



REQUESTS FOR PROPOSALS (RFP)
COMMUNITY PLACEMENT PLAN (CPP)
FOR FISCAL YEAR 2013 - 2014

DATE: April 21, 2014

TO: Grant Applicants/Interested Parties

FROM: San Gabriel/Pomona Regional Center (SG/PRC)

RE: START-UP FUNDS AVAILABLE – Announcement & Proposal Writing Guidelines
Request for Proposal (RFP) application deadline **June 2, 2014**

AUTHORITY

The Lanterman Act, as interpreted by the California Supreme Court in *ARC CA vs. DDS*, determined that a primary function of regional centers is to “prevent or minimize the institutionalization of developmentally disabled persons”. Additionally, the State of California through the Budget Act of 2012, including Trailer Bill 1472 (Chapter 25, Statutes of 2012) has enacted significant policy changes that focus on reducing the reliance on developmental centers, locked mental health facilities ineligible for federal financial participation and out-of-state placements. The primary goal of these policy changes is to provide services in the least restrictive environment while achieving General Fund savings to the State. To this end, the San Gabriel/Pomona Regional Center (SG/PRC), will use Community Placement Plan (CPP) funds to acquire and develop permanent, accessible homes in the community, owned by non-profit housing corporations, for the use of individuals at risk of, or currently residing in, state developmental centers.

SG/PRC is seeking proposals for the acquisition and rehabilitation of two (2) single family homes, which will be available with long-term leases for residential service providers selected and vendored by SG/PRC. Grant funds to acquire the home will be for a total of two (2) properties. Acquisition of the properties will be a collaborative effort between the non-profit housing foundation, the regional center and the vendor selected to operate the home.

To ensure that homes developed using CPP funds are always available for use by individuals served by SG/PRC, real estate deed restriction or restrictive covenants are required for each property purchased with these funds by the NPO. These deed restrictions or restrictive covenants must place specific limitations on the use of the property.

Interested parties are invited to submit a proposal in accordance with the specifications contained in this Request for Proposal (RFP) to acquire two (2) single-family properties for long-term lease to a service provider supporting individuals with developmental disabilities. Applicants will also be responsible for the long-term management of the property. The successful applicant for this award will acquire and renovate two (2) single family home properties to be purchased and renovated to SG/PRC specifications and will be owned and maintained by an NPO for restricted use as housing for individuals served by SG/PRC. The successful bidder must be a Non-Profit Housing Organization, or

have that as a component of their organization that does not provide direct services to any individuals with developmental disabilities.

Deed restrictions must specify the properties will be held, and available for services to persons referred by SG/PRC in perpetuity from the date of purchase per the housing guidelines issued by the State of California, Department of Developmental Services (see ATTACHMENT A). NPO's may hold the properties as a non-profit corporation, limited partnership, or a limited liability corporation.

Renovation of the property must be supervised by, and is the responsibility of, the NPO. Renovation plans must be developed for the NPO by a licensed architect and implemented by a licensed, bonded contractor, and the plans approved by SG/PRC prior to an application for construction permits. 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/architect/building contractor for development team meetings and technical assistance regarding the needs of the individuals referred as well as the requirements of Community Care Licensing.

Properties must be convertible to meet the standards for licensing by the Department of Social Service of the State of California, Community Care Licensing Division, as Adult Residential Facilities (ARF) for ambulatory and non-ambulatory residents. Property ownership and management will be separate and distinct from the provision of services and supports. The property acquired must be a single family home for no more than four adults per home. The home will be designed with a minimum of four (4) single occupancy bedrooms. **The property must be approved by SG/PRC in advance of purchase and located within the SG/PRC catchment area as indicated in ATTACHMENT B** (attached).

Additional specifications for the prospective property is provided below:

Property features:

- Private bedroom for each resident (no more than four residents)
- Large lot with significant space between neighboring homes
- A den or second common area preferred
- A fenced back yard
- Single-family homes suitable for ADA compliant exits and non-ambulatory clearance
- Ample parking (off-street, preferred) for staff and visitors

Neighborhood Features:

- Located in locations with ample space between residences

Prohibited Property Features:

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

APPLICANT ELIGIBILITY

The NPOs primary mission is to develop and manage accessible homes for the needs of individual with developmental disabilities. For the purposes of this project, the applicant must be a registered NPO (or indicate intent to create an NPO registered as an IRS 501(c) (3) corporation), limited liability company, or limited partnership that will own the properties through the NPO as a managing general partner who receives and retains an Organizational Clearance Certificate for the project(s) from the California Board of Equalization in order to be exempt from property taxes.

Only applicants who have acquired, constructed, or renovated property for the use of special needs populations for a minimum of two years, or have team members with at least 4 years of relevant experience, will be considered. Applicants must possess qualifications as specified in this RFP.

Proposals will be considered from affordable housing providers who retain development team members with documented experience in real estate purchase, financing and renovation. NPO's must submit the resumes of the development team, a summary of past projects, and a narrative of proposed property ownership including acquisition, renovation, and maintenance. Information on plans for acquiring permanent financing, NPO organization and financial documentation, an implementation and financing plan, and a sample-reporting format must also be included.

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.

APPLICANT INELIGIBILITY

The following agencies or individuals are not eligible for this NPO development award:

1. The State of California, its officers or its employees;
2. A regional center, its employees, and their immediate family members;
3. Area Board members, their employees or their immediate family members;
4. Any NPO with a conflict of interest in either board members or employees

SUBMISSION OF PROPOSAL

Response to the Request for Proposals must be received by SG/PRC, no later than 4:00 p.m., January 28, 2013. No exceptions.

All interested Applicants must submit an original and six copies of each proposal by mail to:

Ernie Cruz, Associate Director, Community Services
San Gabriel/Pomona Regional Center
75 Rancho Camino Dr.
Pomona, CA 91766

All inquiries regarding this proposal and technical assistance requests should be directed via email to resources@sgprc.org. Technical assistance is limited to information on the requirements for preparation of proposals.

TIMELINE

Request for proposals release.....April 21, 2014

- Applicant’s Conference.....Monday, May 12, 2014 from 4 to 5 p.m. @
SG/PRC Room #1, 75 Rancho Camino Dr.,
Pomona, 91768
 - Deadline for receipt of proposals.....June 2, 2014
 - Review, Interview and Selection of Proposals.....June 3 – June 16, 2014
 - Notice of Selection Committee Decisions.....June 23, 2014
 - Contract negotiations complete.....June 30, 2014
 - Monthly Reports due by the 15th of each month.....effective July 15, 2014
 - Properties acquired.....within 180 days
- Strict adherence to the deadlines above will be followed.

SELECTION PROCEDURES

All proposals received by the deadline will undergo a preliminary screening. Late or incomplete applications will not be accepted for review and rating. The Proposal Review Committee will be seated by SG/PRC. Proposals will be reviewed for completeness, applicant experience and fiscal stability, resources of applicant, reasonableness of costs, and ability of applicant to identify and achieve outcomes of property acquisition and renovation. After preliminary review and scoring, an interview with the finalists will be scheduled.

The final decision of the Proposal Review Committee is not subject to appeal. All applicants will receive notification of SG/PRC’s decision regarding their proposal. 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 RFP instructions, incomplete documents, or failure to submit required documents. To the right of each section is the maximum score that can be obtained. The review committee will use these criteria to rate your proposal. Acceptable proposals will be scored in the following areas:

| | |
|--|-----------|
| NPO organizational and financial documentation | 25 points |
| Narrative proposal | 15 points |
| Implementation plan | 15 points |
| Project Budget | 15 points |

In addition to evaluation on the 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 a track record consistent with established timelines for development).

RESERVATION OF RIGHTS

SG/PRC reserves the right to request or negotiate changes in a proposal, to accept all or part of a proposal, or to reject any or all proposals. SG/PRC may, at its sole and absolute discretion, select no provider for these services if, in its determination, no applicant is sufficiently responsive to the need. SG/PRC reserves the right to withdraw this Request for Proposal (RFP) and/or any item within the RFP at any time without notice. SG/PRC reserves the right to disqualify any proposal which does not adhere to the RFP guidelines. This RFP is being offered at the discretion of SG/PRC. It does not commit SG/PRC to award any grant.

COSTS FOR PROPOSAL SUBMISSION

Applicants responding to the RFP shall bear all costs associated with the development and submission of a proposal.

CONTENT OF PROPOSAL

The proposal must be typed on standard white paper using standard size font (12) and include a table of contents and page numbering. For items that request conditional information, provide a statement whether or not it applies to the applicant in order to verify that it has been addressed. Use the following outline:

1. APPLICANT INFORMATION (NPO Organization, Development Team, Financial Documentation)
 - A. The contact information (name, address, email 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.
 - 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 SG/PRC will contact references and other sources to corroborate any of the information provided in the proposal.
 - F. List of all projects with other regional centers and the current status of each project. List needs to identify the project name, address, acquisition date and rehab completion date (certificate of occupancy date).

- G. 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.
- H. Organizational Documentation

For Non-Profit Corporations

- (1) IRS approval of 501(c) (3) status
- (2) Articles of Incorporation stating that, as part of its mission, the organization will develop and manage affordable homes for individuals with special needs, including those with developmental disabilities, and identifying the leadership and responsibilities of the NPO.
- (3) By-laws of the corporation that defines the purpose of the NPO to develop and manage affordable homes for individuals with special needs, including those with developmental disabilities.
- (4) NPO's board approval to acquire housing.
- (5) California Secretary of State Letter of Incorporation and verification of good standing
- (6) A list of current officers and Board Members.

For Limited Partnerships

- (1) A certificate of Limited Partnership (LP-1)
- (2) Amendment to Certificate of Limited Partnership (LP-2), if any.
- (3) Current Limited Partnership Agreement, as amended, which defines that the purpose is to develop and manage Affordable homes for individuals with special needs, including those with developmental disabilities, and identifies the leadership and responsibilities of the LP.
- (4) Limited Partnership's approval to acquire housing.

For Limited Liability Companies (LLC's)

- (1) Limited Liability Company Articles of Incorporation (LLC-1)
- (2) Limited Liability Company Certificate of Amendment (LLC-2), if any.
- (3) A fully executed operating agreement and all amendments which define that the purpose is to develop and manage affordable homes for individuals with special needs, including those with developmental disabilities, and identifies the corporate leadership and responsibilities of the LLC.
- (4) Limited Liability Companies approval to acquire housing.

- I. Financial Documentation – SG/PRC will evaluate financial statements in order to determine the applicant's financial ability to cover start-up costs and stability to meet the long term commitment to hold and manage the properties.
- (1) 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.

(2) Provide current year-to-date financial statements of the NPO.

2. IMPLEMENTATION PLAN

- A. A narrative proposal of the project that includes the proposed properties 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 sequence of activities necessary to complete the project and specific to each property. 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 150 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:
- (1) 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.
 - (2) Provision of funding commitment letters
 - (3) Provision of evidence of property site control
 - (4) Loan closing and Property Acquisition
 - (5) Provision of evidence of property purchase, including an executed, recorded deed of trust and regulatory agreement 10
 - (6) Provision of evidence of application to the County Tax Assessor
 - (7) Provision of final sources and uses (budget)
 - (8) Certificate of Occupancy (Notice of completion, if renovation)
 - (9) Executed, long-term lease agreement between NPO and service provider
 - (10) Executed, property management agreement
 - (11) Evidence of property insurance
- D. Activities which may occur within 120-180 days of contract execution by all parties
- (1) Property tax exemption, if not provided sooner
 - (2) Reconciled sources and uses of funds (budget)

3. PROPOSED SOURCES AND USES (PROJECT BUDGET)

Allowable costs include pre-development costs, (i.e., closing and escrow; due diligence costs; environmental impact report, if indicated; survey and soil analysis), acquisition costs (funds to option, purchase, or acquire properties); development costs (architectural and engineering; permits and fees; appraisal cost; construction, legal, accounting, consultant, and project management fees, if necessary).

- A. For all grants, specify the start-up budget amount you propose to be awarded for acquisition, and the start-up budget for renovation. Additionally, specify the acquisition total start-up budget amount required which must show a one to three (1:3) leveraging of awarded funds with hard (dollar) and/or soft (in-kind) commitments.

- 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., private parties, bank loans, and foundations.
 - D. Evidence may include, but not be limited to, letters of commitment; memoranda of understanding that specify a financial commitment to the proposed project.
 - E. Demonstrate a leverage ratio of a minimum of three (3) dollars in leveraged funds to each one (1) dollar in CPP funds, i.e., the CPP funds do not exceed 25 percent of the total cost of the project.
 - F. Identify the projected permanent debt service.
 - G. General Expenses or developer fee should address specific minor expenses that cannot be classified in any other line item.
4. RENOVATION AND MAINTENANCE
- A. Describe the process for securing bids from architects, property management (if outsourced) and construction services.
 - B. Note whether maintenance functions are performed by NPO in-house staff or whether secured from a property management agency.
 - C. List those items that will be covered in the renovation addressing:
 - (1) Major appliances
 - (2) Landscaping
 - (3) Adaptive fixtures including grab bars
5. LEASING STRUCTURE
- A. Describe how the lease to a service provider is structured by defining what items will be paid by the lessee, and what will be paid by the NPO. At a minimum address:
 - (1) Property taxes
 - (2) Insurance
 - (3) Building Maintenance
 - (4) Landscaping maintenance
 - B. Describe the leasing structure to address:
 - (1) Typical length of lease agreement
 - (2) Whether the budget is structured such that no rent increases will be passed to the lessee, or an anticipated timeline with the amounts of rent increases.

REQUIRED ATTACHMENTS FOR PROJECTS

- A. Community Placement Plan Guidelines for Purchasing and Developing Permanent Housing 2013-2014
- B. Cities & Zip Codes for SG/PRC