

# Homekey Round 3

Vendor's Conference

January 12, 2023

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**Chief  
Executive  
Office.**



County of Los Angeles  
**Homeless  
Initiative**

# AGENDA

1. Homekey Overview
2. LA County Approach to Homekey
3. Homekey Round 3
  - a. Process and Priorities
  - b. RFSQ Solicitation Details
  - c. Question & Answer
4. Next Steps



# Homekey Overview



**Homekey**

Bringing California Home

Through the Homekey program, the California Housing and Community Development Department (HCD) is funding local jurisdictions to develop a broad range of housing types, including but not limited to hotels, motels, hostels, single-family homes and multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to Permanent or Interim Housing for the Target Population.

# Los Angeles County's Approach to Homekey

- LA County is using this unprecedented opportunity to increase the availability of interim and permanent housing through the region.
- The Board of Supervisors has demonstrated its commitment to ending homelessness by committing County funds – including from the County's **CARES Act** and **American Rescue Plan Act (ARPA)** funding allocations – to support Homekey efforts.
- In Homekey Rounds 1 and 2, the County and partners were awarded funding for 24 projects.





# Homekey Round 3


## Process and Priorities

- State expects to release Homekey Round 3 Notice of Funding Availability (NOFA) in March 2023.
- County will again seek to apply jointly with co-applicants.
- A competitive solicitation process is being used to identify qualified co-applicants.
- Selection criteria for co-applicants is going to reflect HCD's experience and capacity requirements – please review past NOFAs.
- County aims to identify potential co-applicants and selected sites prior to the release of the NOFA, enabling us to submit applications shortly after the application period begins.



# Homekey Round 3

## Process and Priorities

- **For this round of Homekey, the County is prioritizing:**
    - Permanent Supportive Housing projects
    - Maximizing applications for presumed youth set-aside funding – may be permanent or interim projects
    - Partnerships with cities, COGs, and tribal entities
  - The Board of Supervisors has allocated ARP funds to use for local capital match in Homekey Round 3.
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# Timeline

<b>RFSQ Release Date</b>	<b>December 22, 2022</b>
<b>Written Questions Due</b>	<b>January 17, 2023</b>
<b>Questions and Answers Released via Addendum</b>	<b>January 23, 2023</b>
<b>Statements of Qualifications Due</b>	<b>January 31, 2023</b>
Anticipated Contract Term	Five (5) years with the option to extend up to two (2) additional one (1) year periods
Minimum Requirements	Paragraph 3.0
RFSQ Contact	Randall Fullmer via email: rfullmer@ceo.lacounty.gov

# Purpose

## The Purpose of this RFSQ is to:

Qualify Vendors to enter into Master Agreements with the County for possible partnership opportunities to apply jointly with the County for Homekey funding for the acquisition, renovation and/or construction of housing developments and operations services at Homekey sites.

No funding will be provided through this RFSQ.





# Master Agreement

- Vendors determined to be qualified pursuant to this RFSQ solicitation must be willing to enter into a Master Agreement with the County for the Homekey program.

A **MASTER AGREEMENT** is an agreement executed between the County and individual Contractors. It will set forth the terms and conditions and govern subsequent Work Orders.

# Scope of Work for the MA

- Vendors must be able to pursue one of the uses of Homekey funds anticipated to be allowed by the State's Homekey program:
  - Acquisition and rehabilitation of dwelling units
  - Conversion of units from nonresidential to residential
  - New construction of dwelling units
- Vendors must identify properties at which they will perform one of the uses mentioned (not required to list properties in response to this RFSQ).
- Vendors must have experience with the development and management of permanent supportive housing or interim housing.
- Vendors must demonstrate their ability to meet the eligibility requirements laid out by the State's Homekey program

# Vendor's Minimum Qualifications

Experience Narrative: Vendors must provide a narrative as to how they will develop and operate one or more permanent or interim housing projects for the Target Population

Permanent Housing Projects (Section 3.2)	Interim Housing Projects (Section 3.3)
<ol style="list-style-type: none"><li>1. Development, ownership, or operating of a project similar in scope and size to the proposed project; or development, ownership, or operation of at least two affordable rental housing projects in the last ten (10) years, with at least one of those projects containing at least one unit housing a tenant who qualifies as a member of the Target Population.</li><li>2. The supportive services providers shall have three (3) or more years of experience serving the Target Population and demonstrated experience administering a Housing First program that includes principles of harm reduction and low barriers to entry.</li><li>3. Current capacity to develop, own, and operate a Permanent Housing project.</li></ol>	<ol style="list-style-type: none"><li>1. Successful development, ownership, or operation of at least one interim housing project, such as an emergency shelter or transitional housing for at least three (3) of the last ten (10) years for individuals who qualify as members of the Target Population.</li><li>2. Experience linking interim housing program participants to permanent housing to ensure long-term stability.</li><li>3. The supportive services providers shall have three (3) or more years of experience serving the Target Population and demonstrated experience administering a Housing First program that includes principles of harm reduction and low barriers to entry.</li><li>4. Current capacity to develop, own, and operate an interim housing project.</li></ol>

# Vendor's Minimum Qualifications (cont.)

- **Responding as a Joint Venture** (if applicable): If applying as a joint venture or consortium, list all organization names and attach letters of intent for each organization who will be a subcontractor to the Prime. Each SOQ shall identify the services that each respective subcontractor will provide.
- **New Firm Eligibility** (if applicable): Vendors may submit SOQs if they do not have the experience required. However, vendors may qualify if the Vendor's principals, partners, or officers personally meet the minimum qualifications from previous organizations. Vendors must explicitly state that they are seeking to qualify under this provision.
- **Covenant Agreements:** Vendors who are selected to apply with the County and whose projects are awarded Homekey funds by HCD shall duly encumber all interim housing projects with a 15-year covenant or similar use restriction, and all permanent housing projects with a 55-year covenant or similar use restriction. In addition, for the anticipated Homekey Round 3 NOFA, the County and Vendor will jointly develop a 15-year budget for project operations and services as required by the HCD.
- **Unresolved Questioned Costs:** Vendor must not have any unresolved questioned costs identified by the A/C, in an amount over \$100k.

# Downloading the RFSQ Files

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
Solicitation Number	Title	Type	Department	Date
CEO-RFSQ-Homekey-2022	Request for Statements of Qualification - Homekey Program BUILDING CONSTRUCTION SERVICE, RESIDENTIAL (APARTMENTS, ETC.)	Construction	Chief Executive Office	Continuous

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SOLICITATION DETAILS FOR CEO-RFSQ-HOMEKEY-2022

<b>Solicitation Number</b> CEO-RFSQ-Homekey-2022	<b>Solicitation Title</b> Request for Statements of Qualification - Homekey Program
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<b>Solicitation Type</b> Construction	<b>Open Date</b> 12/22/2022	<b>Contact Name</b> Randall Fullmer
<b>Department</b> Chief Executive Office	<b>Closing Date</b> Continuous	<b>Contact Phone</b> (213) 948-2806
<b>Commodity</b> BUILDING CONSTRUCTION SERVICE, RESIDENTIAL (APARTMENTS, ETC.)	<b>Solicitation Amount</b> Not Available	<b>Contact Email</b> rfullmer@ceo.lacounty.gov
		<b>Last Changed On</b> 12/22/2022

**Solicitation Description**

Show less -

The County of Los Angeles, Chief Executive Office (CEO) is releasing this Request for Statement of Qualifications (RFSQ) to solicit Statements of Qualifications (SOQs) from prospective nonprofit or for-profit developers, or other respondents (Vendors) that meet the Minimum Qualifications stated in this RFSQ. The purpose of this RFSQ is to qualify Vendors to enter into Master Agreements with the County for possible partnership opportunities to apply jointly with the County of Los Angeles (County) for the California Department of Housing and Development's (HCD) Homekey funding for the acquisition, renovation, and/or construction of housing developments and operations services at Homekey sites (Homekey Program).

Make sure you download all 8 attachments.


<a href="#">Request for Statements of Qualifications</a>	<a href="#">[ .pdf ]</a>
<a href="#">Sample Master Agreement</a>	<a href="#">[ .pdf ]</a>
<a href="#">Sample Master Agreement Exhibits A-K</a>	<a href="#">[ .pdf ]</a>
<a href="#">Appendix B Required Forms 1-5</a>	<a href="#">[ .pdf ]</a>
<a href="#">Appendix B CBE Form</a>	<a href="#">[ .xlsx ]</a>
<a href="#">Appendix B Required Forms 7-8</a>	<a href="#">[ .pdf ]</a>
<a href="#">Appendix C and Appendix D</a>	<a href="#">[ .pdf ]</a>
<a href="#">Appendix E</a>	<a href="#">[ .pdf ]</a>



# Submitting Statement of Qualifications (SOQ)

Preparation and Format for the SOQ: All SOQs must be submitted in the prescribed format with the following content and sequence (see Section 7 of the RFSQ)

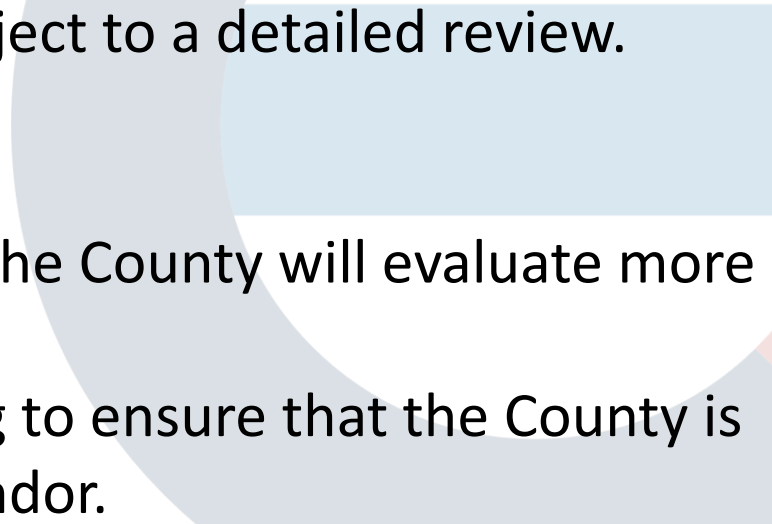
Table of Contents	A comprehensive listing of materials included in the SOQ.
Vendor's Qualification (Section A)	Experience Narrative (as outlined in Section 3) Vendor's Background and Experience (Section A.1) Vendor's References (Section A.2) Vendor's Pending Litigation and Judgement (Section A.3)
Required Forms (Section B)	Exhibits 1-8
Proof of Insurability (Section C)	Vendor must provide proof of insurability that meets all insurance requirements set forth in the Appendix A (Master Agreement), Paragraphs 8.23 and 8.24.
Proof of Licenses (Section D)	Vendor must furnish a copy of all applicable licenses



Send via e-mail to  
[rfullmer@ceo.lacounty.gov](mailto:rfullmer@ceo.lacounty.gov)  
with subject line  
**“SOQ FOR HOMEKEY  
PROGRAM”**

# SOQ

## Review/Selection/Qualification

- Statement of Qualifications (or SOQs) will be subject to a detailed review.
  - Request for Services process
    - During this second stage of the RFS process, the County will evaluate more specific criteria.
    - The evaluation will follow informed averaging to ensure that the County is able to choose the best possible qualified vendor.
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# Solicitation Process

- Master Agreements
- Release Request for Services (RFS)
- Vendors chosen through the RFS process will be issued a Work Order (WO)
- County and Contractor will jointly apply to the State to receive funding for the project

Work Orders are dependent upon approval from the State. Work Orders can be cancelled and/or invalidated if the State does not approve the project.

# Preferred Property Features

*When responding to the RFSQ, you do not need to identify specific projects. This info is provided to support respondents' planning for the next stage of this solicitation process.*

## **Preferred Features of Potential Permanent Supportive Housing (PSH) Properties and Youth Projects:**

- **Price per door:** The total cost includes **all acquisition and rehabilitation/renovation costs**. The County will consider sites at higher price points on a case-by-case basis.
  - Studio or One-Bed \$350K; Two-Bed \$375K; Three-Bed \$400K
  - Chronic Homelessness; \$400K
- **Preferred locations:** The County wishes to identify properties in all SPAs. Respondents can consult LAHSA homeless count to determine which areas have the highest concentration of PEH.

**The County will not pursue properties within the City of Los Angeles.**

# Preferred Property Features

*When responding to the RFSQ, you do not need to identify specific projects. This info is provided to support respondents' planning for the next stage of this solicitation process.*

## Preferred Features of Potential Permanent Supportive Housing (PSH) Properties and Youth Projects:

- **Size of units (sq ft.):** For PSH at least 300 sq. ft/unit; Studio and one-bed preferred. Shared housing considered for youth.
- **Proximity to amenities:** PSH sites should be within ½ mile (or in rural areas within 1 mile) from a public transit station, grocery store, healthcare facility, library, and pharmacy. Youth sites should have the same proximity to the same amenities as for PSH along with proximity to community colleges and other youth-serving amenities.



# Preferred Property Features

*When responding to the RFSQ, you do not need to identify specific projects. This info is provided to support respondents' planning for the next stage of this solicitation process.*

## **Operating Subsidies:**

- **PSH:** The County expects to draw down Homekey operating subsidies for all projects. There is no commitment of PBVs at this time, but it is possible that such subsidies may become available at a later date. Due to this limitation, the County invites proposers to propose creative approaches to operating subsidies that leverage existing sources of funding.
- **Youth:** Same as above; Operating funds from the County or its partners' Homeless Housing and Prevention (HHAP) funding youth set-aside may be available on a limited basis.

# Preferred Property Features

*When responding to the RFSQ, you do not need to identify specific projects. This info is provided to support respondents' planning for the next stage of this solicitation process.*

## Capital Matching Funds:

- **PSH and Youth:** In previous rounds of Homekey funding, applicants were required to provide matching capital funds where the per door cost exceeded a maximum established by HCD.
  - The County expects to provide capital matching funds to the extent that these funds do not exceed the maximum amount that the state will match. If per door costs require a capital match that exceeds the amount that the state will match, the County will consider specific situations on a case-by-case basis.
  - The County encourages PSH proposers to seek out properties that will be appealing to TBV holders. Proposers that can contribute some or all of the needed capital match funding are invited to do so.

# Summary of Process

- Solicitation will have two phases:
  - Request for Statement of Qualifications (RFSQ):
    - Respondents will demonstrate that they meet the minimum requirements and are able perform services outlined in the County's solicitation. Those that meet these requirements will enter into a Master Agreement with the County.
  - Request for Service (RFS)
    - Agencies with Master agreements may be invited to submit proposals for specific sites they are interested in pursuing with the County.
    - County will proceed to apply jointly to HK3 with agencies whose proposals are selected.
- Selection process will aim to allow County and co-applicants to apply to HK3 NOFA as soon after its release as is possible.

A person's silhouette is shown from the chest up, holding a telescope to their eye. They are looking towards a city skyline at sunset. The sun is low on the horizon, creating a warm, orange and pink glow. The city buildings are silhouetted against the bright sky. The overall mood is contemplative and hopeful.

# QUESTIONS?