



CITY OF CORONA REQUEST FOR QUALIFICATIONS AND PROPOSAL

NEW CONSTRUCTION OF AFFORDABLE MULTIFAMILY RENTAL HOUSING

October 16, 2020
revised December 14, 2020



Request for Qualifications/Proposals New Construction Affordable Multifamily Rental Housing

TABLE OF CONTENTS

SECTION PAGE

I. Introduction	3
II. Property Information and Description	3
III. Expected Development	4
A. Application Requirements	4
B. Affordability Standards	5
C. Affordable Housing Agreement	5
IV. RFQ/RFP Submittal Process	6
A. SOQ Submittal Requirements	6
B. RFP Submittal Requirements	7
C. Submission of Proposals	8
V. Selection Criteria	8
VI. Disclaimers	9
VII. Staff Contacts	10

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I. INTRODUCTION

The City of Corona Housing Authority (City) is seeking a highly qualified developer to develop and operate an affordable for-rent housing project on 4.82 acres located at the southwest corner of Second Street and Buena Vista Avenue in the City of Corona. The ideal developer should have extensive experience in building for-rent housing for very low and low incomes, be financially resourceful, have the ability to manage the housing units for an extended period of time and the resources to maintain the appearance of the development and the operation of the units in a safe and sanitary manner. Respondents shall also demonstrate their experience in working with other local municipalities cooperatively.

Non-profit and for-profit developers may respond to the RFQ/RFP.

The City will participate financially by using local and federal housing funds to assist in meeting project development costs, as well as contribute the City's 4.82-acre site. The City's financing is generally "gap" financing. The City is particularly interested in a project that provides the greatest level of affordability for low and very low incomes that also includes a certain number of units for Permanent Supportive Housing (PSH) for chronically homeless individuals and families.

Although the selected developer will be responsible for securing multiple sources of financing and operating subsidies, the City will be a supportive partner in discussions with the County, Continuum of Care and other agencies that offer permanent financing, operating subsidies and behavioral health or other supportive services.

The chosen developer will enter into an exclusive negotiation agreement and/or an affordable housing agreement with the City of Corona Housing Authority for the development of the project.

II. PROPERTY INFORMATION AND DESCRIPTION

The City purchased 4.82 acres of surplus property from the Riverside County Transportation Commission (RCTC) for the sole purpose of developing an affordable housing and permanent supportive housing project. The site consists of two contiguous parcels totaling approximately 4.82 acres, located at the southwest corner of Buena Vista Avenue and Second Street. The assessor parcel numbers are 118-270-002 and 118-270-003. The adjacent land uses include State Route 91 to the north, Corona Norco Unified

School District to the south, a 61-unit affordable multifamily residential development to the east and a commercial center to the west. The site is walking distance to regional transit stops, grocery stores, schools, city hall and other critical services.

The site's General Plan designation is High Density Residential (HDR). The HDR designation allows for multiple family residential development within a density range of 15-36 dwelling units per acre. The property is currently zoned Mobile Home Park. Therefore, the City will process a change of zone application to change the zone of the property to the R-3 zone, which will allow multiple family residential consistent with the General Plan.



III. EXPECTED DEVELOPMENT

Priority in project selection will be given to proposals that provide affordable for-rent housing and permanent supportive housing based on the criteria below.

A. Application Requirements

Applicants must demonstrate funding need, financial feasibility, experience serving chronically homeless individuals and families and managing permanent supportive housing units, proven track record for securing State Tax Credit Financing and other Federal, State, County, and local affordable housing /permanent supportive housing financing sources as well as readiness to proceed with the project. Proposals will be evaluated and ranked based on the following categories:

1. Create the greatest number of affordable units;
2. Level of affordability, preferably 50% AMI or below;
3. Greatest number of permanent supportive housing units for chronically homeless individuals and families while using a mixed-income model that facilitates community integration, social stability, and operating cash flow for sustainability of supportive services;
4. Onsite amenities such as outdoor recreation areas, community rooms for supportive services, classes, and recreation, etc.

Additional considerations will be given to proposals that include:

5. Robust on-site social service plan and an operating budget with established partnerships or reputation of partnerships that deliver supportive services for chronically homeless residents living with mental health issues, substance abuse disorders, medical conditions or other HUD defined co-occurring diagnoses
6. Leveraging other funding sources (e.g. Low-Income Housing Tax Credits, CAP and Trade Funds, Multifamily Housing Program, No Place Like Home Program, Project-Based Vouchers or other types of operating subsidies, etc.;
7. Term of affordability;
8. Quality of design;
9. Marketing Plan which outlines strategies to reach target populations, including priority preference for persons and households that live, work, or are homeless in the City of Corona.

B. Affordability Standards

The proposed development shall be restricted for affordable housing units for a minimum period of 55 years. Projects that provide greater affordability will be awarded higher points in the selection process. Rents will be adjusted annually. Affordable rents will be restricted in accordance with the more restrictive as dictated by project funding as approved under the affordable housing agreement.

C. Affordable Housing Agreement

The selected Developer will be required to enter into an Affordable Housing Agreement (Agreement) with the City. The terms of the Agreement will include the number of affordable units and permanent supportive housing units in the project, the standards for determining affordable rents, a term of at least 55 years, a description of the incentives provided, a parking plan, on-site professional management and maintenance requirements, occupancy restrictions, opportunities for first priority to rent to people who live, work or are homeless in the City of Corona, and other provisions to implement the project.

IV. RFQ/RFP SUBMITTAL PROCESS

The City seeks information about the qualifications and intent of those responding to this solicitation. Interested developers must respond by submitting a basic Statement of Qualifications (“SOQ”). In addition, interested developers must also submit a detailed development proposal.

The SOQ will be used to identify developers with the requisite experience and knowledge of affordable housing development. The City will only consider development proposals from those developers that submit thorough and complete SOQs.

A. SOQ Submittal Requirements

The SOQ shall contain, at a minimum, the following information:

1. A description of recent residential rental development and property management experience (last 15 years). A description of experience developing very low- and low-income rental housing (last 15 years). The SOQ should provide details of relevant projects with permanent supportive housing units, including number of units, rental rates, tenant mix, supportive service partners and types of services, etc. The narrative shall include a description of the organizational structure, development track record and financial capability of the developer.
2. Complete financial statements for the last three years.
3. Information outlining ability to obtain financing, and relationships with lending institutions and the equity market.
4. Description of specific and relevant experience of the entire “Development Team,” including CEO/President/Executive Director, developer staff and all associated consultants and professionals. Document the developer’s ability and capacity to implement the proposed project by describing on a separate sheet the developer’s experience/qualifications in developing and/or completing housing projects that are similar and/or smaller in size and scope to the proposed project. Of critical importance is the developer’s experience with successfully completing projects that trigger Davis-Bacon and other Federal Labor Standards and operating mixed-income projects with permanent supportive housing.
5. Documentation that a non-profit developer is organized under State or local laws, as evidenced by a Charter or Articles of Incorporation, if applicable.
6. Documentation that a non-profit developer is certified as a 501(c) 3 tax exempt non-profit by the Internal Revenue Service (IRS), if applicable.
7. Comprehensive list of references from public agency partners.

8. A description of partnership(s) formed to provide supportive services for permanent supportive housing for chronically homeless individuals and families.

Upon review of the information received, and if the developer is deemed qualified, the proposal will move to the second phase of the process and City staff will evaluate their detailed proposal.

B. RFP Submittal Requirements

In addition to the SOQ, interested developers must also submit a detailed development proposal. The proposal shall contain, at a minimum, the following information:

1. Detailed project description.
 - a. In addition to providing an Itemized Development Budget through your response to item 6 below, summarize the key financials of the project, clearly indicating total project cost, the amount and intended use of City funds requested, amount and provider of other funding, and the current stage of those commitments.
 - b. Type of structures, square footage, number and size of units, bedroom/bathroom composition, community rooms and recreational areas.
 - c. Affordability levels by unit composition.
 - d. Number of permanent supportive housing units by unit composition.
 - e. Units accessible and adaptable for persons with mobility, sight, or hearing disabilities.
2. Conceptual site plan. Site plan must include detailed project statistics/tabulations including number of units/bedrooms, open space/community rooms, outdoor amenities and recreation facilities, total parking spaces (garages, covered and open), and proposed setbacks and conceptual landscape.
3. Street Improvements. In addition to standard public improvements, the developer will be responsible, as part a condition of approval to signalize the intersection of Buena Vista and Second Street, and construct storm drain improvements. These public improvements must be factored into the proforma.
4. Proposed development schedule.
5. Development Team. Identify the entities anticipated to be involved in implementing the project including lenders, attorneys, accountants, architects, engineers, general contractor, subcontractors, and consultants.

6. Project proforma. Provide detailed project budget/project financing structure, including specific sources and uses of funds, including “gap” financing requested from the City. Provide a 55-year cash flow proforma for the project showing the residual receipts split of 75/25 with 75% going to pay down the City loan.
7. Site Control and Demonstration of Value. The City’s 4.82-acre site will be provided as part of the City’s contribution to the project. The selected Developer will be required to conduct a real estate appraisal to establish value.

C. RFQ/RFP Submission of Proposals – REVISED INSTRUCTIONS DUE TO CITY HALL CLOSURE, EFFECTIVE Monday, December 14, 2020

Electronic submittal: Interested developers must submit proposal by **5:00 p.m., on December 17, 2020** to the following City Citrix Share file site:
<https://coronaca.cloud.com/#/r/r5e202ec614f1474b84a287658e5a9576>

Submittals uploaded after 5:00pm on December 17, 2020 will not be accepted.

Hardcopy submittal: In addition, five (5) bound proposal copies must be mailed via United States Postal Service and postmarked on December 17, 2020. Mail to:

**Cynthia Lara, Administrative Service Manager II
Community Development Department
400 S. Vicentia Ave, Suite 120
Corona, CA 92882**

Personal delivery (walk-in, FedEx, UPS and other services), as well as facsimile or electronic transmissions will not be accepted. City staff may request additional information following review of the initial submission.

V. SELECTION CRITERIA

City staff will evaluate and determine which, if any, developers will be invited for follow-up interviews. The City retains the right to select a developer without interviews or to reject all proposals.

Submittals will be evaluated based on the following criteria:

1. Completeness of the submittal relative to the RFQ/RFP requirements.
2. Developer Qualifications and Experience.
 - a. Experience in working with Public Agencies
 - b. Previous experience developing affordable housing

- c. Experience of development team, including key consultants and supportive service partners
 - d. Property management experience
 - e. Permanent Supportive Housing development and property management experience
 - f. Ability to finance development projects/financial strength
 - g. Quality design and architecture
3. Development Proposal (100 points maximum).
- a. Project design/project schedule (10 Points)
 - i. Overall quality design/efficient use of site/site layout
 - ii. Proposed development schedule
 - b. Project affordability/financial strength (40 points)
 - i. Number of affordable units/depth of affordability
 - ii. Number of permanent supportive units, social services, and supportive services
 - iii. Leveraging of non-City subsidies
 - iv. Cost efficiency of affordable units
 - v. Proposed financing structure
 - vi. General terms and conditions requested by developer
 - c. Developer Experience (35 Points)
 - i. General development experience
 - ii. Affordable housing development experience
 - iii. Affordable housing financing
 - iv. Affordable housing construction
 - v. Property management experience
 - vi. Permanent Supportive Housing development and property management experience
 - d. Overall Development Proposal (15 Points)
 - i. Architectural Design and quality design features that are cutting edge.
 - ii. Site design/layout, i.e. placement of buildings, circulation, etc.
 - iii. Open space, community room(s), outdoor amenities, recreation facilities
 - iv. Social services and supportive service programs, etc.

The City will review and analyze all submittals and may request that developers modify, clarify, or supplement their proposals with additional information. Developer may also be asked to make a formal presentation and/or come in for an interview. The final selection decision is to be made by the governing body of the City.

VI. DISCLAIMERS

All facts and opinions stated herein and in any additional information, whether written or oral, provided by the City of Corona and/or its representatives, are based on available

information and is believed to be accurate. However, no representation or warranty is made with respect thereto.

The City reserves the right to issue written notice of any changes in the submission process, should the City determine, in its sole and absolute discretion, that such changes are necessary.

Those submitting proposals assume all financial costs and risks of submission. No reimbursement or remuneration will be made by the City to cover the costs of any submittal, whether or not such submittal is selected.

The City reserves the right to reject any or all submittals at its sole and absolute discretion and accepts no responsibility for any financial loss by such action.

Any agreements which may be entered into between the developer and the City, including but not limited to an Exclusive Negotiation Agreement and Affordable Housing Agreement, are subject to approval by the City Council and Housing Authority.

Marketing and tenant selection of units shall be in accordance with an approved marketing and tenant selection plan approved by the City.

VII. STAFF CONTACTS

If you have any questions regarding the RFQ/RFP process, please call Cynthia Lara at (951) 739-4963, cynthia.lara@coronaca.gov. Staff will be in contact with all applicants through the RFQ/RFP process, notifying them as to their status.