EASTERN LOS ANGELES REGIONAL CENTER

ANNOUNCEMENT

OF

COMMUNITY PLACEMENT PLAN (CPP) START-UP AWARD AFFORDABLE HOUSING FISCAL YEAR 2020-21

REQUEST FOR PROPOSALS (RFP)

NPO Housing Project 7
Project Number:
ELARC-2021-7

SUMMARY OF PROJECT

The development of affordable and accessible homes is necessary to meet the goal of the California Department of Developmental Services (DDS) to expand opportunities for individuals with developmental disabilities (consumers) to reside in the least restrictive community settings and to at the same time advance the objective of the *Olmstead v. LC* Supreme Court decision of deinstitutionalization issued in 1999. **The Eastern Los Angeles Regional Center (ELARC) in collaboration with DDS seeks proposals for acquisition with Start-up Funds of one single family home for long-term lease to a licensed residential services provider to be selected and vendored by ELARC. Applicants must submit a proposal to develop permanent housing through the "Buy It Once" model where an NPO purchases residential property that will be used exclusively by regional center consumers. To ensure that homes developed using startup funds are always available for use by consumers, real estate deed restrictions or restrictive covenants which place specific limitations on the use of the property must be applied to the property by the NPO or developer and either a promissory note, or a profit participation agreement, along with a deed of trust in favor of DDS will be executed.**

From this RFP one single family home will be acquired and renovated as an Enhanced Behavioral Support Home for Adults. **Property ownership and management will be separate and distinct from the provision of services and supports.** Interested parties are invited to submit a proposal in accordance with the specifications contained in this Request for Proposal (RFP) to acquire and manage one single family home property for long-term lease to a vendor providing residential services to adults with developmental disabilities. Eastern Los Angeles Regional Center (ELARC) reserves the right to award, or not award funding.

Start-up monies are awarded with the intent of defraying the cost to develop a new service. Therefore, commitments in the form of hard (dollar) and/or soft (in-kind) contributions are necessary for each applicant receiving an award. Funding must demonstrate a leverage ratio of a minimum of three dollars in leveraged funds to each one dollar in CPP start-up funds used for acquisition. Selection will be based on the proposal which best meet the desired elements.

Project Number and Description:

ELARC 2021-7: Enhanced Behavioral Supports Home for adult consumers with intellectual disabilities with significant mental health needs (4 bed) - Acquisition and Renovation; Start-up funding up to \$350,000 for acquisition for property acquisition and up to \$450,000 for renovation.

CPP funds shall be used only for acquisition, renovation, and new construction of real property as described below.

A. Acquisition Costs

Eligible CPP costs for the acquisition of real property include, but are not limited to, down payment, pre-development costs, due diligence costs, closing costs, property inspections and replacement reserve analysis, developer fee, environmental mitigation reports, legal, accounting, consultant, and project management fees, lender's title insurance, home warranty contract, etc. Once the Department approves a HAR, some pre-development costs relating to such CPP property may be eligible for reimbursement even if the prospective property is not eventually purchased.

B. Renovation Costs of HDO Owned Property/New Construction Costs

To ensure that the unique needs of individuals with a wide-range of disabilities can be accommodated, CPP funds may be used to renovate or construct new improvements involving changes to the layout of real property and amenities.

Eligible costs for the renovation or new construction of real property include, but are not limited to, the following:

- i. Specialized items that provide benefit to meet consumers' needs (e.g., ramps, bathroom modifications, hardened or softened walls, etc.). The RC, along with others in the development team, should comprehensively evaluate the consumers' identified needs prior to the start of renovation or construction to limit future unanticipated costs.
- ii. Replacement of old systems or installation of new systems (e.g., water heaters, HVAC systems, generators, etc.) when necessary to meet the consumers' needs or when supported by inspection reports.
- iii. Building code compliance, and other state and local government requirements for code compliance, including, but not limited to retrofitting, energy/water efficiency, and natural hazard mitigation.
- iv. Environmental mitigation expenses; the cost of removing, disposing and replacing hazardous building materials, including, but not limited to, lead based paint and asbestos, and the removal and disposal of hazardous substances, including, but not limited to, expenses and fees related to testing, oversight, such as environmental consultants and state and local jurisdiction permits and fees.
- v. Energy efficient upgrades, e.g., the replacement or installation of plumbing, lighting, HVAC systems with more energy efficient models, the planting of drought tolerant landscaping, solar power systems, patio covers, awnings, etc.
- vi. State and local jurisdiction permits and fees, including, but not limited to, building and planning fees, traffic and school impact fees, plan review fees, hook-up fees for water lines, sewer connections, etc. vii. Upon approval by the Department, the use of up to ten thousand dollars (\$10,000) of CPP funds to pay for costs associated with pool removal.
- ix. Legal, accounting, consultant, project management, and developer fees.
- x. Housing development holding costs, not to exceed a period of six (6) months without prior written approval from the Department. The costs may include monthly debt service payment, utility expenses, yard maintenance, and property insurance policy costs required by the Department, including hazard, general liability, and recommended deductibles for all policies.

Note: The Department will consider time-limited extensions under extraordinary circumstances. The HDO must submit a written request to the RC with a copy to the Department that describes the reason for the request and the circumstances leading to the request. The Department will work with the RC to review the request.

xi. Fire sprinkler installation and maintenance at each property.

PURPOSE & SCOPE

Awardee will need to acquire one single family home. Property is to be purchased and owned by a non-profit housing organization (NPO) and restricted for the use as housing for regional center consumers (i.e., individuals with developmental disabilities) per the Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan for Fiscal Year 2017-18 Requests and Amendments "Housing Guidelines" found on the CPP page of the DDS website https://www.dds.ca.gov/services/cpp/. Property will be required to be renovated to meet the standards to be licensed by the Department of Public Social Services (DPSS) of the State of California as an ARF or group home. Renovation money through Community Placement Plan will be made available for each home based upon the renovations needed to comply with DPSS Community Care Licensing requirements. Startup funding is intended to partially defray the cost of the start-up of a new service. Any necessary renovation of the property must be supervised by and is the responsibility of the aforementioned NPO, regardless of funding source. The property will be leased to a residential service provider who

will provide care and supervision to the residents. The selected residential service provider as well as regional center staff will be available to the NPO for development team meetings and technical assistance regarding licensing requirements. Property ownership and management will be separate and distinct from the provision of services and supports. The NPO(s) will be required to acquire the single family homes for individuals with developmental disabilities who choose to live in a community care licensed facility. Each property must be located within the ELARC catchment area (Los Angeles County health districts East Los Angeles, Northeast, Alhambra, or Whittier) as indicated in the attached Cities & Zip Codes for ELARC **EXHIBIT A.**

Additional specifications for the prospective property are provided below:

Property features:

- Private bedroom for each resident (no more than 4 residents)
- A den or second common area preferred
- Ample parking (off-street, preferred) for staff and visitors

Neighborhood features:

- Nearby shopping and recreation activities,
- Public transportation,
- Quiet street, preferred (potential NIMBY concerns should be considered)

Not allowable property features:

• Ancillary improvements, e.g., pools, barns, or other structures, except garage

APPLICANT ELIGIBILITY

The NPOs primary mission must be to acquire and manage affordable homes for the needs of individuals with special needs. For the purposes of these projects, the preferred NPO corporate structure is an IRS 501(c)(3) corporation that will own the property with an Organizational Clearance Certificate for the project from the California Board of Equalization. Only applicants who possess all qualifications as specified in the RFP and have acquired, constructed, renovated or rehabilitated property for the use of special needs populations for a minimum of three years will be considered. Proposals will be considered from affordable housing providers who provide development team members with documented experience to meet this minimum standard.

Applicants who are incorporated as a non-profit housing organization must demonstrate their ability to acquire one single family home for lease to a residential service provider. The goal for the NPO is to provide long term affordable housing to individuals with developmental disabilities. NPOs must submit the resumes of the development team, a summary of past projects, a narrative of proposed property ownership from acquisition to conversion to permanent financing; NPO organizational and financial documentation; an implementation and financing plan; and sample reporting format.

The selected applicant will be required to provide a performance bond for all money advanced. The cost of the bond will be an acceptable start-up cost. If you are proposing an alternate to the performance bond, specify the performance assurances that you will be providing the regional center.

Selected applicants are subject to funding source review and approval.

APPLICANT INELIGIBILITY

The following agencies or individuals are not eligible for housing development:

- a. The State of California, its officers, or its employees;
- b. A regional center, its employees, and their immediate family members;
- c. The area board members, its employees or their immediate family members;
- d. Any NPO with a conflict of interest in either board members or employee;
- e. Any applicant determined to be an excluded individual or entity as defined in Section 54302 (b) (1).

PRELIMINARY ORIENTATION

A mandatory orientation to this RFP and an opportunity to have questions answered will be held from 2:00-4:00 p.m., Thursday, April 15, 2021 via Zoom:

Join Zoom Meeting
https://us02web.zoom.us/j/82409576562?pwd=YVVTRVRHSGNjcFNjU2NCOXFwZkhnUT09
Meeting ID: 824 0957 6562

Passcode: 740022

One tap mobile

+16699009128

Attendance at the orientation is required in order for the proposal to be accepted unless special arrangements are made and documented in writing prior to the orientation. Should you have any questions prior to the orientation, please contact Maria Colón at mcolon@elarc.org or (626) 299-4771.

SUBMISSION OF PROPOSAL

Notice of Intent to Respond to Request for Proposal (**EXHIBIT B**) is due by **5:00 p.m. Friday**, **April 23, 2021**. The Notice of Intent form here enclosed as Exhibit C must be used and all questions and requests for information must be provided, including signature and date. Form DS1891 applicant/vendor disclosure statement must accompany Notice of Intent to Respond to Request for Proposals. Response to the Request for Proposals must be received by ELARC, **no later than 5:00 p.m., Friday, May 7, 2021**. There will be no exception to this deadline unless approved in writing by regional center based on either a violent act of nature or arson, vandalism and/or theft of records and/or property by individuals other than the applicant. All interested applicants must submit an original and five copies of each proposal to the attention of Maria Colón, Community Services Specialist (Project Coordinator):

By mail at:

By delivery to:

Eastern Los Angeles Regional Center Maria Colón, Community Services Specialist P.O. Box 7916 Alhambra, CA 91802-7916 Eastern Los Angeles Regional Center Maria Colón, Community Services Specialist 1000 South Fremont Av, Building A-2 Alhambra, CA 91803 All inquiries regarding this proposal and technical assistance requests should be directed to Maria Colón at mcolon@elarc.org or (626) 299-4771. Technical assistance is limited to information on the requirements for preparation of proposals. Applicants are expected to prepare their proposals themselves or retain someone to provide such assistance.

TIMELINE

Request for proposals announced	March 30, 2021
RFP available online	March 30, 2021
Orientation	-4:00 p.m. April 15, 2021
Notice of Intent to Respond to Request for Proposals due	5:00 p.m. April 23, 2021
Deadline for receipt of proposalsno later to	than 5:00 p.m. May 7, 2021
Evaluation & Selection of Proposals	on or before May 21, 2021
Interviews, if necessary	on or before May 26, 2021.
ELARC Board of Directors Decision	on or before June 9, 2021
Notice of Selection	on or before June 11, 2021
Discussion of project details	before June 25, 2021
Contract negotiations complete	on or before June 25, 2021
Projects to start operationthe latter of CA budget finalized or co	onditional approval by DDS
Monthly Reports due by the 15 th of each month	effective July 1, 2021
Property acquired withi	n 60 days of DDS approval

Strict adherence to the above deadlines will be followed.

PROPOSAL REVIEW AND SELECTION PROCESS

Each proposal will undergo a preliminary screening. Late or incomplete applications will not be accepted for review and rating. Incomplete application means an application that does not include all information requested in this RFP. Proposals submitted after 4:00 p.m. on May 7, 2021 will not be accepted for consideration. No proposal will be returned.

The Review & Selection Committee will be seated by ELARC. This Committee will review, score, rank and prioritize the proposals. Applicant's proposals may be rejected for inconsistency with state and federal guidelines, failure to follow instructions, incomplete documents, failure to submit required documents, and late submission.

Acceptable proposals will be scored in the following areas: NPO organizational and financial documentation; Narrative proposal; Implementation plan; Project Budget. In addition to evaluation on merit of the proposal, applicants will be evaluated and selected based on previous performance (including the timely completion of projects, a history of cooperative work with the regional center or other funders, and track record consistent with established timelines for development). Preference will be given to plans and developments demonstrating leveraging of funds from grants, gifts and other like sources rather than, or in addition to, funds from long-term financing.

Acceptable proposals will be scored as per the following scoring guidelines by each of the CPP Review Committee members:

Agency Description 20 points

Program Design 35 points

Work Plan/Timeline of Project Activities 15 points

Budget and Finance – Start-up and On-going 15 points

Proposal Responsiveness/Innovation 15 points

TOTAL 100 points

The minimum requirement will be 70% of the total possible points

All applicants are urged to design and develop their proposal to fully address each of the scoring criteria. The need for interviews with the highest ranking applicants will be determined by the regional center. The recommendation of the Review & Selection Committee shall be approved by the ELARC Executive Director and/or the ELARC board of directors, and is not subject to appeal. All applicants will receive notification of ELARC's decision regarding their proposal.

The RFP does not commit ELARC to select any proposal and award any contract.

CONTRACT TERMS

The applicant selected for the CPP grant award will enter into an agreement (contract) with the ELARC. Among other provisions, the contract will be in compliance with the Guidelines for Purchasing and Developing Permanent Housing through the Regional Center Community Placement Plan for FY 2017-18 Requests and Amendments (Housing Guidelines).

The selected NPO shall submit invoices to ELARC for review. Within thirty (30) days of receipt of the invoice, the ELARC Project Coordinator shall determine, in collaboration with ELARC Fiscal Monitor, whose discretion shall be reasonably exercised, whether or not the services performed by the selected NPO are in accordance with the terms of the Agreement and Federal, State and local laws and regulations and whether or not the selected NPO is otherwise entitled to payment. The selected NPO shall be bound by the determination of the ELARC Project Coordinator of approval or disapproval of any invoice in accordance with the terms of the agreement. A copy of the executed long-term lease to the residential service provider must be provided to the ELARC project coordinator prior to reimbursement of final claim of the start-up funds. In addition, the final claim will not be reimbursed until the final reconciliation is received.

CONTENT OF PROPOSAL

The proposal must be typed on standard white paper and include a table of contents and page numbering. Use the following outline. For items that request conditional information, provide a statement whether or not it applies to the applicant in order to ensure that it has been addressed.

- I. EXECUTIVE SUMMARY OF PROPOSAL highlighting your agency's capacity to complete the project(s).
- II. APPLICANT INFORMATION (NPO Organizational, Development Team, Financial Documentation)
 - a. The contact information (name, address, e-mail address and telephone number) of the proposed NPO applicant and whether applying as a non-profit corporation, a limited partnership, or a limited liability corporation.
 - b. State the name of the author of the proposal. List any parties who participated in writing all or part of the proposal. Any proposal written for an applicant by a consultant or professional grant writer will demonstrate a commitment by the writer to provide ongoing technical assistance during the project implementation phase.
 - c. Describe or provide materials that clarify the NPO's mission and development and management experience of the NPO, any developer retained by the NPO and other development team members. A roster of development team members is required.
 - d. At a minimum the proposal should include names of partners, staff or consultants, if known, who will be involved in the implementation of the project if awarded; resumes; a summary of past projects; and a narrative of proposed property ownership from acquisition to conversion to permanent financing.
 - e. List of references and/or letters of reference relevant to experience and other qualifications required to complete this or similar projects. Applicants should be aware that ELARC will contact reference and other sources to corroborate any of the information provided in the proposal.
 - f. Specify any past history of activities which have had a serious negative impact upon development projects, tenants or residents including, but not limited to: financial losses (e.g., foreclosure), or serious investigation or citation under the California Administrative Code, the Penal Code or Regulations of the State of California, or the laws of other states, or the Federal Government. Any information withheld or omitted may result in disqualification of the proposal or termination of the contract. If there is no history as described in this paragraph, state so.
 - g. Organizational Documentation
 - i. Regional center vendor approval letter.
 - ii. Internal Revenue Service approval of 501(c)(3) status.
 - iii. A current, within 180 days, Certificate of Status of Good Standing with the California Secretary of State must be received by the RC before executing a CPP contract with the selected NPO. Contracts must be executed prior to June 30, 2021.
 - iv. Articles of Incorporation demonstrating that the organization's mission

- includes the development and management of housing for RC consumers.
- v. By-laws of the NPO.
- vi. A list of current officers and Board of Directors.
- vii. A corporate resolution authorizing the execution of documents by the designated signatory of the NPO must be received by the RC before executing a CPP contract with the selected NPO.
- viii. A summary of the history of development of housing for individuals who have a developmental disability or special needs, including an accounting of replacement reserves for each property developed with the use of CPP funds.
- ix. An executed Conflict of Interest Statement. [see Appendix J in Exhibit A] h. Financial Documentation ELARC will evaluate financial statements in order to determine the applicant's financial ability to cover startup costs and stability to meet the long term commitment to hold and manage the property.
 - i. If your agency has not already provided, provide three (3) years of audited financial statements with the most recent audit an unqualified audit opinion completed by a Certified Public Accountant using accepted accounting practices.
 - ii. For all agencies, provide current year-to-date financial statements and latest annual report for the NPO.
- i. Issues of equity and diversity.
 - i. A statement outlining the applicant's plan to serve diverse populations, including, but not limited to, culturally and linguistically diverse populations.
 - ii. Examples of the applicant's commitment to addressing the needs of those diverse populations.
 - iii. Any additional information that the applicant deems relevant to issues of equity and diversity.

III. Implementation Plan

- a. A narrative proposal of the project that includes the proposed property ownership structure.
- b. The plan must specify a process that ensures compliance with all state and local building requirements, including without limitation the regional center's receipt of verification that each project has received all applicable, required permits prior to the start of any demolition, construction, or renovation/rehabilitation.
- c. Include a description of whether you will be providing a performance or surety bond for all money advanced and the completion of the project. The cost of the bond will be an acceptable start-up cost. If you are proposing an alternate to the performance bond, specify the performance assurances that you will be providing the regional center.
- d. Include a schedule for development, i.e., a sequence of activities necessary to complete the project. This step-by-step action plan which includes measurable, time-limited activities toward the achievement of specific project tasks and achievement of the proposed outcome. The project objectives should be realistically achievable within the time frame. Timeline of project activities has to reflect a date for the properties to be acquired and leased to a service provider

within 180 days of contract execution by all parties. The activities should cover each major step of the project and should include but not be limited to:

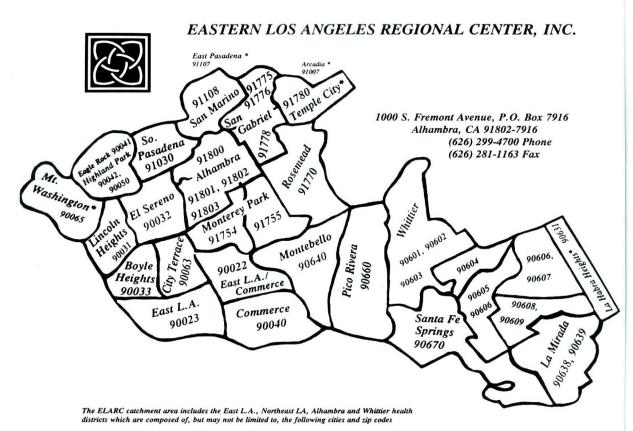
- i. Upon selection by the regional center the timeframe for providing a corporation resolution that authorizes the signatory to sign on behalf of, and obligate the NPO.
- ii. Provision of funding commitment letters
- iii. Provision of evidence of property site control
- iv. Loan closing and Property Acquisition
- v. Provision of evidence of property purchase, including an executed, recorded deed of trust and regulatory agreement
- vi. Provision of evidence of application to the County Tax Assessor
- vii. Provision of final sources and uses (budget)
- viii. Certificate of Occupancy (Notice of completion, if rehabilitation)
- ix. Executed, long-term lease agreement between NPO and service provider
- x. Executed, property management agreement
- xi. Evidence of property insurance
- e. Activities which may occur within 120-180 days of contract execution by all parties
 - i. Property tax exemption, if not provided sooner
 - ii. Reconciled sources and uses of funds (budget)
- IV. Proposed Sources and Uses (Project Budget) for the proposed project: Allowable costs include pre-development costs, (i.e., escrow; due diligence costs; environmental impact report, if indicated; survey and soil analysis), acquisition costs (funds to option, purchase, or acquire property); development costs (architectural and engineering; permits and fees; appraisal cost; developer, legal, accounting, consultant, and project management fees, if necessary).
 - a. Specify the start-up budget amount you propose to be awarded not to exceed the amount available per pages one and two of this RFP. Additionally, specify the total start-up budget amount required which must show a three to one leveraging of awarded funds with hard (dollar) and/or soft (in-kind) commitments i.e., the CPP funds do not exceed 25 percent of the total cost of the acquisition of the property.
 - b. A budget narrative describing how each budget line item was calculated is required to sufficiently define all terms and areas of the budget except the item for property modification.
 - c. Include sources for leveraged funds, e.g., federal, state and county housing programs, private parties, banks and foundations. Priority will be given to plans and developments that demonstrate leveraging of funds from grants, gifts and other like sources rather than leveraging of funds from loans.
 - d. Evidence of leveraged funds may include letters of commitment or memoranda of understanding from leveraged fund source(s) that identify a specific financial commitment to the proposed project (including contact name and phone number for each source).
 - e. Outlines the terms of the loan and/or debt service (mortgage). If long term funding is a mortgage loan, include proposed loan terms. Mortgage loans must not exceed a 15-year term without prior funder approval. If you are asking for an

- exception to the 15-year term, please include a proposed alternative.
- f. General Expenses or developer fee should address specific minor expenses that cannot be classified in any other line item.
- g. Includes a fifteen (15) year pro forma budget that demonstrates the project's financial feasibility along with anticipated rent roll (lease payment) as follows:
 - i. Anticipates income from all sources to be used to fund and operate the project to completion.
 - ii. Accounts for required replacement or maintenance reserve funds.
 - iii. Estimates total amount of debt service (e.g., mortgage payment), property taxes, property insurance, and property management expenses (if applicable).
 - iv. Details the process and management of application for property tax exemption and payment of property taxes. Demonstrates ongoing proforma of costs and lease terms that support financial sustainability.

ATTACHMENTS

EXHIBIT A. Cities & Zip Codes for ELARC

EXHIBIT B. Notice of Intent to Respond to RFP



<u>Cities</u>	Zip Codes	<u>Cities</u>	Zip Codes
Alhambra	91800, 91801, 91802	Mt. Washington*	90065
	91803	Pico Rivera	90660
Boyle Heights	90033	Rosemead	91770
City Terrace	90063	San Gabriel	91775, 91776,
Commerce	90040		91778
East L.A.	90023	San Marino	91108
East L.A./Commerce	90022	So. Pasadena	91030
East Pasadena*	91107	Santa Fe Springs	90670
El Sereno	90032	Temple City*	91780
Eagle Rock/		Whittier	90601, 90602,
Highland Park	90041, 90042, 90050		90603, 90604,
La Habra Heights*	90631		90605, 90606,
La Mirada	90638, 90639		90606, 90607,
Lincoln Heights	90031		90608, 90609
Montebello	90640		
Monterey Park	91754, 91755	* Indicates only a portion, check	Census Tract Book

EXHIBIT B

EASTERN LOS ANGELES REGIONAL CENTER COMMUNITY PLACEMENT PLAN (CPP) START-UP AWARD FISCAL YEAR 2020-2021

NOTICE OF INTENT TO RESPOND TO REQUEST FOR PROPOSALS FOR ENHANCED BEHAVIORAL SUPPORTS HOME FOR ADULTS

DUE TO: Maria Colón, Project Coordinator, Fax: (626) 299-4758, Email: mcolon@elarc.org BY: 5:00 P.M., Friday, April 23, 2021- Late submission will disqualify the applicant. FROM: NAME: REPRESENTING: ADDRESS: TELEPHONE: PLEASE GIVE A BRIEF ANSWER TO EACH OF THE FOLLOWING QUESTIONS: 1. State the background of either your organization or yourself in providing the type of project/services outlined in the RFP. 2. Briefly outline your organization's ability to fiscally start up this service. 3. Describe similar projects/services with which the organization has been successful? State how you have met the applicant eligibility requirements of having actually provided 4. residential services to consumers with profiles as specified in the RFP. Include dates, time period and supporting documents. 5. Explain how you will recruit, hire and maintain qualified staff as referenced in the RFP. Enclosed completed: State of California—Health and Human Services Agency, Department of Developmental Services, APPLICANT/VENDOR DISCLOSURE STATEMENT DS1891 found at https://www.dds.ca.gov/wp-content/uploads/2019/05/DS1891.pdf

Signature:

Date:____