Request for Information/Qualifications
Homekey Program – Round 3

County Executive Office | Real Estate
400 West Civic Center Drive, Fifth Floor
Santa Ana, CA 92701

OC Community Resources | Housing and Community Development
1501 East St. Andrew Place, First Floor
Santa Ana, CA 92705

OC Health Care Agency
405 West 5th Street
Santa Ana, CA 92701

Date of Release: Monday, March 13, 2023

Submissions Due: Monday, April 3, 2023

Background

The County of Orange ("County") seeks projects that will utilize funding for a potential Round 3 of the State's Homekey Program as proposed in the FY 2022 State budget with potential of $1.3 billion in additional funding, subject to approval by the State as part of the State budget process. Per the State, funds are anticipated to be made available for housing for individuals and families who are experiencing homelessness or who are at risk of homelessness and who are impacted or at increased risk for medical diseases or conditions due to the COVID-19 pandemic or other communicable diseases. The County may also utilize other Federal, State or local funds or rental subsidies that are available or may become available to the County for this purpose, which may include but not be limited to Federal American Rescue Plan Act funds.

The County is seeking developers ("Developers") that have experience with the acquisition, rehabilitation and use of property for permanent supportive housing and may have identified sites or are willing to work with the County on reviewing potential sites or sites already identified by the County.

Responsive Developers will complete the following:
- **Attachment A**-Developer Experience;
- **Attachment B**-Identified Sites; and
- **Attachment C**-Property Criteria Questionnaire.

The County is reviewing all potential uses or development types as currently listed in the Homekey Trailer Bill which include the following:

(1) Acquisition or rehabilitation of motels, hotels, or hostels.
(2) Master leasing of properties.
(3) Acquisition of other sites and assets, including purchase of apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, and other buildings with existing uses that could be converted to permanent or interim housing.
(4) Conversion of units from nonresidential to residential in a structure with a certificate of occupancy as a motel, hotel, or hostel.
(5) The purchase of affordability covenants and restrictions for units.
(6) Relocation costs for individuals who are being displaced as a result of rehabilitation of existing units.
(7) Capitalized operating subsidies for units purchased, converted, or altered with funds provided by this program.

The County intends to work collaboratively with cities where sites may be identified.

This RFI seeks to identify qualified developers with identified sites, but will consider responses not specific to a site, with preference given to the following:

- Experience with the previous Homekey program
- Experience with motel conversions or applicable development types related to the response(s)
- Experience with implementing state and federal relocation requirements (as applicable)

Target Population

Individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined in Section 578.3 of Title 24 of the Code of Federal Regulation, and who are impacted by the COVID-19 pandemic. Per the State, people experiencing homelessness or who are at risk of experiencing homelessness are considered inherently "impacted by COVID-19."

Application Criteria

Subject to additional information/requirements of the State for Homekey Funding, the County will use the criteria listed below in reviewing the submissions, which are based on the State's prior Homekey NOFA.

Please submit responses for each section and clearly label. All applicants must submit Attachment A and, as applicable, Attachments B and C.

1. Demonstration of the development team's experience and capacity to acquire and operate the Project.
   1.1. Demonstration of the Developer team's experience to acquire and/or rehabilitate and operate the project. (Submit resumes and project profiles/cut sheets.)
   1.2. Submit organizational chart with identified roles
   1.3. Track record for completed motel/hotel conversions (or applicable development type) and experience with developing, owning and operating permanent supportive housing including experience with the Homekey Program. (**Attachment A**)

   1.4 Developers must submit copies of your organization's past two (2) years of audited financial statements. Applicants who are non-profits must also attach their most recent IRS Form 990. For more details regarding audit requirements please reference the County's current NOFA requirements found at this link. www.ochcd.org/housing-development/developer/notice-funding-availability

2. Demonstration of your experience with addressing racial equity, other systemic inequities, state and federal accessibility requirements, and serving members of the target population (limit one page for response).
   2.1. If the project includes Mental Health Services Act (MHSA) funding, please include a demonstration your experience serving the MHSA population as well as experience collaborating with the Orange County Health Care Agency to meet the needs of this population (limit to one additional page for response).

3. Demonstrations of the Developer team's experience with state and federal relocation law (limit one page for response).

4. For Identified sites (**Attachment B**), demonstrate the Project's community impact and project readiness. *If you have no sites to list, please mark with N/A and submit.*
   4.1. Submit timeline with major milestones from acquisition, relocation if applicable, to placing project into permanent housing.

5. Conditions of proposed site/s (**Attachment C**). *If you have no sites identified, please mark with N/A and submit.*

County Preferred Project Criteria/Parameters: The County has identified preferred project criteria/parameters that facilitate the development of potential Homekey projects and immediate placement into permanent supportive housing. These are subject to change based on the State guidelines and direction. If a site does not meet all preferred parameters/criteria, it may still be considered.

- Can convert immediately to permanent supportive housing within Homekey State guidelines
- Unoccupied project site (no relocation process required)
- Maximum acquisition costs of $100,000/door (no additional match required)
- If match required, City funding or other match source identified (each opportunity will be reviewed with the city in which the property proposed is located)
- Project sites with existing kitchenettes facilities or readily adaptable for such facilities preferred

These are subject to change based on the State guidelines and direction.

Table Instructions:
Please complete **Attachment A: Developer Experience** with your company's experience in Homekey and conversions of motel/hotels (or applicable development type) from acquisition to permanent housing for the target population. Also include project profiles/cut sheets with your submission.

Please complete **Attachment B: Identified Sites** with information on any potential motel/hotel or other sites that could be available for acquisition and conversion for target population. Cells may be left blank if you do not yet have the information or if too preliminary. Please fill in as much information as possible. Complete an **Attachment C- Property Criteria Questionnaire** for each site in Attachment B.

The County may schedule additional calls or meetings if needed.

Please submit the requested information (Application Criteria Questions 1-5, Attachment A and, as applicable, Attachments B and C, to michelle.zdeba@occr.ocgov.com by 5:00 p.m. PDT, Monday, April 3, 2023, for review and consideration.

*Deadline may be extended at County's discretion.

Please note: This RFI does not constitute an application or selection for funding. Any information provided is subject to be a public record.

Following submission of responses to this RFI, the County anticipates the follow process:
1. Responses will be reviewed by the County for completeness and accuracy
2. The County will schedule discussions with respondent developers at its discretion
3. The County intends to issue a Notice of Funding Availability (NOFA) shortly after the issuance of this RFI and anticipates developers will likely apply for County funding and/or project based vouchers as needed through that process (responses to this RFI are not required to submit for the NOFA)
4. Upon successful commitment of funding through the NOFA process (if required for financial feasibility), the County will partner with developers in the application to the State for Homekey funding

The criteria and preferences are subject to change and contingent on any state or federal guidance or direction.

ATTACHMENT A: DEVELOPER EXPERIENCE

Please complete table below with all Homekey or motel conversion experience completed and underway

Name of Development	Address	City and State	Number of Units	Status of Project (under construction or completed and occupied)	Name of Previous Use (name of motel/hotel i.e., Motel 6)	Homekey Yes or No (circle one)

Add rows if necessary.

ATTACHMENT B: IDENTIFIED SITES - **County Preferred Project Criteria/Parameters**

- Can convert immediately to permanent supportive housing within Homekey State guidelines
- Unoccupied project site (no relocation process required)
- Maximum acquisition costs of $100,000/door (no additional match required)
- If match required, City funding or other match source identified
- Each opportunity will be reviewed with the city in which the property proposed is located
- Project sites with existing kitchenettes facilities or readily adaptable for such facilities preferred.

Please complete table below for all sites you have identified and/or in process for acquisition.

City	Site Address & Name (if motel/hotel)	Current Total Units	Proposed Target Population	Relocation Required? (Y/N)	Available for Acquisition now? When listed on market?	Estimated Acquisition	Acquisition Cost/Door	Total Development Cost	Source of Operating Subsidy	Amount of Capital Funding Needed
Ex: Irvine	*1234 Main Street*	*60*	*Individuals, Families; MHSA*	*Y*	*Y; October 2020*	*$21,000,000*	*$350,000*	*$30,000,000*	*Ex. City HOME Funds*	*$ 1,000,000*

ATTACHMENT C: PROPERTY CRITERIA QUESTIONNAIRE

Please complete this form for **EACH** property listed in **Attachment B.**

A. PROPERTY LOCATION:

      Address: _____

B. SITE CONTROL:

What site control do you have of the property (letter of intent, purchase in sale, in-escrow, etc.)?

_____

C. DESCRIBE THE PROPERTY AND ITS AMENITIES:

Number of units/rooms: _____

Unit Type(s): _____

Size of unit(s) (square feet): _____

Physical standards:

Appearance/Condition:_____

Type of construction: _____

Readiness for immediate use: _____

Immediate conversion to permanent housing within Homekey State guidelines:

☐ Yes   ☐ No

Building Conditions– Financial feasibility of refurbishing/rehabilitating the building (e.g., whether the building

suffers from extensive code violations or required extensive seismic retrofitting.)

Identify scope of rehabilitation: _____

_____

_____

_____

Plumbing and Utilities: Kitchenettes will be required (need to know whether existing plumbing and wiring can support installation of kitchen appliances.)

Do the rooms have kitchenettes? _____

If not, what are the conditions necessary to consider conversion of property without kitchenettes? _____

_____

_____

ADA Compliance:

How many stories? Is there an elevator? Does it meet minimum mobility/sensory requirements? Etc.

_____

_____

Date of Original Construction: _____

Is there any special environmental remediation required for the property?

_____

Are there any special building considerations regarding the construction of this property?

_____

Parking:

How many on-site parking spaces are available? _____

Occupancy:

Are there any long-term tenants at this Property? _____

     If yes, how many tenants: _____

Will relocation be required? If yes, please provide estimated costs.

_____

_____

D. **CAPACITY:**

  What is your connection to the Property, e.g., owner, broker, affordable developer?

_____

If you are an affordable developer, have you had any experience working with the County of Orange?

_____

E. **FUNDING:**

  What efforts have been made to identify funding sources for the Property?

_____

What are your funding sources?

     Acquisition:_____

     Operational: _____

F. **ESSENTIAL SERVICES:** Describe the proximity of essential services (public transportation, grocery store, health facility, library, pharmacy, etc.)

_____

_____

_____

G. **CITY QUESTIONS:**

City: _____

Have you contacted the City regarding this project? _____

If yes, who is the contact at the City (name, email, and phone)?

_____

Is there City funding available for the project? How much? _____

Land Use:

Is the current land use compatible with a motel/hotel conversion or applicable development type? _____

Have you contacted the City regarding a land use changes?_____

Please describe the steps you have taken to contact the city regarding land use change, include City contact information and the City's response.

_____
_____
_____

Due diligence performed to date (environmental, occupancy, appraisal, physical needs assessment, etc.)

_____
_____
_____
_____