



# **AMENDED REQUEST FOR INTEREST FOR AFFORDABLE HOUSING AND PERMANENT SUPPORTIVE HOUSING DEVELOPMENTS**

This Request For Interest (RFI) has a continuous submission period. CDH will close this RFI at a future date.

**Pacific Village Housing – Qualified Developers, the deadline is 5:00 p.m. Monday, May 10, 2021.**

**Red text in this amended RFI is what has been changed or added.**

## A. PURPOSE

The San Bernardino County Community Development and Housing Department (CDH) is the lead County agency for various State and Federal funds which are intended for the development of affordable housing and/or addressing homelessness. These funds include:

- Home Investment Partnerships Program (HOME)
- Permanent Local Housing Allocation (PLHA)
- Community Development Block Grant (CDBG) Programs
- Emergency Solutions Grants (ESG) Program

CDH has developed a 5-year housing investment strategy aimed at expanding the County's affordable housing pipeline and developing needed supportive housing for the County's chronically homeless or at risk of homelessness population. CDH invites interest from San Bernardino County cities and qualified developers to propose Affordable Housing and Permanent Supportive Housing (PSH) projects. Desirable concepts include those that currently have site control and/or entitlements that can be developed over the next 3 to 4 years.

This RFI is encouraging and creating the competitive environment for new partnerships to be developed and new agreement(s) to be created. This is an opportunity to leverage local County resources to compete for State funding such as No Place Like Home (NPLH), the Multifamily Housing Program (MHP) and any new funding sources that the State may announce. Thus, this RFI is designed to give all who may be interested an opportunity to suggest public-private partnerships.

### ***CDH Program Objective:***

This RFI seeks to support housing developments that will be responsive to critical community needs in the areas for affordable housing and PSH developments.

This is an effort to develop projects located within San Bernardino County cities and County unincorporated areas by enhancing governmental partnerships and developing public-private partnerships. This RFI seeks to identify:

1. Cities located within San Bernardino county borders that have projects that align with the County's concepts and objectives and have secured funding and/or land.
2. Qualified developers who intend to bring forth projects aligned with the County's concepts and objectives in the County unincorporated communities.
3. Qualified fee developers to construct a PSH housing project on County-owned property located at 2626 Pacific Street within the City of San Bernardino.

Identified partners ideally bring with them the following items which have been deemed necessary elements for the success of the proposed projects:

1. Political Will
2. Land
3. Secured Funding
4. Neighborhood Support

Considering the ever-increasing cost of development and construction, particularly that of affordable housing units, a critical and imperative component for the success of future housing developments is reduced construction and/or development costs, which will primarily be predicated by utilizing more cost-effective approaches to increasing housing inventory through the implementation of less than traditional, more creative housing concepts such as:

- Shared Amenities
- Innovative Construction Typologies
  - Manufactured Housing
  - Efficiency Units
  - Container Units
  - Tiny Homes
  
- Strategic Financing Options

CDH intends to use the results of this RFI to determine a pool of interested cities and qualified developers. The County of San Bernardino may provide housing resources, assist in applying for State resources, and if the project is an PSH unit/development the County may provide client services to the homeless target population identified in the State funding sources. Please note, this is not an all-encompassing list of the ways in which the County may be able to partner with cities and qualified developers.

**B. Applicant Type**

**1. Cities**

A city partnership would entail the development of PSH or affordable housing. Cities submitting an expression of interest would need to be willing and capable of 1) developer selection, 2) project design, 3) community outreach and 4) moving the project through the Planning Commission and City Council approval process.

Cities are expected to provide a city contribution. Below are various ways in which a city could meet the expected city contribution to the proposed project:

- Land
- Funds
- Development Impact Fees (DIFs)
- Staff Resources/Commitment of Local Resources

Additionally, submissions are encouraged to include innovative land use concepts and construction typologies. Again, noting that a central goal of this RFI is the reduction in construction costs.

An ideal partner would have the ability to entitle property and apply for potential No Place Like Home (NPLH) projects in which applications are due in January 2022.

Developers **can not** apply directly for consideration of projects located in cities. The goal is to identify city partners who will help champion a project through the local approval process, invest available resources, and work with the County and selected developer in securing State resources.

Developers that wish to deploy a project within a city must work directly with the city, and the city must submit the proposal. *Proposals submitted by a city in partnership with a qualified developer will be required to meet the established evaluation criteria for both cities and qualified developers.*

**2. County Unincorporated Communities - Qualified Developers**

Developers are allowed and encouraged to directly apply if their projects are located in County unincorporated communities. A partnership with a qualified developer would focus on the development of affordable or PSH units. Qualified developers will need to bring with them

experience in the following areas:

- Economic and/or Community Revitalization or Development of PSH
- Working with innovative housing typologies
- Obtaining entitlements and CEQA compliance
- Design, property management, and leasing
- Securing State and Federal resources

An ideal partner would be able to identify potential NPLH projects for 2022.

Additionally, submissions are encouraged to include innovative land use concepts and construction typologies that reduce construction costs.

### **3. Pacific Village PSH Housing – Qualified Developers**

Developers are allowed and encouraged to directly apply for the Pacific Village Housing. A partnership with a qualified developer would focus on the development of affordable or PSH units. Qualified developers will need experience in the following areas:

- Economic and/or Community Revitalization or development of PSH units
- Design, property management, and leasing
- Understanding the regulations associated with affordable housing resources
- Securing State and Federal resources
- Innovative land use concepts and construction typologies that reduce construction costs

#### ***CDH public-private agreement response precepts:***

- Demonstrate a sound business plan with financial viability and long-term sustainability.
- Demonstrate experience and capacity.
- Clearly explain how the proposed project would increase the County's affordable housing pipeline, assist with meeting RHNA requirements and/or provide PSH units for the County's chronically homeless population.
- Identify financial or other resources that the local jurisdiction is willing to commit to the project.
- Timeline to obtain site control and project approvals.

#### ***Additional County terms and conditions***

The following are a list of County underwriting practices, this list is not comprehensive:

- For all tax credit funded projects, the County imposes a hard cap of \$1.8 Million on the developer fee unless the complexity of the project warrants otherwise (e.g. larger community benefit projects, projects including a library or park, etc.). Some of the developer fee may be deferred. If proposing a 4% Low Income Housing Tax Credit (LIHTC) projects, any additional developer fee above \$1.8 Million must be contributed as equity or a capital contribution.
- The County's standard interest rates on all loans in 3%.
- Debt Service Coverage Ratio needs to be at least 1.15, however if the Project has limited cash flow then it will need to increase the Ratio to ensure repayment during the loan term.
- County standard is that all projects have adequate Capital and Operating Reserves.
- Residual receipts estimates should assume a 50/50 split.
- The County will charge:

- an annual monitoring fee, as the County is required to perform physical systems checks and unit monitoring. Cost of compliance with State or Federal wage rates are borne by the project.
- A 55-year affordability period will be required. The covenants enforced during the affordability period will ensure that the units remain restricted to serve households that are extremely low- or low-income, or income limits as dictated by the funding source(s), meet chronically homeless/at risk of chronic homelessness and Severe Mental Illness (SMI) definitions. The structure of the covenants during the affordability period may reflect, thusly:
  - Federal funding: If federal funding sources are used, the covenants will be a bifurcated to reflect a convent period that conforms to the funding requirements. The covenant structure will be comprised of a 20-year federally imposed covenant period AND a 35-year County-imposed covenant period; or
  - Non-federal funding: If no federal funding is used, the 55-year affordability covenants will be County-imposed.
- The County generally does not subordinate the Regulatory Agreement. However, the County may, at its sole and absolute discretion, choose to subordinate the Deed of Trust if specific conditions are satisfied.
- In considering the units assisted by the County (as compared to the units in the entire development), the County may elect, at its sole and absolute discretion, to restrict up to 100% of the units in the Regulatory Agreement, deed restrictions, and/or Promissory Note.

The County will not waive any Applicant requirements associated with Payment and Performance Bonds.

### **C. Evaluation Criteria:**

#### ***This RFI requires proposers to provide the following:***

- Cover Letter must include the following: RFI title, Name(s) of person(s) authorized to represent the Proposer in any agreement negotiations and execution, contact information (street address, phone and email addresses).
- Proposals must include the following: Concise summary of the expression of interest, identify how proposed idea will meet CDH's program objective and the proposer's qualifications and experience.
- Detailed description of envisioned County partnership outlining level of County support needed to successfully implement the proposal.
- In addition, proposals submitted by Qualified Developers must include;
  - Details of expected project budget, and description of the capabilities of the proposer including financial capacity. Concept site plan (Provide proposed site location, site plan if available or a description of the proposed project concept).

*Selection criteria for cities and qualified developers differs as outlined below:*

#### **Section 100: Cities**

Cities must provide a written description detailing the following:

#### **City Selection Criteria**

1. Political Will
  - a. Council Support
  - b. Staff Role
2. Experience
  - a. Examples of Projects the City has financed
  - b. Staff Experience
3. Project Concept
  - a. Target Population
  - b. Affordability Target
  - c. Description
4. Site Control
  - a. Ownership
  - b. Negotiated Price
5. Funding Commitment
  - a. Available Funding Source(s)
  - b. Land
  - c. DIF Contribution/Loan
6. Entitled Project
  - a. Current Status of Project's Entitlement
  - b. Process for Entitlement

**Section 200: Qualified Developers**

Developer qualifications are defined later in this section. Qualified developers must provide a written description accompanied by bios and resumes of key personnel detailing their track record of previous experience, specifically:

- a. Development Team
- b. Construction
- c. Property Management
- d. Asset Management

In addition, the submission should include the following:

1. Previous Experience Securing State Housing Resources
2. Positive Relationships with the Public Sector
3. Financial Wherewithal
4. List of Affordable Housing Portfolio, including size of projects and funding sources
5. Condition of Existing Assets

**Qualified Developer Criteria (County Unincorporated Areas)**

1. Project Concept
  - a. Target Population
  - b. Affordability Target
  - c. Description
  - d. Innovative Housing Typology
2. Site Control
  - a. Ownership
  - b. Negotiated Price
3. Financing Strategy
  - a. Proforma
  - b. Funding Sources

- c. Estimated County Contribution
- 4. Entitled Project
  - a. Current Status of Project's Entitlement
  - b. Process for Entitlement
  - c. Special Entitlement Conditions Required
- 5. Schedule
  - a. Land Acquisition
  - b. Design
  - c. Entitlement/CEQA
  - d. Proforma
  - e. Funding
- 6. County Financing Conditions
  - a. Confirm agreement
  - b. Identify any Issues

**Section 300: Pacific Village PSH Housing - Qualified Developers**

Developer qualifications are defined later in this section. Qualified developers must provide a written description accompanied by bios and resumes of key personnel detailing their track record of previous experience, specifically:

- a. Development and Construction Team
- b. Property Management
- c. Asset Management

In addition, the submission should include the following:

- 1. Previous Experience Securing State Housing Resources
- 2. Positive Relationships with the Public Sector
- 3. Financial Wherewithal
- 4. List of Affordable Housing Portfolio, including size of projects and funding sources
- 5. Condition of Existing Assets
- 6. Project Concept
  - a. Target Population
  - b. Affordability Target
  - c. Description
  - d. Innovative Housing Typology
  - e. Project Estimate
  - f. Identify any Potential Issues
- 7. Financing Strategy
  - a. Proforma
  - b. Funding Sources
  - c. Estimated County Contribution
- 8. Entitled Project
  - a. Special Entitlement Conditions Required
- 9. Schedule
  - a. Design and Construction
  - b. Funding
- 10. County Financing Conditions
  - a. Confirm agreement
  - b. Identify any Issues

**D. Expression of Interest Evaluation/Scoring:**

An evaluation review committee will evaluate the expression of interests received. For the purpose of scoring expression of interests, each of the committee members will evaluate each expression of interest in accordance with the criteria listed above.

The evaluation committee may seek outside expertise, including but not limited to input from technical advisors, to assist in evaluating expression of interests.

*The successful proposer shall be selected by the following process:*

1. An evaluation committee will be appointed to evaluate submitted written expression of interest.
2. The committee will score the written expression of interest based on the information submitted according to the evaluation criteria and point factors.
3. The committee will require a minimum of 10 working days to evaluate and score the written expression of interests.
4. A short list of proposers may be selected to submit a formal application. CDH reserves the right to increase or decrease the number of proposers on the short list depending on whether the proposers have a reasonable chance of being awarded a contract.

CDH reserves the right to approve one or multiple expression of interests with compatible uses.

Following the expression of interest evaluation, CDH may select one of these options:

1. Approval of one or multiple expression of interests and enter into negotiations;
2. Request additional information from the proposer(s); or
3. Reject the expression of interest(s).

**E. Expression of interest Submission:**

- This RFI has continuous submission period for cities and developers for the unincorporated County areas:
  - This Request For Interest (RFI) has a continuous submission period. CDH will close this RFI at a future date.
- For Application Type 3 - Pacific Village PSH Housing – Qualified Developers:  
The deadline is 5:00 p.m. Monday, May 10, 2021.
- Expression of interests submitted will be no more than 10 pages.
  - **See attached Self Scoring Sheet which must be included in the submittal.**
- Please submit one electronic copy to the CDH Contact listed below by due date.
- Cities/developers associated with the selected proposals will be notified on an ongoing basis.

**Submit questions and proposals to:**

Erica Watkins, Housing Solutions Manager  
385 North Arrowhead Avenue, 3<sup>rd</sup> Floor  
San Bernardino, CA 92415  
Phone (909) 387-4438  
Email: [Erica.Watkins@cdh.sbcounty.gov](mailto:Erica.Watkins@cdh.sbcounty.gov)



## RFI CITY SELF SCORING SHEET

Project Name: \_\_\_\_\_

City/Developer Name: \_\_\_\_\_

Signed: \_\_\_\_\_

<u>Points Awarded</u>	<b>Applications shall be evaluated using the following criteria. Total available points equal 100.</b>
<input style="width: 100%; height: 20px;" type="text"/>	<b>1. Project Description/Concept – 20 points maximum.</b> <ul style="list-style-type: none"> <li>a. Target Population</li> <li>b. Construction Typology</li> <li>c. Density</li> <li>d. Timeline Proposal to secure approvals, funding and commence contraction; note County is looking to identify projects over next 5 to 7 years</li> <li>e. Selected Developer Y/N? If yes, who is development partner.</li> </ul>
<input style="width: 100%; height: 20px;" type="text"/>	<b>2. Project Readiness – 20 points maximum.</b> <ul style="list-style-type: none"> <li>a. Site Control</li> <li>b. Zoning</li> <li>c. Site Plan</li> <li>d. Entitlements</li> </ul>
<input style="width: 100%; height: 20px;" type="text"/>	<b>3. City Contribution – 25 points maximum.</b> <ul style="list-style-type: none"> <li>a. Own Land</li> <li>b. Funding Contribution                             <ul style="list-style-type: none"> <li>i. Type of funding, amount, and year available</li> <li>ii. Type of funding, amount, and year available</li> <li>iii. Type of funding, amount, and year available</li> <li>iv. Type of funding, amount, and year available</li> </ul> </li> </ul>
<input style="width: 100%; height: 20px;" type="text"/>	<b>4. City Support – 15 points maximum.</b> <ul style="list-style-type: none"> <li>a. Describe Staff Role</li> <li>b. Describe City Council communications and project awareness</li> </ul>
<input style="width: 100%; height: 20px;" type="text"/>	<b>5. Community Support – 10 points maximum.</b> <ul style="list-style-type: none"> <li>a. Describe current or completed outreach activities</li> <li>b. If not, outreach has been completed, describe outreach concepts.</li> </ul>
<input style="width: 100%; height: 20px;" type="text"/>	<b>6. County Support – 10 points maximum.</b> <ul style="list-style-type: none"> <li>a. Besides funding, describe the role you would like County Community Development and Housing Department staff to play in the proposed housing development</li> </ul>
<input style="width: 100%; height: 20px;" type="text"/>	<b>TOTAL POINTS</b>

## RFI QUALIFIED DEVELOPER SELF SCORING SHEET

Project Name: \_\_\_\_\_

City/Developer Name: \_\_\_\_\_

Signed: \_\_\_\_\_

<u>Points Awarded</u>	<b>Applications shall be evaluated using the following criteria. Total available points equal 100.</b>
<input style="width: 100%; height: 30px;" type="text"/>	<p><b>1. Development Team Experience – 15 points maximum.</b></p> <ul style="list-style-type: none"> <li>a. Previous Experience Securing State Housing Resources</li> <li>b. Positive Relationships with the Public Sector</li> <li>c. Financial Wherewithal</li> <li>d. List of Affordable Housing Portfolio, including size of projects and funding sources</li> <li>e. Condition of Existing Assets</li> </ul>
<input style="width: 100%; height: 30px;" type="text"/>	<p><b>2. Readiness to Proceed – 30 points maximum.</b></p> <p>For any sections that are not applicable, award full points in that subcategory:</p> <ul style="list-style-type: none"> <li>a. <u>Environmental Approval</u>: Completion of all necessary environmental clearances, (California Environmental Quality Act and National Environmental Policy Act), and completion of a Phase I Environmental Site Assessment and Phase II environmental studies, if necessary (15 points).</li> <li>b. <u>Discretionary Approval</u>: Obtaining all necessary and discretionary public land use approvals except building permits to the extent such approval is required (15 points).</li> </ul>
<input style="width: 100%; height: 30px;" type="text"/>	<p><b>3. Project Concept – 20 points maximum.</b></p> <ul style="list-style-type: none"> <li>a. Target Population</li> <li>b. Affordability Target</li> <li>c. Description</li> <li>d. Innovative Housing Typology</li> </ul>
<input style="width: 100%; height: 30px;" type="text"/>	<p><b>4. Site Control – 20 points maximum.</b></p> <ul style="list-style-type: none"> <li>a. Ownership</li> <li>b. Negotiated Price</li> </ul>
<input style="width: 100%; height: 30px;" type="text"/>	<p><b>5. Financing Strategy – 15 points maximum.</b></p> <ul style="list-style-type: none"> <li>a. Proforma</li> <li>b. Funding Sources</li> <li>c. Estimated County Contribution</li> </ul>
<input style="width: 100%; height: 30px;" type="text"/>	<p><b>TOTAL POINTS</b></p>

**RFI APPLICATION TYPE 3 - PACIFIC VILLAGE  
HOUSING QUALIFIED DEVELOPERS SELF SCORING  
SHEET**

Project Name: \_\_\_\_\_

City/Developer Name: \_\_\_\_\_

Signed: \_\_\_\_\_

<b>Points Awarded</b>	<b>Applications shall be evaluated using the following criteria. Total available points equal 70.</b>
<input type="text"/>	<ol style="list-style-type: none"> <li><b>1. Development Team Experience – 15 points maximum.</b> <ol style="list-style-type: none"> <li>a. Previous Experience Securing State Housing Resources</li> <li>b. Positive Relationships with the Public Sector</li> <li>c. Financial Wherewithal</li> <li>d. List of Affordable Housing Portfolio, including size of projects and funding sources</li> <li>e. Condition of Existing Assets</li> </ol> </li> </ol>
<input type="text"/>	<ol style="list-style-type: none"> <li><b>2. Project Readiness – 20 points maximum.</b> <ol style="list-style-type: none"> <li>a. Site Control</li> <li>b. Zoning</li> <li>c. Site Plan</li> <li>d. Entitlements</li> </ol> </li> </ol>
<input type="text"/>	<ol style="list-style-type: none"> <li><b>3. Project Concept – 20 points maximum.</b> <ol style="list-style-type: none"> <li>a. Target Population</li> <li>b. Affordability Target</li> <li>c. Description</li> <li>d. Innovative Housing Typology</li> </ol> </li> </ol>
<input type="text"/>	<ol style="list-style-type: none"> <li><b>4. Financing Strategy – 15 points maximum.</b> <ol style="list-style-type: none"> <li>a. Project Estimate</li> <li>b. Funding Sources</li> <li>c. Estimated County Contribution</li> </ol> </li> </ol>
<input type="text"/>	<b>TOTAL POINTS</b>