of the Revitalization Process.** Provide a detailed description of how Respondent would go about organizing, staffing and managing the entire development process.
3. **Financing.** Describe the various financing mechanisms and approaches Respondent will explore that will maximize the Authority 's investment. Also, provide examples of how Respondent has utilized these financing tools in the past. Provide proforma sources and uses budgets for the predevelopment and development phases.
4. **Quality Control.** Provide a description of the actions Respondent has taken in the past and will be taking for this project to ensure that all documents, drawings and specifications comply with all local and federal requirements and that they also clearly describe the work and will limit change orders, contract modifications and time extensions to a minimum.

**F. Methodology – Development.**

1. **Construction Administration.** Provide a description of the actions Respondent has taken in the past and will be taking for this project to administer the resultant construction contract(s) to ensure compliance with contract terms and conditions in addition to schedule compliance. Also, describe the staff that will be assigned during construction and their respective roles.
2. **Employment.** Describe ways Respondent has provided employment opportunities in the past and programs and commitments Respondent will be making to provide employment opportunities for residents of the County, if selected.
3. **Regulatory Compliance.** Describe the actions Respondent has taken in the past and will be taking for this project to ensure compliance with all applicable regulatory requirements including, but not limited to: Section 504, UFAS, ADA, Section 3, the Davis-Bacon Act and Fair Housing regulations.

**G. Methodology – Management.**

1. **Staffing.** Provide a sample-staffing plan for the management of the completed development. Include in this plan, the anticipated responsibilities of the Authority.
2. **Compliance.** Describe how Respondent proposes to ensure compliance with all of the various laws and regulations throughout the development and management of the new community. At a minimum, address: Section 504/UFAS, tax credits and Section 8 requirements.

**H. The Authority as a Partner.** Propose at least two alternatives for utilizing the Authority as a partner in the development and/or management of the new developments. Clearly describe all of the proposed terms of each alternative including, at a minimum, the proposed ownership structure, the proposed

responsibilities of the Authority during each phase of the development and the proposed responsibilities of the Authority during operation of the development. Describe the benefits to the Authority of each alternative proposed.

**I. Financial Statement.** Provide a current financial statement of the firm prepared by a Certified Public Accountant along with the firm's most recent audit (if any). The statement should show assets, liabilities and net worth of the firm and should include information on all general partners or principal shareholders. Any Respondent who desires for this information to be kept confidential should provide this information in a separate sealed envelope clearly marked "confidential information." Such information will then be held as confidential.

**J. Certifications and Representations of Offerors.**

Each Respondent must complete the certifications and representations of offerors.

**K. Minority and Women Business Participation.**

Describe ways Respondent will utilize MBE/WBE businesses to meet the minimum minority owned and woman owned business participation. Provide information regarding the participation of MBE/WBE firms on the team. Be specific. Provide a detailed plan to maximize the participation of MBE/WBE in the award of contracts/purchase of goods and services.

Small Disadvantaged Business Concerns ("SDBC") Participation: Provide information regarding the participation of SDBC particularly minority/female individuals on the team. Such information should be specific as to equity participation, anticipated participation in fee, and scope of authority of such SDBC and individuals. Provide a detailed plan to maximize the participation of SDBC in the award of contracts/purchase of goods and services.

**L. Section 3 Participation.**

Describe ways Respondent will assist the Authority to comply with HUD's Section 3 requirements for hiring.

**SECTION VIII  
EVALUATION CRITERIA**

The Evaluation Committee will review, evaluate and give a score to each Respondent that has submitted a complete proposal. Proposals may receive a maximum score of one hundred (100) points distributed as follows:

**Experience of Respondent.** **Maximum 25 points**  
Respondent's successful completion of comprehensive redevelopment efforts on mixed-finance developments similar to those described in this RFP. This includes obtaining LIHTCs from CTCAC and completing developments utilizing such LIHTCs.

**Experience of Staff Assigned.** **Maximum 20 points**  
Demonstrated experience and capability of the proposed staff for this project in providing the services described in this RFP.

**Methodology.** **Maximum 15 points**  
Respondent's proposed methodology will ensure that the comprehensive redevelopment efforts will be successfully implemented on time, within established budgets and with the full participation of the Authority, residents and other stakeholders.

**Proposed Ownership/Fee Structure.** **Maximum 20 points**  
Respondent's proposed ownership and fee structure provides the most benefit to the Authority and the long-term viability of the new development.

**Respondent Risk.** **Maximum 10 points**  
Respondent has proposed a level of risk (financial or other) that indicates a high level of commitment to the success of the new development and its timely completion.

**MBE/WBE and Section 3 Goals.** **Maximum 10 points**  
Respondent's demonstrated experience and/or proposed efforts to assist the Authority in achieving MBE/WBE goals.



**SECTION IX  
PROCUREMENT AND AWARD PROCESS**

The following instructions are intended to aid Respondents in the preparation of their proposals.

**A. Amendments to Solicitation**

Any and all amendments to this solicitation shall be sent by certified mail, return receipt requested and/or by fax, to all potential Respondents who attend a pre-submission conference and/or receive the solicitation materials.

Notwithstanding any information that may be contained in the solicitation and amendments thereto, Respondents are responsible for obtaining all information required thus enabling them to submit responses.

**B. Submission of Proposals and/or Amendments to Proposals; Deadlines**

Proposals may be hand-delivered or sent by certified or registered mail, return receipt requested, to the following:

Housing Authority of the County of Monterey  
Procurement Department  
123 Rico Street  
Salinas, CA 93907

Proposals must be received at the above address no later than **July 3<sup>rd</sup>, 2024 , at 3:00 p.m. local time**, regardless of the selected delivery mechanism.

Proposals will be date-time stamped immediately upon its receipt at the Authority to document its timeliness. Any proposal received after the specified deadline shall be automatically rejected and will be returned unopened.

Any amendments to a proposal must be received before the specified proposal due date and time established for the delivery of the original proposal.

**C. Evaluation and Award Process**

The Authority staff will review each submission to determine if it was complete, and if it is responsive to this RFP. The Authority may allow Respondents to correct minor deficiencies in their submission that do not materially affect their submission.

All submissions determined to be complete and responsive will be provided to the Authority Evaluation Committee. The Authority 's Evaluation Committee will evaluate the Responses utilizing the criteria established in this RFP.

The Authority reserves the right to interview Respondents, request additional information and/or negotiate terms and conditions.

The Authority reserves the right to disqualify any Respondent who fails to provide the requested information or who provides materially inaccurate or misleading information. The Authority further

reserves the right to disqualify any Respondent on the basis of any real or apparent conflict of interest that is disclosed by Respondent or any other information available to the Authority. This disqualification is at the sole discretion of the Authority.

The Authority will perform a responsibility review of Respondent, which may include reference checks and financial background checks.

The Authority will award contracts Respondents determined to be responsive and responsible and in the best interest of the Authority.

The Authority shall not be responsible and will not reimburse any Respondent for any costs associated with preparing a proposal.

A response submitted by a Respondent does not constitute a contract, nor does it confer any rights on Respondent to the award of a contract. A letter or other notice of award or of the intent to award shall not constitute a contract. A contract is not created until all required signatures are affixed to the contract.

**Mixed Finance Development Due Diligence Checklist**

The Authority may authorize Respondent to perform any or all of the following Respondent Services:

**General**

Promote communication with neighborhood groups.  
Prepare, update and revise, as necessary, the project implementation schedule and budget.  
Submit monthly financial, management and project status activity reports as needed.  
Prepare all required submissions and reports to HUD and other agencies.

**Predevelopment Activities**

Initiate site acquisition activities.  
Provide evidence of adequate zoning; prepare PUD, if required.  
Develop a relocation plan, if necessary; relocate residents.  
Test for hazardous materials and develop an abatement procedure; obtain an environmental review.  
Design and obtain commitments for site improvements.

**Revitalization Plan**

Structure and implement participatory planning process.  
Develop master plan for site and neighborhood revitalization activities.  
Submit additional information requested by HUD, if applicable, for revitalization plan approval.  
Obtain local backing and secure letters of support.

**HUD Compliance**

Provide evidence the owner has site control.  
Provide evidence that the proposed development complies with applicable zoning, or will not be delayed by rezoning.  
Complete subdivision if necessary.  
Provide ALTA form title policy.  
Provide evidence of real estate property and leasehold tax exemption.  
Where required, assist with environmental (parts 50 and 58) review and Section 213 Clearance.  
Advise team on mixed-finance regulations.

**Procurement**

Advise team on federal and local procurement regulations.  
Draft and or review RFPs/RFQs.  
Draft and or review contracts between all team members.

**Negotiating the Deal**

Develop ownership structure for mixed-finance rental and homeownership.  
Develop organizational documents of the owner.  
Prepare the limited partnership agreement or operating agreement, as applicable.  
Coordinate and draft all mixed-finance legal evidentiaries, loan documents and regulatory and operating agreements, if necessary.  
Negotiate with HUD on HUD evidentiaries and requirements, if necessary.  
Provide legal structure for ensuring the long-term affordability of units.  
Prepare the management agreement.  
Advise on creation of management-related documents (e.g., site-based waiting list, tenant leases, etc.).

**Financing/Real Estate Services**

Assist in financial structuring (e.g., LIHTC, tax-exempt bonds).  
Provide legal counsel on tax credit syndication to assure compliance with tax provisions.  
Provide legal counsel on bond issuance.  
Record real property legal description and title.

**Nonrental Components**

Analyze and advise team on homeownership models.  
Draft homeownership-related loan documents, use restriction covenants and sales contracts.  
Advise on commercial/retail development (includes development of leases).

**Financial Feasibility/Program Development**

Conduct market analysis and feasibility study to assess financial feasibility.  
Identify potential financial resources including funding, LIHTC, Section 8, conventional financing and other capital.  
Prepare initial development budget.  
Prepare preliminary operating proforma projecting annual income and expenses for 15-year period.

**Negotiate Financial Arrangements**

Secure credit enhancement for bonds, if needed.  
Underwrite and issue bonds and develop loan agreements.  
Syndicate tax credits and develop limited partnership agreement.

**Preparation for Closing**

Conduct subsidy-layering analysis to ensure project is not over-subsidized.  
Assure HUD that the developer fee and operating reserve are not funded from federal funds, where required.  
Assure HUD that common area improvements are paid pro-rata by public funds, where required.  
Provide TDC calculation for HUD review, where required.  
Close on all loans.  
Close on equity.

**Ongoing Financial Monitoring**

Maintain the required budgets and accounts in accordance with funding.  
Track funding contributions compared to loan and grant agreements.  
Review and certify construction draw schedule.  
Release funds to development partner proportionate to construction work.

**Concept/Feasibility**

Conduct market analysis and feasibility study to identify specific design amenities.  
Develop preliminary site plan, design concepts and phasing.  
Develop cost and contingency estimates at concept phase.  
Prepare preliminary development schedule.

**Design Development**

Develop design guidelines and construction quality standards for development agreement.  
Develop cost and contingency estimates at design development phase.  
Prepare design development documents that satisfy ADA requirements.  
Perform cost justification/value engineering.  
Coordinate cost information with financial advisor.

**Construction Documentation**

Develop cost and contingency estimates at construction document phase.  
Complete life cycle cost analysis.

### **Monitoring of Construction**

Monitor construction schedules and budgets.  
Ensure that work performed is consistent with quality standards.  
Review and approve/reject change orders.  
Develop punch list and conduct final inspection.

### **Homeownership**

Conduct market analysis and feasibility study.  
Procure Respondent(s) homebuilder(s) for the homeownership units.  
Identify financing sources (private lenders, existing soft second or down-payment assistance programs).  
Set repayment and loan terms, including antispeculation and long-term affordability clauses.  
Set purchaser eligibility and selection criteria.  
Subdivide/acquire property as necessary.  
Develop a resident homeownership-counseling program.  
Develop a marketing program.  
Create pool of qualified buyers.  
Prepare all loan documents, sales contracts, covenants and restrictions.

### **Relocation**

Survey residents to determine their relocation needs and preferences.  
Prepare relocation plan in accordance with URA and other applicable federal, state or local regulations.  
Identify relocation resources.  
Provide residents with required legal notices for relocation.  
Counsel residents regarding relocation options, timing and relocation payments.  
Schedule moves.  
Maintain accurate files.  
Track and report relocation expenditures and obligations.  
Maintain communication with relocated residents; provide required 18 month tracking and follow-up.

### **Construction**

Develop phasing plan and construction critical path schedule.  
Obtain regulatory approvals and permits.  
Develop M/W/DBE participation goals.  
Prepare bidding package strategy and coordinate with A/E.  
Advertise, bid and award construction contracts.  
Initiate and complete hazardous materials abatement.  
Initiate and complete demolition, if applicable.  
Initiate and complete construction of infrastructure.  
Initiate and complete construction of housing.  
Initiate and complete construction of community facilities.  
Establish construction draw schedule and monitor draws against schedule.  
Compile maintenance manuals and guarantees for transmittal to the Authority.  
Perform inspections, monitor contractor compliance and certify completion.

### **Property Management/Reoccupancy**

Prepare a management plan that is responsive to the mixed-income and self-sufficiency goals.  
Prepare operating expense and proforma.  
Develop management policies including community rules, lease, orientation, application process, etc.

Develop a marketing program.  
Develop and hold reoccupancy training.  
Implement interim management, particularly if involving phased construction.  
Return temporarily relocated residents to the development.  
Complete unit rent-up/sales.  
Implement long-term management plan.  
Provide documentation for on-going compliance.

**Asset Management (Ongoing Regulatory and Compliance Responsibilities)**

Create an asset management implementation manual to guide the Authority staff.  
Identify the Authority personnel responsible for asset management.