

Request for Proposals No Place Like Home 2019 Non-Competitive and Competitive Allocations

Proposals are due to the County of Ventura by 4pm on October 11, 2019

Proposals should be submitted via flash drive to:

Ventura County Behavioral Health Department

Attn: Susan White Wood

Susan.whitewood@ventura.org

1911 Williams Drive, Suite #200

Oxnard, CA 93036



I. Introduction and Background

On July 1, 2016, Governor Brown signed landmark legislation enacting the No Place Like Home (NPLH) program dedicating up to \$2 billion statewide in bond proceeds to invest in the development of permanent supportive housing in California for persons with a mental health diagnosis who are also experiencing homelessness, chronic homelessness, or who are at risk of chronic homelessness. The NPLH bonds are repaid by funding from the Mental Health Services Act (MHSA). Permanent supportive housing developed with NPLH funding will serve adults with serious mental illness, children with severe emotional disorders and their families and persons who require or are at risk of requiring acute psychiatric inpatient care, residential treatment, or outpatient crisis intervention because of a mental disorder and who are homeless, chronically homeless, or at risk of chronic homelessness.

The NPLH program provides deferred payment loans to California counties applying independently and and/or with a Development Sponsor for the development of multi-family rental projects with five (5) or more units of Permanent Supportive Housing (PSH) for persons with a serious mental illness who are Homeless, Chronically Homeless or At-Risk of Chronic Homelessness. NPLH funds may be used to acquire, design, construct, rehabilitate or preserve PSH. NPLH proposed projects may also include a Capitalized Operating Subsidy Reserve (COSR).

The California Department of Housing and Community Development (HCD) issues both competitive and non-competitive funding for the NPLH program. On October 30, 2018 HCD announced the availability of approximately \$190 million in "Round 1" competitive funding for the NPLH program and those applications were submitted to the State in January 2019. HCD will announce the availability of "Round 2" NPLH competitive funding allocations in September 2019. It is expected that there will be a total of 4 rounds of NPLH funding allocations statewide over the course of the NPLH program. Funding available under the non-competitive allocation for County of Ventura projects is \$1,600,109.

The Behavioral Health Department (VCBH) is the lead agency in Ventura County for NPLH funding. VCBH is requesting proposals from qualified housing developers (hereinafter referred to as "Applicants") interested in applying jointly with the County of Ventura (hereinafter referred to as the "County") for the NPLH non-competitive and/or "Round 2" competitive funding.

There are three application opportunities afforded by this Request for Proposals (RFP) as follows:

- 1. Applicants may apply for the \$1,600,109 non-competitive allocation; or
- 2. Applicants may apply for the combined \$1,600,109 non-competitive and "Round 2" competitive allocations; or
- 3. Applicants may apply for the "Round 2" competitive allocation (anticipated release date of NOFA by HCD is September 2019).

NPLH proposals submitted in response to this RFP will be for the development of five (5) or more affordable housing units dedicated to the target population. Successful Applicants will assume responsibility for all aspects of the development, property operations and maintenance, in accordance with applicable federal, state and local laws and all applicable financing regulations. The successful Applicant(s) will coordinate with the County on all aspects of the application to HCD and, if successfully funded, in the development of the property and the project operations.

II. Authorizing Legislation, Program Guidelines and Regulations

Applicants submitting projects in response to this RFP should be prepared to comply with the purpose and all requirements of the NPLH Program.

The NPLH Program institutes the edicts set forth in AB 1618 (Chapter 43, Statutes of 2016), as amended by AB 1628 (Chapter 322, Statutes of 2016, effective September 2016), and the 2018 NPLH Act (AB 1827, Assembly Bill Budget Committee). The statutes are actualized in the NPLH Program Guidelines dated July 17, 2017 (hereinafter referred to as the "Guidelines") and any subsequent updates as of publication of this RFP. The Guidelines establish terms, conditions and procedures for the award of funds under both the competitive and the non-competitive allocations. Except as otherwise provided in the Guidelines, multi-family rental housing projects submitted under this RFP are also subject to HCD's current Uniform Multifamily Regulations (UMRs) and may be subject to California competitive bidding and prevailing wage law.

All applications and projects must comply with the requirements of HCD's NPLH 2018 Notice of Funding Availability (NOFA) Non-competitive Allocation Funds dated August 15, 2018 as amended October 25, 2018 and any subsequent amendments as well as the NPLH competitive allocation NOFA expected to be released by HCD in September 2019. The NPLH Program Guidelines and NOFAs are available on HCD's NPLH Program Website: http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml#guidelines

III. NPLH RFP Process and Schedule

As stated, the application process for 2019 NPLH non-competitive funding allocation also includes the opportunity to apply for "Round 2" of NPLH competitive funding allocation. HCD is expected to announce "Round 2" competitive funding in September 2019. The amount of the "Round 2" competitive funding allocation from HCD is not yet known, however, it is anticipated that there will be approximately \$76,000,000 for all large counties including Ventura.

Applicants are invited to submit projects for consideration by the County that include proposals for both the 2019 NPLH non-competitive funding allocation of \$1,600,609 only and/or projects that leverage the 2019 non-competitive allocation with the NPLH "Round 2" competitive funding allocation, and/or just the "Round 2" competitive funding allocation. It should be noted that leveraging the non-competitive funding allocation with the competitive allocation does not actually increase the total available NPLH allocation (maximum loan amounts). Projects that

leverage the two funding opportunities will, however, provide for a more competitive application under the "Round 2" application process with HCD.

COUNTY OF VENTURA SCHEDULE FOR NPLH NON-COMPETITIVE AND "ROUND 2" COMPETITIVE FUNDING ALLOCATION APPLICATIONS

ESTIMATED DATE	DESCRIPTION
August 15, 2018	HCD Issues NOFA for NPLH Non-competitive Funding
October 25, 2018	HCD Issues Amendment to the NOFA for NPLH Non-competitive
	Funding
April 23, 2019	County of Ventura Board of Supervisors (BOS) Approve
	Resolution to Accept the NPLH Non-competitive Funding
	Allocation in the Amount of \$1,600,109
May 2, 2019	VCBH Submits Documentation to Accept the NPLH Non-
	competitive Allocation with BOS Resolution to HCD
August 9, 2019	VCBH Issues RFP for NPLH Non-competitive Funding Allocation
	and "Round 2" Competitive Funding Allocation
September 2019	HCD Releases NOFA for "Round 2" NPLH Competitive Funding
	Allocation
October 11, 2019	Applications Due to VCBH for NPLH Funding Allocations (both
	competitive and non-competitive) by 4pm
October 21, 2019,	VCBH to Notify Applicants with Projects to be Submitted to HCD
October - November 2019	*County Staff and Successful Applicants Work Together to
	Finalize Applications & Required Supportive Service Plans*
November 5, 2019	Successful NPLH Projects Submitted to County of Ventura BOS
	for Approval & Resolution
November 2019	Final NPLH Applications Submitted to HCD
February 15, 2021	2 Complete Originals & 1 Electronic Copy of NPLH Non-
	Competitive Projects Due to HCD by 5pm on February 15, 2021
August 15, 2023	Expenditure Deadline for Non-Competitive Projects

^{*}Once a NPLH application is accepted by VCBH, County staff will work with the Applicant developer to finalize it along with the required, VCBH supportive services plan. It is the County's intention to gain the greatest benefit from NPLH allocations for all residents, however, at any time during the application finalization phase, the County, at its sole discretion, may opt not to submit a NPLH project application to HCD. Applications proposing to combine the non-competitive funding with the "Round 2" competitive funding allocations may require more time to be finalized. Additionally, when the "Round 2" NOFA is released in September 2019 the due dates as referenced in the table above along with project requirements will be adjusted accordingly.*

IV. Application Submittal Requirements

Proposals for both the non-competitive and the competitive NPLH funding allocations must be received by VCBH on **October 11, 2019 by 4pm**. Late submissions will not be accepted. One original physical application and one electronic version on a flash drive should be submitted to:

Ventura County Behavioral Health Department
Attn: Susan White Wood, Housing Manager
1911 Williams Drive, Suite #200
Oxnard, CA 93036

Instructions for completing the NPLH application are found in the non-competitive allocation NOFA (Section II, Sub-Section C) and in the yet-to-be-released "Round 2" competitive funding allocation. Application templates for NPLH program can be found here: http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml.

Please include *in your cover letter a statement of the type of funding allocation* (e.g. non-competitive, competitive or combined) that you are applying for and submit all of the following information to VCBH by **4pm on October 11, 2019**:

- 1. *HCD Universal Rental Project Application Form and NPLH Program Supplement* please include all required elements as follows:
 - a) Evidence of Site Control (e.g. Grant Deed, Lease Agreement, Option or Purchase Agreement, etc...);
 - b) Evidence of compatible land use or a brief description of land use approvals necessary for the projects to move forward (e.g. zone change, General Plan Amendments, etc...);
 - c) Architectural Plans (site plans, elevations, etc...);
 - d) Commitment letters for all other committed construction and other permanent funding;
 - e) Evidence of environmental clearances, including CEQA and NEPA, if applicable. If not applicable, provide a brief description of how this determination has been made;
 - f) Phase I Environmental Site Assessment and any additional documentation recommended (e.g. Phase II Environmental Site Assessment);
 - g) Development Sponsor Governing Body Resolution (Due by ;
 - h) Property Management Plan;
 - i) Payee Data Record;
 - j) COSR Eligibility;
 - k) Attestation of required past experience with permanent supportive housing (memorandum or letter format).
- 2. **Funding Narrative** please provide a brief narrative of the funding sources proposed for the project, including the following elements:
 - a) Terms of financing;

- b) Commitment status;
- c) Description of any population restrictions (e.g. low-income, homeless, chronically homeless, disabled, etc...) imposed by all of the proposed funding sources.

Although stacking and subsidy layering among HCD and non-HCD sources is technically permitted, it is important to note that, to the extent that other financing sources will restrict units within the shared project, the County has an interest in minimizing the eligibility requirements that prospective tenants face when seeking NPLH housing. Utilizing multiple sources of HCD funding on the same NPLH Assisted Unit is prohibited (Article II, Section 200, Subsection e) with few exceptions.

- 3. **Supportive Services Plan** the supportive services plan will be developed in concert with VCBH during the application finalization stage. Participation in supportive services by tenants is voluntary and flexible to ensure a low-barrier "Housing First" approach to leasing up. The Supportive Services Plan will include the following <u>required</u> elements:
 - a) Case management;
 - b) Peer support activities;
 - c) Assessment, crisis counseling, individual and group therapy opportunities;
 - d) Substance Use Disorder (SUD) prevention, treatment and relapse strategies;
 - e) Linking tenants with health and dental care, including medication management and wellness activities;
 - f) Benefits counseling for Medi-Cal, Medicare, ADA certification and SSI/SSP;
 - g) Basic housing retention skills such as housecleaning, cooking, laundry and money management).

Optional supportive services to be included in the plan are strongly encouraged and include the following:

- h) Links to community based resources such as food pantries and free or subsidized transportation;
- i) Independent living skills;
- j) Socialization and recreation opportunities;
- k) Education and employment services.

To the extent Applicants intend to provide these services, please provide the information pertaining to these services requested in Tab 3 "Supportive Services Plan" of the NPLH Supplemental Application (for competitive or non-competitive funds, as appropriate).

V. Project Selection Criteria

The County will review all projects for threshold eligibility as defined in the NPLH non-competitive and competitive NOFAs (Section II – Program Requirements) and the NPLH Program Guidelines. Projects that meet the threshold criteria will be ranked according to HCD's scoring criteria with

the intent of selecting the most shovel ready projects under the non-competitive allocation and the most competitive projects under the "Round 2" allocation. The County will also consider the following when prioritizing projects accepted for submission to HCD:

- a) Projects that provide new/additional units for the target population;
- b) Projects that do not layer or compound tenant eligibility criteria for NPLH units to meet the requirements of diverse financing. In other words, if another financing source is requiring that a percentage of units be restricted to homeless households, projects that agree to maintain NPLH units separate from other restricted units will be prioritized;
- c) Projects that can commit to utilizing the NPLH allocation.

VI. Questions

All questions pertaining this RFP shall be submitted in writing to susan.whitewood@ventura.org, tracy.mcaulay@ventura.org and kiran.sahota@ventura.org. A written response will be provided by County staff directly to the person submitting the question and all questions received will be published along with the response on the VCBH website: http://www.vchca.org/agency-divisions/behavioral-health. It is the responsibility of the interested parties to periodically check the website for updates, frequently asked questions (FAQs) and any other information related to NPLH and this RFP.

VII. Terms and Conditions

All responses to this RFP will become the exclusive property of the County.

This RFP does not commit the County to move forward with the proposed development or pay any costs incurred in the preparation of proposals. The County reserves the right to modify, suspend, or terminate at its sole discretion any and all aspects of the RFP process, to obtain additional information from any and all potential Applicants and to waive any defects as to form or content of the RFP or any response.

The County reserves the sole right to evaluate each proposal and to accept or reject any and all proposals received as a result of this RFP process.

California Public Records Act — All proposals accepted by the County shall become a matter of public record and shall be regarded as public, except for those elements of each proposal which are defined by the Applicant as business or trade secrets and are plainly marked as "Confidential" or "proprietary." Each element of a proposal that an Applicant desires not to be considered a public record must be clearly marked as set forth above, and any blanket statements (i.e. regarding entire pages, documents or other non-specific designations) shall not be sufficient and shall not bind the County in any way whatsoever. If disclosure is required or permitted under the California Public Records Act or otherwise by law, the County of Ventura shall not in any way be liable or responsible for the disclosure of any such records or part thereof.