



City and County of San Francisco

MAYOR'S OFFICE OF HOUSING

REQUEST FOR QUALIFICATIONS FOR COOPERATIVE AND RENTAL HOUSING PRESERVATION AND CAPACITY BUILDING

RFQ# 2011-1

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Background

The Mayor's Office of Housing administers a variety of programs to finance the development and preservation of affordable housing by non-profit and for profit developers, provide financial and educational assistance to first-time homebuyers, and finance housing rehabilitation costs for low-income homeowners. MOH is currently seeking proposals from non-profit organizations to provide services and other deliverables related to the preservation of limited equity affordable housing coops and the support of new limited equity affordable housing coops.

Intent of this RFQ

There are presently 1742 units of limited equity cooperative ("co-op") or rental housing in San Francisco that face expiring HUD-assisted mortgages and rental assistance contracts in the next five years. All of these affordable units were built with HUD-assisted mortgages under the Section 221 or 236 programs. A majority of the units have project-based rental subsidies through HUD's Loan Management Set-Aside ("LMSA") Program or through a now-defunct Rent Supplement Program. Of the 1742 units of cooperative or rental housing, the Mayor's Office of Housing seeks to focus its initial efforts on 794 units contained in 4 properties whose mortgages and rental subsidies mature in the near future or lack sufficient rental subsidies to refinance their mortgages.

It is the intent of the Mayor's Office of Housing to create a pre-qualified list of nonprofit organizations with this RFQ from which it may choose prospective contractors on an as-needed basis for projects involving the preservation and creation of infrastructure supporting cooperative and rental housing. The Mayor's Office of Housing will subsequently issue a Notice of Funding Availability for the tenant associations or boards of the at-risk properties to apply from which they can pay for services from the pre-qualified list of organizations selected through this RFQ. Selected Respondents will remain eligible for consideration and contract negotiation on an as-needed basis through April 1, 2013. Selected Respondents are not guaranteed a contract.

Schedule*

RFQ Issued	2/15/2011
Deadline for RFQ questions	3/1/2011
Deadline for RFQ responses	3/15/2011
Pre-qualification notification	4/1/2011
Pre-qualified list expiration date	4/1/2013

*Each date subject to change.
Check website for latest schedule.

RFQ Questions and Communications

In lieu of a pre-response conference and to ensure fair and equal access to information about this RFQ, fax or e-mail your questions in advance to Teresa Yanga at Teresa.Yanga@sfgov.org

Questions must be in writing and received before 12 pm on March 1, 2011. No questions will be accepted after this time with the exception of City vendor compliance or Human Rights Commission subconsulting requirement questions.

1. Introduction

General terms used in this RFQ. The “Respondent” refers to any nonprofit entity submitting a response to this Request for Qualifications (“RFQ”) to be considered for inclusion on a pre-qualified consultant list. The “Contractor” refers to the Respondent(s) awarded contracts for services under this RFQ.

What is the City seeking? The City and County of San Francisco, Mayor’s Office of Housing (“MOH”) seeks responses from nonprofit organizations and/or collaborations with nonprofit organizations with experience in cooperative and rental housing, specifically with organizing of tenants, leadership development education and training of boards, financing or refinancing of cooperatively owned and rental housing, and legal issues pertaining to low income, limited equity cooperatively owned housing.

There are presently 1742 units of limited equity housing cooperatives and affordable rentals in San Francisco whose HUD-assisted mortgages through the Section 221 or 236 Programs are scheduled to expire in the next five years. An additional 139 units at Midtown Park Apartments are rental housing units owned by the City but leased to the Midtown Park Apartment Corporation, which is interested in converting to a co-op. Of these, 1295 units have project-based LMSA or Rent Supplement rental assistance contracts. All of the properties were built during the 1960’s and 70’s, predominantly in redevelopment project areas. These properties are governed by board of directors or tenant associations that may lack the organizational capacity to address their expiring mortgages and rental assistance contracts as well as potentially capital improvements needed at their properties.

MOH intends to issue a Notice of Funding Availability (“NOFA”) in Spring 2011 for the tenant associations and boards of the targeted properties to apply to for capacity building and technical assistance grants that can be used to pay for services rendered by selected Respondents to this RFQ.

This RFQ is not directed at one specific project. To make its pre-qualification determination, the City will review qualifications, including prior project information, lead staff qualifications, and other information.

How will the pre-qualified list established under this RFQ work? Based on responses to this RFQ, it is the City’s intent to create a pre-qualified list of organizations from which the tenant association or boards of the targeted at-risk properties will negotiate agreements for individual projects in various service areas on an as-needed basis. Respondents that are pre-qualified will remain on the list for consideration for contractor selection and negotiations through April 1, 2013. This list may be used by the City, at its sole and absolute discretion. No pre-qualified Respondent is guaranteed a contract.

Please see www.sf-moh.org for more information.

2. Scope of Work

This scope of work is a general guide to the work the City expects to be performed, and is not a complete listing of all services that may be required or desired. The City is soliciting qualifications to create a pre-qualified list of nonprofit organizations or collaborations of non-profits with for-profit corporations that may be selected for the services described below.

To minimize duplication of effort and to allow the City to coordinate data requests and data available for the multiple projects solicited within this RFQ, as well as for previous and future projects, the selected Contractors' findings and data may be shared by the City with other City contractors, as deemed appropriate by the City.

What if My Organization is Interested in Being Considered for More than One Service Area?

Respondents are asked to indicate service areas for which they would like to be considered in Attachment III, RFQ Response Template. Given the broad range of possible opportunities, the City encourages organizations to respond for all service areas for which they meet or exceed minimum qualifications as described in this RFQ. However, each organization should focus its efforts on the service areas for which it has demonstrated expertise or particular specialty. Responding to areas where expertise has not been developed and cannot be clearly demonstrated per the minimum qualifications and other areas described in this RFQ is discouraged. However, a partnership or collaboration of agencies responding to this RFQ that possess expertise in each service areas is strongly encouraged. If agencies chose to respond as a collaboration, the lead agency/firm responsible for contracting and reporting must be a nonprofit, and there must be a memorandum of understanding between agencies/firms included in the proposal.

Is My Firm Expected to Propose for a Specific Project? No. The Mayor’s Office of Housing will create a list of firms to draw from for a diverse set of possible projects that may require a range of different and varied experience. Each firm should demonstrate its capabilities by providing summaries of representative projects as part of Attachment III. The City will negotiate the scope of services, budget, deliverables, and timeline for each project it decides to pursue. There is no guarantee of a minimum amount of work or compensation for any of the Respondents selected for pre-qualification. The City may select Contractors from the pre-qualified list in its sole and absolute discretion.

With whom will Contractors work? Selected Contractor(s) may work closely with the Mayor’s Office of Housing and residents of specific limited equity housing cooperatives and affordable rental developments, their boards of directors and property management agents. Selected Contractor(s) may also work/interact with the community at large, public officials, staff at the US Department of Housing and Urban Development, financial institutions, legal experts and State Department officials.

Service Area	Examples of Deliverables Desired
<p>A. Assist at-risk cooperatively owned, limited equity housing and/or affordable rental housing with capacity building of tenant associations or boards of directors</p>	<p><i>To be pre-qualified in this Service Area, Respondents must demonstrate experience on at least two successfully completed projects involving organizing, leadership development, education and training of Boards and residents of cooperatively- owned, limited equity multifamily housing complexes or affordable rental projects within the past ten years. Deliverables desired include but are not limited to organizing tenants into a resident association, providing or facilitating the provision of board development trainings and educational workshops about governance, roles and responsibilities of managing a property, and financial management.</i></p>
<p>B. Assist at-risk cooperatively owned, limited equity housing and/or affordable rental housing with conducting</p>	<p><i>To be pre-qualified in this Service Area, Respondents must demonstrate experience on at least two successfully completed projects for entities involving the provision of physical needs assessments and the development and implementation of financing or refinancing plans to recapitalize cooperatively- owned, limited equity multifamily housing complexes or affordable rental projects</i></p>

Service Area	Examples of Deliverables Desired
or overseeing the development of physical needs assessments; developing financing plans to address capital needs and/or debt refinancing	<i>within the past ten years. Deliverables desired include but are not limited to capital needs assessments, financing/re-financing plans, successful funding applications to fund re-capitalization plans, and development schedules for implementing the physical needs assessments, <u>general financial advice related to HUD mortgages and subsidies, and co-op financing.</u></i>
C. Assist at-risk cooperatively owned, limited equity housing and/or affordable rental housing with legal and real estate issues, organization formation and incorporation	<i>To be pre-qualified in this Service Area, Respondents must demonstrate experience on at least two successfully completed projects for entities involving legal assistance to cooperatively owned, limited equity multifamily housing complexes or affordable rental projects within the past to ten years. Desired deliverables include but are not limited to rendered legal advice on incorporation and subdivision of property for the creation of a co-op or reorganization to preserve nonprofit or cooperative ownership of the property, reviewing and negotiating leases, contracts and financing agreements, and general real estate legal assistance.</i>

With this RFQ, The Mayor’s Office of Housing is inviting organizations to submit their qualifications to provide services in several areas in which services and/or technical assistance is needed to insure the long-term sustainability of the co-ops and affordable rental properties that are at risk:

1. Education, training, and ongoing support for the co-op and rental boards: The cooperative model of ownership by residents is predicated on the active and informed participation of those residents in managing and maintaining their property. The respondent organization will provide a curriculum, trained staff, and a regular training schedule, and a marketing and outreach plan to provide training and education for the Boards and residents of limited equity co-ops. A good model for a co-op housing education and training program can be found at: [www. http://www.uhab.org/co-op-members/uhab-university](http://www.uhab.org/co-op-members/uhab-university) (The MOH does not expect respondents to replicate UHAB University, but provides it as a good model to use in tailoring a program for San Francisco)
2. Physical Needs: Conducting a comprehensive Physical Needs Assessment for each property with a failing HUD REAC score.
3. Financial: Working with the property management agents for the complexes, analyze the financial standing of individual co-ops and rental properties, including monthly rent collection, expenses, operating and replacement reserves; assess refinancing needs, provide refinancing recommendations, and provide assistance and training to the co-op boards to meet refinancing requirements
4. Legal: Provide legal assistance to coops on issues pertaining to incorporation as limited equity cooperatives, subdivision requirements for new limited equity cooperatives and other legal issues as needed.

Deliverables: The following are expected deliverables for this RFQ:

- Physical Needs Assessments of the properties with failing REAC scores
- Assessment of the financial health of the properties: Analyze the budgets, income and expenses, reserves, rent rolls, compliance with existing restrictions, and other issues pertinent to financial sustainability.

- Research based report on financing options for the co-ops and the affordable rentals that insure their sustainability and potentially provide development services to enact a debt refinancing plan.
- Research and establish the legal issues surrounding the existing legal structure of the co-ops and any advantages that may be gained by reincorporating as limited equity coops under the Davis Stirling Act.
- Provide legal assistance with reviewing and negotiating legal contracts and agreements pertaining to the existing and proposed real estate and financing structures.
- Convene the leadership of the co-ops and facilitate communication between themselves and the City to establish common and individual needs and interests.
- Establish and provide a plan for maintaining and education and training program for the co-ops, open to any other coops that may be created in the future, to:
 - (a) Offer a standard educational curriculum and training to members of the Boards and residents of the coops on basic subjects pertinent to running a coop , including: Asset Management and Budgeting, Holding meetings and Robert's rules of Order, Organizing and involving the membership, and Supervising Property Managers.
 - (b) Establish the capacity within an organization to provide technical assistance to coops with financial, legal and organizational issues.

3. Response Requirements

3.1 Time and Place for Submission of Responses

Responses and all related materials must be received by **12:00 pm on March 15, 2011**. Responses may be delivered to the Mayor's Office of Housing, 1 South Van Ness Ave., 5th Floor, San Francisco CA 94103 Attention: Teresa Yanga

Postmarks will not be considered in judging the timeliness of submissions. Responses submitted by e-mail will not be accepted. Late submissions will not be considered, including those submitted late due to mail or delivery service failure. Note that Respondents hand-delivering responses to 1 South Van Ness Ave., 5th Floor may be required to open and make packages accessible for examination by security staff.

3.2 Response Package

The following items must be included in your response and packaged in a box or envelope clearly marked **RFQ# 2011-1**, Cooperative and Rental Housing Preservation and Capacity Building.

Complete, but concise responses, are recommended for ease of review by the Evaluation Team. Responses should provide a straightforward, concise description of the Respondent's capabilities to satisfy the requirements of the RFQ. Marketing and sales type information should be excluded. All parts, pages, figures, and tables should be numbered and clearly labeled.

A. Original printed response (with original signatures) labeled as "Original"

RFQ Attachment I Acknowledgement of RFQ Terms and Conditions (Word)

RFQ Attachment II City's Administrative Requirements (Word with links)

RFQ Attachment III Response Template (Word)

- B. **One (1) CD-ROM containing entire contents of response, including all Attachments.** The CD-ROM and electronic files on the CD-ROM must be labeled with the Respondent's name. All files should be submitted in unprotected PDF or Word format.
- C. **Five (5) complete printed copies of Attachment III.** Respondents are advised to review Attachment I before beginning work on the response template in Attachment III to ensure they can meet the City's requirements.

4. Evaluation Criteria

This section describes the guidelines used for analyzing and evaluating the responses and for Respondent pre-qualification. It is the City's intent to pre-qualify Respondent(s) that will provide the best overall service packages to the City inclusive of fee considerations. Consultant firms selected for pre-qualification are not guaranteed a contract. This RFQ does not in any way limit the City's right to solicit contracts for similar or identical services if, in the City's sole and absolute discretion, it determines the pre-qualified list is inadequate to satisfy its needs.

4.1 Evaluation Team

City representatives will serve as the Evaluation Team responsible for evaluating Respondents. Specifically, the team will be responsible for the evaluation and rating of the responses for pre-qualification, for conducting reference checks, and for interviews, if desired by the City.

4.2 Minimum Qualifications

Any response that does not demonstrate that the Respondent meets the minimum qualifications described in Attachment III by the response deadline may be considered non-responsive and may not be evaluated or eligible for award of any subsequent contract(s).

4.3 Evaluation Criteria for Pre-qualification

Each RFQ response will be evaluated in accordance with the criteria below. A Respondent must receive a score of 71 points or above out of the 100 total possible points to be pre-qualified.

Written Response Evaluation for Pre-Qualification (100 points)

- A. Does the response clearly and specifically demonstrate experience
 - 1) substantially similar to what is requested per the RFQ, and
 - 2) working with similar clients for each Service Area marked by Respondent? (30 points)
- B. Does the firm demonstrate the structural capacity, experience, and a proven approach in delivering organizational consulting services to ensure successful project performance outcomes and completion on an expedited timeframe? (20 points)
- C. Does the firm's staff proposed to perform the work have sufficient qualifications and experience to provide the services the City needs? Are these the same staff specified in the Prior Projects section of Attachment III? (30 points)

D. Are the costs, work efforts, approach and timeframes appropriate and reasonable for the projects described in Attachment III? (10 points)

E. Did the Respondent adhere to the submission requirements set forth in the RFQ? Is the information provided complete, accurate and applicable to the RFQ? (10 points)

4.4 Contractor Selection Processes

Respondents scoring 71 points and above for each Service Area will be added to the pre-qualified list for as-needed services in that Service Area. Due to the varied nature of the services to be performed, the City reserves the right to contract with any or all pre-qualified Respondents.

Selection Interviews

Following the City's pre-qualification determination, pre-qualified consultant firms may be invited to interviews with the Evaluation Team for specific projects. Interviews may consist of standard questions asked of selected Respondents, and specific questions regarding individual responses. The City has sole and absolute discretion over whether interviews will be conducted or not to select pre-qualified Respondents for contract negotiations.

Reference Checks

Reference checks may be used to determine the applicability of Respondent experience to the services the City is requesting and the quality of services and staffing provided to prior clients, as well as adherence to schedules/budgets and Respondent's problem-solving, project management, and communication abilities, as well as performance on deliverables and outcomes, as well as effectiveness in meeting or exceeding project objectives. Please see Attachment I, Section 14, Release of Liability.

Other Terms and Conditions

The City may issue Request(s) for Proposals or Request(s) for Quotes to the pre-qualified consultant list to better assess qualifications for a specific scope of service, which may include staffing, scheduling, deliverable, and cost considerations.

The selection of any pre-qualified Respondent for contract negotiation shall not imply acceptance by the City of all terms of the response, which may be subject to further negotiation and approvals before the City may be legally bound thereby.

If a satisfactory contract cannot be negotiated in a reasonable time with any pre-qualified Respondent, then the City, in its sole discretion, may terminate negotiations and begin contract negotiations with any other remaining pre-qualified Respondents.

The City, in its sole discretion, has the right to approve or disapprove any staff person assigned to a firm's projects before and throughout the contract term. The City reserves the right at any time to approve, disapprove, or modify proposed project plans, timelines and deliverables.

5. Protest Procedures

5.1 Protest of Non-Responsiveness Determination

Within five (5) working days of the City's issuance of a notice of non-responsiveness, any consultant firm that has submitted a response and believes that the City has incorrectly

determined that its response is non-responsive may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth (5th) working day following the City's issuance of the notice of non-responsiveness. The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Respondent, and must cite the law, rule, local ordinance, procedure or RFQ provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

5.2 Protest of Establishment of Pre-Qualified Consultant List

Within five (5) working days of the City's issuance of a notice of intent to establish a pre-qualified consultant list, any consultant firm that has submitted a responsive response and believes that the City has incorrectly selected another Respondent for pre-qualification may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth (5th) working day after the City's issuance of the notice of intent to establish a pre-qualified consultant list.

The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the Respondent, and must cite the law, rule, local ordinance, procedure or RFQ provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

5.3 Delivery of Protests

All protests must be received by the due date. If a protest is mailed, the protestor bears the risk of non-delivery within the deadlines specified herein. Protests should be transmitted by a means that will objectively establish the date the City received the protest. Protests or notice of protests made orally (e.g., by telephone) or by FAX will not be considered. Protests must be delivered to:

**Teresa Yanga
Mayor's Office of Housing
1 South Van Ness Ave., 5th Floor
San Francisco CA 94103**