



Request for Information/Qualifications Homekey+

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

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

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

**Date of Release: November 8, 2024
Submissions Due: November 27, 2024**

Background

The County of Orange (“County”) seeks projects that will utilize funding for the anticipated California Department of Housing and Community Development (State HCD) Homekey+ Program (Homekey+), funded by Proposition 1, which passed in March 2024. Homekey+ expands State HCD’s original Homekey Program to provide permanent supportive housing for veterans, along with individuals and families facing behavioral health challenges who are either at risk of or currently experiencing homelessness or chronic homelessness.

Through this Request for Information/Qualifications (RFI) 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. Developers shall also demonstrate their capacity to undertake the development of a Homekey+ project.

Responsive Developers will complete the following:

- **Attachment A** – Developer Experience/Capacity;
- **Attachment B** – Identified Sites; and
- **Attachment C** – Property Criteria Questionnaire.

The County is reviewing all potential uses or development types as currently listed and identified as an Eligible Use/Project under State HCD’s Homekey+ website (<https://www.hcd.ca.gov/grants-and-funding/homekey-plus>) which includes the following:

- (1) Acquisition or rehabilitation of motels, hotels, or hostels, or other sites and assets, including purchase of apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, or other buildings that could be converted to permanent housing.
- (2) Conversion of units from nonresidential to residential
- (3) Master leasing of properties.
- (4) New construction of dwelling units.
- (5) The purchase of affordability covenants and restrictions for housing 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 programs
- 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

Veterans, as well as individuals and families facing behavioral health challenges, 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. “Behavioral health challenge” has the same meaning as defined within the California Welfare and Institutions Code to mean a serious mental illness, as described in subdivision (c) or (d) of Section 14184.402, or a substance use disorder, as described in Section 5891.5.

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Application Criteria

Subject to additional information/requirements of State HCD’s Homekey+, the County will use the criteria listed below in reviewing the submissions, which are based on the State HCD’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, construct and operate the Project.
 - 1.1. Demonstration of the Developer team’s experience to acquire, construct 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 previous Homekey Programs. (**Attachment A**)
 - 1.4. Submit a list of potential Homekey + applications in which you will be a co-applicant.

1.5 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 Behavioral Health Services Act (BHSA), formerly known as MHSA, funding, please include a demonstration your experience serving the MHSA population as well as experience collaborating with the OC 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 in an effort to meet required milestones. These are subject to change based on the State HCD’s guidelines and direction. In general, HCD will use these criteria to review sites. 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 (no interim housing). Innovative projects are encouraged, including those focused on small scale housing.
 - Be located in a census tract that has a poverty concentration of 20 percent or less.

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- Have least one-bedroom units and be at least 450 square feet.
- Unoccupied project site (no relocation process required).
- No existing commercial lease encumbering the project site.
- 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.
- Located near transportation services.
- Rental homes must have an identifiable and private living area, sleeping area, full kitchen area and a full bathroom. The kitchen area shall at a minimum include a sink, full size refrigerator, cupboard space, counter area, microwave or oven, and a two-burner stove or built-in cooktop.
- All units should be furnished with standard furnishings applicable to the unit type, such as bed, living area furniture, table, and chairs for eating area.

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

Table Instructions:

Please complete **Attachment A: Developer Experience (Required)** 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 (Optional)** 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 (Optional)** for each site in Attachment B.

Please submit your response and the requested information (Application Criteria Questions 1-5, Attachment A, B and C, as applicable) to ochcd.nofa@occr.ocgov.com by 5:00 P.M. PDT, on November 27, 2024, 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. Developers selected in the RFI process will be placed on a list. Placement on the list does not guarantee selection for a Homekey+ project/application.
4. Upon placement on the qualified Developer’s list and a feasible Homekey+ project is identified, the Developer may submit a Notice of Funding Availability Application for County funding and/or project-based vouchers as needed through that process.
5. Upon securing funding through the NOFA process (if required for financial feasibility), the County intends to collaborate with the developer, acquire the property and establish a long-term ground lease to jointly pursue State Homekey+ funding to support the construction of the development.

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

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

- Can convert immediately to permanent supportive housing within Homekey+ guidelines
- Be located in a census tract that has a poverty concentration of 20 percent or less
- Have least one-bedroom units and be at least 450 square feet
- Unoccupied project site (no relocation process required)
- No existing commercial lease encumbering the project site
- 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
- Located near transportation services
- Rental homes must have an identifiable and private living area, sleeping area, full kitchen area and a full bathroom. The kitchen area shall at a minimum include a sink, full size refrigerator cupboard space, counter area, microwave or oven, and a two-burner stove or built-in cooktop
- All units should be furnished with standard furnishings applicable to the unit type, such as bed, living area furniture, table, and chairs for eating area

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 | 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 |
|-------------------|---|--------------------------------|--|--|----------------------------------|-----------------------------------|---------------------------------------|--|---|
| <i>Ex: Irvine</i> | <i>1234 Main Street</i> | <i>60</i> | <i>Individuals, Families; BHSA</i> | <i>Y</i> | <i>Y; October 2020</i> | <i>\$21,000,000</i> | <i>\$350,000</i> | <i>\$30,000,000</i> | <i>Ex. City HOME Funds</i> |
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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 required timeframes under Homekey+ 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? _____

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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?

Are you a co-applicant on another potential Homekey+ applications this round?

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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.)
