



NOTICE OF REQUEST FOR PROPOSAL (RFP)

HOUSING DEVELOPMENT ORGANIZATION (HDO)

COMMUNITY RESOURCE DEVELOPMENT PLAN (CRDP)

FOR FISCAL YEAR 2023-2024

Summary of Project

- Service Need:** Acquisition and rehabilitation of one (1) single family home to be developed as an Adult Residential Facility for Person's with Special Health Care Needs with a Behavioral Component (ARFPSHN-B).
- Project Number:** KRC 2324-1
- Posting Date:** March 5, 2024
- Service Area:** Bakersfield
- Number of Consumers:** 5
- Start-up Finds Available:** \$350,000 in Acquisition and \$250,000 in Rehabilitation
- Proposal Deadline:** **Monday, March 25, 2024 no later than 5pm**

For more information regarding the CPP/CRDP Housing guidelines please visit the DDS website; [Community Placement Plan - CA Department of Developmental Services : CA Department of Developmental Services](#)

Project Description

KRC is a private non-profit agency under contract to the State Department of Developmental Services to provide services to persons with developmental disabilities in Kern, Inyo and Mono Counties. Developmental disabilities include mental retardation, cerebral palsy, autism, epilepsy, and other neurological conditions.

Consistent with the Lanterman Developmental Disabilities Services Act and the promotion of community-based services for all people with Developmental Disabilities, Kern Regional Center is currently accepting proposals for the acquisition and rehabilitation of one (1) single family home, which will be available with long term leases for one residential service provider selected and vendored by KRC. The property will be a minimum of five (5) bedrooms, have ample common areas, backyard, and outdoor space, off street parking access, located close to medical services, shopping, parks and other community amenities.

The property must meet the standard for licensing by the Department of Social Services, Community Care Licensing Division, as an ARFPSHN for non-ambulatory persons. The applicant will be required to ensure that there is no other Community Care Licensed home within 300 feet of the property that is trying to be secured.

Applicant Eligibility

The Housing Development Organization's (HDO) primary mission is to develop and manage accessible homes for the needs of individuals with developmental disabilities. For the purposes of these projects, the applicant must be a registered HDO (or indicate intent to create a Non-Profit Organization registered as an IRS 501(c) (3) corporation), limited liability company, or limited partnership that will own the properties through the HDO as a managing general partner who receives and retains an Organizational Clearance Certificate for the project(s) from the California Board of Equalization in order to be exempt from property taxes.

Only applicants who have acquired, constructed, or renovated property for the use of special needs populations for a minimum of two years, or have team members with at least 4 years of relevant experience, will be considered. Applicants must possess qualifications as specified in this RFP. Proposals will be considered from affordable housing providers who retain development team members with documented experience in real estate purchase, financing, and renovation. HDO must submit the resumes of the development team, a summary of past projects, and a narrative of proposed property ownership including acquisition, renovation, and maintenance. Information on plans for acquiring permanent financing, HDO and financial documentation, an implementation and financing plan, and a sample-reporting format must also be included.

The selected applicant will be required to provide a performance bond for all money advanced. The cost of the bond will be an acceptable start-up cost.

Visit www.kernrc.org to view and download complete RFP. Hard copies of the RFP can be available for in-person pick up at KRC's main office in Bakersfield upon request. **For further information on obtaining an RFP, you may contact, Suzanne Toothman, Program Manager, Community Services Department at, (661) 852-3254 or stoothman@kernrc.org.**

There will be an **RFP Orientation on Monday, March 11, 2024, at 10 am via ZOOM** to provide applicants with an opportunity to ask questions specifically in reference to the RFP and RFP process. ***This is voluntary and not required in order to submit a proposal.*** To register, please submit a request to participate to stoothman@kernrc.org.

RECEIPT OF PROPOSAL DEADLINE

All interested applicants must submit an electronic copy via email to stoothman@kernrc.org by **Monday, March 25, 2024, no later than 5pm.**

Proposals received after the above stated date and time will not be considered.

SUBMITTING AND REVIEWING OF THE PROPOSAL

All proposals must be completed and organized in accordance with Exhibit A, Exhibit B, and Exhibit C. Proposals that do not follow any of these above-referenced attachments are considered by the committee to be incomplete and will not be considered. Late or incomplete applications will not be accepted for review or consideration.

All proposals will be scored for the written and oral presentations in accordance with Exhibit C. **If after review of the written proposal, it is noted by the committee that the applicant cannot meet licensing or other minimum professional criteria specific to the project applied for, the proposal will be rejected at that time.** KRC will appoint a three-to-five-member committee to score each proposal and conduct interviews with each applicant. The final decision of the committee is not subject to appeal. All applicants will receive notification of KRC's decision regarding their proposal. Interviews for all applicants are anticipated to take place on **Friday, April 19, 2024**, beginning at 10:00am.

RFP TIMELINE

Request for Proposal: Announcement Release & Posting	Monday, March 5, 2024
General briefing meeting on RFP Process, timeline, and Q&A session.	Monday, March 11, 2024 *Orientation will be held by Kern Regional Center via Zoom at 10am . To register please submit a request to participate to Suzanne Toothman at: stoothman@kernrc.org
Deadline for receipt of Proposals	Monday, March 25, 2024, no later than 5pm. Proposals received after said date and time <u>will not</u> be considered.
Interviews and oral presentations	If your proposal is selected, you will be contacted and invited to an in-person interview at Kern Regional Center (Malibu room) on Friday, April 19, 2024, beginning at 10am.
Notice of Selection sent	Monday, April 22, 2024
Start-up contract signed	May 3, 2024
Notification of project award posted on KRC website	May 3, 2024

RESERVATION OF RIGHTS

Kern Regional Center reserves the right to request or negotiate changes in a proposal, to accept all or part of a proposal, or to reject any or all proposals. KRC may, at its sole and absolute discretion, select no provider for these services if, in its determination, no applicant is sufficiently responsive to the need.

Kern Regional Center reserves the right to withdraw this Request for Proposal (RFP) and/or any item within the RFP at any time without notice. Kern Regional Center reserves the right to disqualify any proposal which does not adhere to the RFP guidelines. This Request for Proposal is being offered at the discretion of KRC. It does not commit KRC to award any grant.

CONTENT OF PROPOSAL

Proposals must be typed on standard white paper using standard **size font (12)** and include a table of contents and page numbering. For items that request conditional information, provide a statement whether or not it applies to the applicant in order to verify that it has been addressed.

Proposals will be reviewed and ranked based on the following areas:

A. HDO Organizational and Financial Development

1. The applicant/agency has prior experience purchasing property to be used as licensed home for clients who have moved from the state developmental centers.
 - a. 1-2 years/ 2-4 homes
 - b. 3-5 years/ 5-10 homes
 - c. >than 6 years/ >10 homes

2. The applicant/agency has prior experience remodeling property to be used as licensed homes for clients moving from state developmental centers
 - a. 1-2 years/ 2-4 homes
 - b. 3-5 years/ 5-10 homes
 - c. >than 6 years/ >10 homes

3. The applicant/agency's financial statement reflects sound fiscal practices. Assets are sufficient to undertake the proposed project.
 - a. 1 Successful independent audit plus HDO ownership of 2-4 homes in good financial standing
 - b. 2 Successful independent audits plus HDO ownership of 5-8 homes in good financial standing
 - c. 3 Successful independent audits plus HDO ownership of 9-10 homes in good financial standing
 - d. >3 Successful independent audits by at least 2 different audit firms plus HDO ownership of 11 or more homes in good financial standing

B. Narrative Proposal

1. The overall proposal indicates an ability to follow directions and is an appropriate response to the RFP a. Proposal follows outline and is complete
 - b. Above, plus mission statement with person-centered values
 - c. Above, plus no negative financial histories
 - d. Above, plus complete financial documentation

C. Implementation Plan

1. The work plan indicates a thorough knowledge of the processes and procedures needed to complete the project
 - a. Plan shows complete activities required to purchase and renovate properties
 - b. Above, plus plan shows good understanding of state and local building requirements
 - c. Above, plus realistic timeline for completion. **Completion including all billing must be done by March 30th, 2026 (or sooner depending on closed of escrow).**

D. Project Budget

1. The project budget demonstrates funding leverage and a reasonable budget
 - a. Budget shows complete list of costs required to purchase and renovate properties
 - b. Above, plus plan shows reasonable costs for above listed items
 - c. Above, plus demonstration of viable relationships with well-established funding sources

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Kern Regional Center reserves the right to withdraw this Request for Proposal (RFP) and/or any item within the RFP at any time without notice. Kern Regional Center reserves the right to disqualify any proposal which does not adhere to the RFP guidelines. This Request for Proposal is being offered at the discretion of KRC. It does not commit KRC to award any grant.

COSTS FOR PROPOSAL SUBMISSION

Applicants responding to the RFP shall bear all costs associated with the development and submission of a proposal.

CONTENT OF PROPOSAL

Proposals must be typed on standard white paper using standard [size font \(12\)](#) and include a table of contents and page numbering. For items that request conditional information, provide a statement whether or not it applies to the applicant in order to verify that it has been addressed.

USE THE FOLLOWING OUTLINE:

- I. Signed Request for Proposal Affirmation
- II. Table of contents
- III. APPLICANT INFORMATION (HDO, Development Team, Financial Documentation)
 - a. The contact information (name, address, e-mail address and telephone number) of the proposed HDO applicant and whether applying as a profit, non-profit corporation, a limited partnership, or a limited liability corporation.
 - b. State the name of the author of the proposal. List any parties who participated in writing all or part of the proposal. Any proposal written for an applicant by a consultant or professional grant writer will demonstrate a commitment by the writer to provide ongoing technical assistance during the project implementation phase.
 - c. Describe or provide materials that clarify the HDO's mission and development and management experience of the HDO, any developer retained by the HDO and other development team members.
 - d. Development Success
 1. State the background of either your organization or yourself in providing the type of projects/services outlined in the RFP
 2. Describe similar projects/services with which the organization has been successful
 - e. At a minimum the proposal should include names of partners, staff or consultants, if known, who will be involved in the implementation of the project if awarded; resumes; a summary of past projects; and a narrative of proposed property ownership from acquisition to conversion to permanent financing.
 - f. List of references and/or letters of reference relevant to experience and other qualifications required to complete this or similar projects. Applicants should be aware that KRC will contact references and other sources to corroborate any of the information provided in the proposal.
 - g. List of all projects with other regional centers and the current status of each project.
 - h. Specify any past history of activities which have had a serious negative impact upon development projects, tenants or residents including, but not limited to: financial losses (e.g., foreclosure), or serious investigation or citation under the California Administrative Code, the Penal Code or Regulations of the State of California, or the laws of other states, or the Federal Government. Any information withheld or omitted may result in disqualification of the proposal or termination of the contract.
 - d. Organizational Documentation
 - A. For Profit Corporations
 1. IRS approval
 2. Articles of Incorporation stating that, as part of its mission, the organization will develop and manage affordable homes for individuals with special needs, including those with developmental disabilities, and identifying the leadership and responsibilities of the HDO.
 3. Corporation By laws that defines the purpose of the HDO to develop and manage affordable homes for individuals with special needs, including those with developmental disabilities and any tenant restrictions.
 - B. For Non-Profit Corporations
 1. IRS approval of 501(c) (3) status
 2. Articles of Incorporation stating that, as part of its mission, the organization will develop and manage affordable homes for individuals with special needs, including those with developmental disabilities, and identifying the leadership and responsibilities of the HDO.

3. Corporation By laws that defines the purpose of the HDO to develop and manage affordable homes for individuals with special needs, including those with developmental disabilities and any tenant restrictions.
4. A list of current officers and Board Members.

C. For Limited Partnerships

1. A certificate of Limited Partnership (LP-1)
2. Amendment to Certificate of Limited Partnership (LP-2), if any
3. Current Limited Partnership Agreement, as amended, which defines that the purpose is to develop and manage affordable homes for individuals with special needs, including those with developmental disabilities, and identifies the leadership and responsibilities of the LP

D. For Limited Liability Companies (LLCs)

1. Limited Liability Company Articles of Incorporation (LLC-1)
2. Limited Liability Company Certificate of Amendment (LLC-2), if any
3. A fully executed operating agreement and all amendments which define that the purpose is to develop and manage affordable homes for individuals with special needs, including those with developmental disabilities, and identifies the corporate leadership and responsibilities of the LLC

j. Financial Standing – KRC will evaluate financial statements in order to determine the applicant's financial ability to cover start-up costs and stability to meet the long term commitment to hold and manage the properties.

1. Provide three (3) years of audited financial statements with the most recent audit (FY 2011-2013) an unqualified audit opinion completed by a Certified Public Accountant using accepted accounting practices.
2. Provide current year-to-date financial statements of the HDO.
3. Briefly outline your organization's ability to fiscally start up this service.

IV. Implementation Plan

- a. A narrative proposal of the project that includes the proposed properties' ownership structure.
- b. The plan must specify a process that ensures compliance with all state and local building requirements, including without limitation the regional center's receipt of verification that each project has received all applicable, required permits prior to the start of any demolition, construction, or renovation/rehabilitation.
- c. Include a sequence of activities necessary to complete the project and specific to each property. This step-by step action plan should include measurable, time limited activities toward the achievement of specific project tasks and achievement of the proposed outcome. The project objectives should be realistically achievable within the time frame. Timeline of project activities must reflect a date for the properties to be acquired and leased to a service provider within 150 days of contract execution by all parties. The activities should cover each major step of the project and should include, but not be limited to:
 1. Provide a corporation resolution that authorizes the signatory to sign on behalf of, and obligate the HDO.
 2. Provision of funding commitment letters
 3. Provision of evidence of property site control
 4. Loan closing and Property Acquisition
 5. Provision of evidence of property purchase, including an executed, recorded deed of trust and regulatory agreement
 6. Provision of evidence of application to the County Tax Assessor
 7. Provision of final sources and uses (budget)
 8. Certificate of Occupancy (Notice of completion, if renovation)
 9. Executed, long-term lease agreement between HDO and service provider
 10. Executed, property management agreement
 11. Evidence of property insurance

d. Activities which may occur within 120-180 days of contract execution by all parties

1. Property tax exemption, if not provided sooner
2. Reconciled sources and uses of funds (budget)

- V. Proposed Sources and Uses (Project Budget). Allowable costs include pre-development costs, (i.e., closing and escrow; due diligence costs; environmental impact report, if indicated; survey and soil analysis), acquisition costs (funds to option, purchase, or acquire properties); development costs (architectural and engineering; permits and fees; appraisal cost; construction, legal, accounting, consultant, and project management fees, if necessary).
- a. For all grants, specify the start-up budget amount you propose to be awarded for acquisition, and the start-up budget for renovation. Additionally, specify the acquisition total start-up budget amount required which must show a one to three (1:3) leveraging of awarded funds with hard (dollar) and/or soft (in-kind) commitments.
 - b. A budget narrative describing how each budget line item was calculated is required to sufficiently define all terms and areas of the budget except the item for property modification.
 - c. Include sources for leveraged funds, (e.g., private parties, bank loans, and foundations).
 - d. Evidence may include, but not be limited to, letters of commitment; memoranda of understanding that specify a financial commitment to the proposed project.
 - e. Demonstrate a leverage ratio of a minimum of three (3) dollars in leveraged funds to each one (1) dollar in CPP funds, (i.e., the CPP funds do not exceed 25 percent of the total cost of the project).
 - f. Identify the projected permanent debt service.
 - g. General Expenses or developer fee should address specific minor expenses that cannot be classified in any other line item.

VI. Renovation and Maintenance

- a. Describe the process for securing bids from architects, property management (if outsourced) and construction services.
- b. Note whether maintenance functions are performed by HDO in-house staff or whether secured from a property management agency.
- c. Renovation reimbursement must be in accordance with the CPP Housing Guidelines and as identified in the RFP.

VII. Leasing Structure

- a. Describe how the lease to a service provider is structured by defining what items will be paid by the lessee, and what will be paid by the HDO. At a minimum address:
 1. Property Taxes
 2. Insurance
 3. Building Maintenance
 4. Landscaping Maintenance
- b. Describe the leasing structure to address:
 1. Typical length of lease agreement
 2. Whether the budget is structured such that no rent increases will be passed to the lessee, or an anticipated timeline with the amounts of rent increases.

*Housing guidelines for use of startup funding please visit the DDS website; [Community Placement Plan - CA Department of Developmental Services : CA Department of Developmental Services](#)

EXHIBIT A
Request for Proposal Affirmation

NAME OF APPLICANT or ORGANIZATION SUBMITTING PROPOSAL *(please print)*

ADDRESS CITY STATE ZIP

CONTACT PERSON FOR PROJECT *(please print)*

TELEPHONE NUMBER FAX NUMBER e-mail address

NAME OF PARENT CORPORATION, if applicable please indicate: Non-profit For-profit

AUTHOR OF PROPOSAL *(if different from applicant identified above)*

<u>List all Regional Centers with which you have vendored programs or services (use additional paper if need more room)</u>			
Reg. Center	Name of Program/Service	Type of Program/Service	Vendor Number
<u>List all Regional Centers with which you have programs/services in development (use additional paper if need more room)</u>			
Reg. Center	Type of Program/Service in Development	Service Start Date	

I affirm that the information presented in this application and proposal is true and that this proposal was developed and authored by the person(s) indicated. I understand that any falsification of information or failure to disclose any history of deficiencies or abuse will be cause for immediate disqualification. I also understand that failure to meet minimum qualifications as stated in the RFP, late proposal submissions, facsimile proposal copies, and any missing information will also be cause for immediate disqualification. I further understand that, in the event that my proposal is selected for development, the proposal itself is not approved conclusively. My signature below authorizes KRC to verify references and bank statements.

Applicant Signature/Signature of Person Authorized to Bind Organization

DATE

EXHIBIT B

CONFLICT OF INTEREST AND EXCLUSION VERIFICATION

CONFLICT OF INTEREST

According to Title 17 Regulations, Section 54314, the following individuals and entities shall not be vendored:

1. Any officer or employee of the state of California;
2. Any applicant in which an officer or employee of the State of California has a financial interest, as defined in the Government Code, Section 87103, except as permitted by Public Contract Code, Section 10430 (g), effective January 1, 1992;
3. Employees and board members of any regional center with a conflict of interest pursuant to Title 17, Sections 54500 through 54525, unless the conflict is eliminated or a waiver is obtained pursuant to Title 17, Sections 54522 through 54525;
4. Any applicant in which the regional center employee or board member has a relationship which creates a conflict of interest pursuant to Title 17, Section 54500 through 54525, unless the conflict is eliminated or a waiver is obtained pursuant to Title 17, Sections 54522 through 54525;
5. Regional Center Clients to provide services for, or to, themselves except to provide transportation or serve as their own Supported Living Services Vendor;
6. Except as specified in Section 54318 of these regulations, any applicant located outside the state;
7. Any applicant that has been determined to be an excluded individual or entity as defined in Section 54302 (b)(1).

I have read the above information and declare:

No present or potential barriers to becoming a vendor exist.

A current or potential barrier to becoming a vendor exists.

EXCLUSION VERIFICATION

“Excluded Individuals or Entities means those individuals and entities that have been placed on either the U.S. Department of Health and Human Services Office of Inspectors’ General (OIG) List of Excluded Individuals/Entities or the Department of Health Care Services (DHCS) Medi-Cal Suspended and Ineligible Provider List of persons, or individuals and entities that have been convicted of a criminal offense related to involvement in any program under Medicare, Medicaid or the Title XX services program, or those individuals and entities that meet the criteria included in Title 17, Section 54311 (a)(6).

Pursuant to the Applicant/Vendor Disclosure Statement, all applicants and co-applicants are required to provide verification that the applicant and/or co-applicants are not listed on the State of California or the Federal Office of Inspector General databases for Ineligible Providers and Excluded Providers. **As a requirement of this RFP, please screen all applicants/co-applicants using one the databases listed below. Please include a screen print of your results with your written proposal.**

The State of California Suspended and Ineligible Provider List can be found at: [Suspended and Ineligible Provider List \(ca.gov\)](http://www.ca.gov)

The Federal Office of Inspector General “exclusions database” can be found at: [Search the Exclusions Database | Office of Inspector General \(hhs.gov\)](http://www.hhs.gov)

Applicant Signature

Date

EXHIBIT C
Kern Regional Center
RFP Housing Acquisition and Remodeling
PROPOSAL REVIEW/EVALUATION CRITERIA

Applicant /Agency _____

Reviewer _____

Proposal Section	Scoring Criteria	Score	Maximum Score	Proposal Score
A. HDO Organizational and Financial Development				
1. The applicant/agency has prior experience purchasing property to be used as licensed homes for clients who have moved from the state developmental centers/restrictive settings.	<ul style="list-style-type: none"> • 1-2 years / 2-4 homes • 3-5 years / 5-10 homes • > than 6 years / > 10 homes 	<p>3-5 pts 6-8 pts 9-10 pts</p>	10	
2. The applicant/agency has prior experience remodeling property to be used as licensed homes for clients moving from the state developmental centers, including homes to be licensed as an EBSH and CCH.	<ul style="list-style-type: none"> • 1-2 years / 2-4 homes • 3-5 years / 5-10homes • > than 6 years / > 10 homes 	<p>3-5 pts 6-8 pts 9-10 pts</p>	10	
3. The applicant/agency's financial statement reflects sound fiscal practices. Assets are sufficient to undertake the proposed project.	<ul style="list-style-type: none"> • 1 Successful independent audit plus NPO ownership of 2-4 homes in good financial standing • 2 Successful independent audits plus NPO ownership of 5-8 homes in good financial standing • 3 Successful independent audits plus NPO ownership of 9-10 homes in good financial standing • >3 Successful independent audits by at least 2 different audit firms plus NPO ownership of • 11 or more homes in good financial standing 	<p>3-5 pts 6-8 pts 9-12 pts 13-15pts</p>	15	
B. Narrative Proposal				
1. The overall proposal indicates an ability to follow directions and is an appropriate response to the RFP	<ul style="list-style-type: none"> • Proposal follows outline and is complete Above, plus mission statement with personcentered values • Above, plus no negative financial histories • Above, plus complete financial documentation 	<p>3-5 pts 6-8 pts 9-12 pts 13-15pts</p>	15	

C. Implementation Plan				
1. The work plan indicates a thorough knowledge of the processes and procedures needed to complete the project	<ul style="list-style-type: none"> Plan shows complete activities required to purchase and renovate properties Above, plus plan shows good understanding of state and local building requirements Above, plus realistic timeline for completion 	3-5 pts 6-8 pts 9-10 pts	10	
D. Project Budget				
1. The project budget demonstrates funding leverage and a reasonable budget.	<ul style="list-style-type: none"> Budget shows complete list of costs required to purchase and renovate properties Above plus plan shows reasonable costs for above listed items Above plus demonstration of viable relationships with well-established funding sources 	3-5 pts 6-8 pts 9-10 pts	10	
Total			70	

Proposal review completed by _____
Signature _____ Date _____