



CITY OF OAKLAND

Housing & Community Development Department

REQUEST FOR PROPOSALS

(Notice of Development Opportunity)

For the Development of Affordable Housing at
3823-3829 Martin Luther King Jr. Way

Release Date: Friday, May 11, 2018

Deadline for Submissions: Thursday, June 7, 2018

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I. SUMMARY OF OFFERING

CAVEAT:

Please be advised that there is an ongoing process, including discussions between the City and various community organizations as part of a Public Lands Coordinating Committee, to amend the City's land disposition policies. As part of this process, the City has committed to informing the City's development partners that changes in our policies could impact terms of future development agreements. Therefore, please be advised that any new agreements or negotiated deals involving the disposition of City lands for development may be affected by changes in that policy, including, for example, including potential requirements for affordable housing.

OPPORTUNITY	Two parcels available for the development of affordable housing. The project must contain 100% affordable housing units constructed on these parcels.
LOCATION	<p>3823 Martin Luther King Jr. Way, APN: 12-964-5 6,250 square feet</p> <p>3829 Martin Luther King Jr. Way APN: 12-964-4 3,125 square feet</p>
ZONING	<p>Land use zoning is CN-3 Neighborhood Commercial - 3 Zone. The intent of the CN-3 Zone is to create, improve, and enhance areas neighborhood commercial centers that have a compact, vibrant pedestrian environment.</p> <p>Note that if the project developer seeks a Density Bonus for the development of housing units, these affordable housing units <u>cannot</u> be applied to the Density Bonus affordable housing requirements.</p>

PREFERRED USES

The City land-banked these parcels with the intent to develop long-term affordable housing units.

Projects incorporating limited equity co-ops or other alternative housing or homeownership models are encouraged to respond to this RFP. Per the City's current affordable housing development program, projects that incorporate a minimum of 15% of the units as 3-bedroom or units are preferred. Priority will be given to projects that exceed the 15% minimum requirement.

AFFORDABILITY

The City requires that 100% of the total housing units constructed on the parcels be regulated affordable housing units (other than a manager's unit, which will be unrestricted). Post-occupancy affordability restrictions will be enforced through a Regulatory Agreement or Declaration of Resale Restrictions recorded against the Project. Note that there is an annual monitoring fee payable to the City of Oakland for regulating these units for the life of their regulatory agreement. You will find those fees in the City of Oakland Master Fee Schedule.

Ownership Projects: Must be affordable to households at or below 120% of area median income (AMI), with an average affordability level of 100%. Affordable homeownership units must be permanently affordable.

Rental Projects: Must have annual rents (less utility allowance) of no more than 30% of 80% of AMI and be reserved for households earning no more than 80% of AMI for at least 55 years. A higher point score will be awarded to projects with 15% of rental units that have annual rents (less utility allowance) of no more than 30% of 30% of AMI.

DEVELOPMENT TEAM

Respondent team should at a minimum include an experienced housing developer, property management company (if rental), an architect, and legal expertise, all of whom should have experience with regulated affordable housing development. Joint venture teams of parties with suitable experience in developing ownership/rental affordable housing are encouraged.

FINANCIAL REQUIREMENTS	Each Respondent will need to demonstrate its ability to successfully finance, construct and operate the project.
SELECTION PROCESS	Respondents must submit qualifications of the design, development, financing and property management team, a design concept, development budget sources and uses, 30 year operating pro forma including income & expenses, operating budget, and audited financials (current interim and previous 2 years). A team of City staff will evaluate proposals against the criteria contained in this RFP and may interview select Respondents. City staff's recommendation of a Respondent will be forwarded to the City Council for independent review and action.

PLANNING / ENVIRONMENTAL CONSIDERATIONS

The parcels are in the Broadway/MacArthur/San Pablo Redevelopment Project Area. An EIR was completed for this area in June 2000.

NEGOTIATIONS

Upon City Council selection of Respondent, City staff and the selected Respondent will negotiate the terms of a lease disposition and development agreement ("LDDA") to further refine the development project. Within 30 days of receiving a commitment letter to negotiate an LDDA between the City and the Respondent, the City will require a non-refundable deposit of \$10,000, which will be considered a Project Expense Payment (PEP), to cover City costs associated with managing the project.

LEASE DISPOSITION AND DEVELOPMENT AGREEMENT

The City and the selected development team will negotiate terms of an LDDA and a long-term ground lease with the City. The agreement will appropriately reflect the proposed uses, capital investment and market conditions. Exact duration and financial terms of the lease to be negotiated.

SUBMITTAL DEADLINE Proposals are due Thursday, JUNE 7, 2018 at 2:00 p.m. to the Housing and Community Development Department, Office of the Housing and Community Development Director, City of Oakland, 250 Frank Ogawa Plaza, Suite 5313 (Fifth Floor), Oakland, CA 94612.

PRE-SUBMITTAL MEETING There will be a mandatory 1:30pm pre-submittal meeting at 1 Frank H. Ogawa Plaza, Oakland, CA 94612, Hearing Room No. 3

CONTACTS

Michele Byrd, Director
City of Oakland
Housing and Community Development
Department
510-238-3714
mbyrd@oaklandnet.com

Questions concerning this Request for Proposals should be directed to:

Antoinette M. Pietras, Housing Development Coordinator
City of Oakland
Housing and Community Development Department
250 Frank H. Ogawa Plaza, Suite 5313
Oakland, CA 94612
(510) 238-6177
apietras@oaklandnet.com

II. INTRODUCTION

The City of Oakland is pleased to issue this Request for Proposals (RFP) seeking qualified respondents (“Respondent”) to plan, design, construct, market, sell, and/or operate an affordable housing project (the “Project”) at 3823-3829 Martin Luther King Jr. Way located within the Broadway/MacArthur/San Pablo Redevelopment Project Area in Oakland, California. The City purchased the sites with the intent of constructing affordable housing.

The City intends to enter into a long-term ground lease for the Project with the Respondent deemed most qualified, based on the evaluation criteria contained in this RFP.

The key dates for this offering and anticipated schedule for the selection of Respondent are below.

RFP Release Date:	Friday, May 11, 2018
Mandatory Pre-submittal Conference:	Thursday, May 17, 2018 at 1:30 pm, One Frank H. Ogawa Plaza, Ground Floor, Hearing Room No. 3
Written questions deadline:	Monday, May 21, 2018 by 5:00 p.m.
Submittal deadline:	Thursday, June 7, 2018 at 2:00 p.m. to the Housing and Community Development Department, City of Oakland, 250 Frank Ogawa Plaza, Suite 5313 (Fifth Floor), Oakland, CA 94612

Interested Respondents are responsible for reviewing and becoming familiar with the contents of all portions of this RFP including all attachments, and all background materials referenced in this RFP. Interested Respondents must submit qualifications, a design concept, and a financial proposal. City staff will evaluate all proposals, conduct interviews with the top finalists and select a qualified development team and Project proposal based on the selection criteria included in this RFP. Following this process, staff will recommend a development team and Project proposal for review and approval by the City Council, in its sole and absolute discretion.

Amendments to RFP

Amendments or clarifications to the RFP will be circulated to the list of interested Respondents maintained by the City of Oakland Housing and Community Development Department, Housing Development unit. The City reserves the right to suspend, amend, or modify the provisions of this RFP, to reject all proposals, to request additional information as deemed necessary and appropriate, or to negotiate modifications of proposals.

III. PROPERTY DESCRIPTION

A. Location and Size

3823 Martin Luther King Jr. Way,
APN: 12-964-5
6,250 square feet

3829 Martin Luther King Jr. Way
APN: 12-964-4
3,125 square feet

B. Current Use and Site Availability

These sites are currently vacant, and ready for remediation and development.

C. Environmental Contamination

The property will be leased on an “as-is” basis.

D. The Existing Neighborhood

The subject neighborhood is defined primarily by the major freeway interchange between I-580, I-980 and Hwy 24. There are entrance and exit ramps in the immediate vicinity and these roadways are influential in dividing this part of North and West Oakland into four sub areas. The subject property is on the periphery of NOBE (North Oakland – Berkeley –Emeryville). To the east across Hwy 24 is the Temescal District, and to the southeast is the Pill Hill Area. To the south is West Oakland and McClymonds. In the immediate vicinity, the most important features are the Kaiser Medical Center at Broadway and MacArthur Boulevard and the MacArthur BART station, located directly to the east of Hwy 24. The BART station is accessible either via 40th Street or MacArthur Boulevard.

The BART station and the Kaiser Medical Center are important amenities to the neighborhood. Additionally, the proximity to Oakland’s City Center just one BART stop away or ~2.5 miles by surface streets also makes this a desirable location for infill housing development.

Local development in this area includes a major transit oriented development currently under construction on the former BART parking lot between MacArthur Boulevard and 40th Street, inclusive of some of the frontage properties on Telegraph Avenue.

E. Transit and Transportation Access

In addition to the MacArthur BART station other public transportation options include AC Transit lines (including local, trans-bay and late night routes), and medical center shuttles (to Kaiser and Alta Bates Medical Centers).

Driving distance to freeway access varies depending on direction and highway from between ½ to 1½ miles.

Martin Luther King Jr. Way, having four lanes and parking on both sides, is a major feeder street to downtown Oakland to the South or Berkeley to the North. The adjacent MacArthur Boulevard and 40th Street are major feeder surface routes to Emeryville and its shopping amenities.



3823 & 3829 Martin Luther King Jr. Way--Project Sites and Vicinity



3823 (S-1) & 3829 (S-2) Martin Luther King Jr. Way--Project Sites

IV. DEVELOPMENT CONCEPT AND OBJECTIVES

A. Project Design and Components

The selected Respondent should anticipate hosting community meetings with neighbors and presenting to local organizations such as the Neighborhood Crime Prevention Council (NCPC) Beat 6X, to inform them about the planned design of the project.

B. Project Financing Requirements

Gap Financing

The City will transfer a long-term leasehold interest to the Project Site to the selected Respondent. The fair market value will become part of the City financing for the Project along with associated loan and regulatory agreements.

Should the selected respondent require additional local subsidy, they will be expected to apply through the City's Notice of Affordable Housing Funding Availability (NOFA). The next NOFA is scheduled to be released Fall of 2019. The City has a preference for developments that would minimize or eliminate the need for additional City funding. City staff commits to working with the selected developer to secure outside sources of financing (e.g. tax credits, affordable housing sustainable communities, etc.). In addition, the NOFA has different thresholds, minimum requirements and developer submissions, therefore, developers who intend to submit for 2019 NOFA funds should review carefully the 2017 NOFA for general guidance.

Maximum City Subsidy Limits

Ownership Projects: The maximum City loan amount is fifty percent (50%) of the total residential development cost of the project's affordable units (those units subject to long term affordability restrictions).

Rental Projects: The maximum City loan amount is forty percent (40%) of the total residential development cost of the project's affordable units (those units subject to long term affordability restrictions).

Loan Terms

Ownership Projects: The City intends for its investment to enable new homeownership projects to remain permanently affordable. Under the terms of the City funding and by State law, all assisted ownership units must be sold to qualified homebuyers at an affordable housing cost. This requires that the assisted unit be sold at an affordable sales price. Each time the assisted unit is sold, it must be sold at not more than the affordable sales price, which is set by formula and is dependent on the Area Median Income (as determined by HUD) and prevailing interest rates for first mortgages at the time of sale.

The City will provide a forgivable construction loan to the developer. For mixed tenure projects, the loan amounts will be divided proportionally between the ownership and

rental units. Loans for ownership projects are typically provided at a simple interest rate of three percent (3%) per annum, for a term of four (4) years. The City will forgive and convert to a grant that portion of its development loan equal to the difference between the total development cost and the total sales proceeds plus any other subsidies to the project.

See Section XI: ATTACHMENTS AND ELECTRONIC LINKS for City of Oakland resource: "Affordable Homeownership Development Program, September 2017-19." Use the provided estimated Affordable Sales Prices in your budget projections.

Rental Projects: Loans for rental projects are typically provided at a simple interest rate of three percent (3%) per annum, for a term of fifty-five (55) years. Payments of interest and principal will be due from surplus cash flow from operations after payment of operating costs, senior debt, reserves, and deferred developer fee. To the extent payments cannot be made, they will be deferred for the term of the loan. All loans are due on sale, refinancing, or transfer (except to a related entity, such as a limited partnership, subject to City approval).

City loans will be evidenced by a promissory note secured by a deed of trust on the project. A loan agreement will specify all development obligations. Post-occupancy use restrictions will be enforced through a regulatory agreement recorded against the project. The minimum term for affordability restrictions is 55 years. Restricted affordable rental units must remain as rental units for the duration of the regulatory term; conversion of rental units to ownership units during the regulatory term is not permitted.

Developer Fee Policy

See Section XI: ATTACHMENTS AND ELECTRONIC LINKS for City of Oakland resource: "Developer Fee Guidelines" for a detailed breakdown of allowable fees and the disbursement schedule, September 2017-19.

Subordination

The City does not subordinate its regulatory agreements or other affordability covenants to the deeds of trust securing other private lenders' financing, except in extraordinary circumstances. The affordability covenants control, among other things, the maximum income of tenants or buyers of project units, and the maximum rents or sales prices allowed for project units. The City deed of trust may be subordinated to private financing on a case by case basis.

C. Sustainability and Green Building

Proposed projects are required to score at least the minimum points in each required category of GreenPoint Rated or LEED, and must certify the project during the design and construction process according to the chosen method. Preference points will be awarded to projects that score higher than 160 points on the Green Points Checklist or at the Gold or above level for LEED.

D. Encouraged Land Uses and Activities

The Project Site was purchased with funds for the acquisition and development of affordable housing.

The Project developed on this site must all be affordable rental or home ownership units. Projects incorporating limited equity co-ops or other alternative housing models are also encouraged. This list is not intended to be exhaustive and the City is open to new ideas and creative uses, as long as the minimum thresholds of affordable units are met.

V. REGULATORY SETTING

Respondents are strongly encouraged to review the documents listed below with regard to the development proposal. Additional requirements may apply. The proposed development must comply with all applicable local, regional and State regulations and requirements. It is the responsibility of the Respondent to secure all necessary regulatory approvals regardless of what is noted in the RFP.

A. Oakland General Plan, North Oakland Planning Area

The Respondent is expected to understand and comply with all current zoning and General Plan regulations applicable to the site.

<http://www2.oaklandnet.com/Government/o/PBN/OurServices/GeneralPlan/DOWD008821>

B. Oakland Planning Code

The Planning Code specifies land uses and development standards. Summaries of select provisions of the Planning Code are provided at the following City of Oakland website:

<http://www2.oaklandnet.com/government/o/PBN/OurOrganization/PlanningZoning/s/codes/index.htm>

Please consult the Planning Code sections referred to in the summaries for the complete requirements. Following is a link to the municipal code.

https://www.municode.com/library/ca/oakland/codes/code_of_ordinances

C. Zoning

Land use zoning is CN-3 Neighborhood Commercial - 3 Zone. The intent of the CN-3 Zone is to create, improve, and enhance areas neighborhood commercial centers that have a compact, vibrant pedestrian environment.

The Respondent is expected to understand and comply with all current zoning and General Plan regulations applicable to the site.

D. Environmental Review

CEQA Compliance

Prior to staff recommendation to the City Council for a Lease Disposition and Development Agreement (“LDDA”), projects must be shown to meet the requirements of CEQA. Respondents must submit a Preliminary CEQA Checklist, which covers materials needed for the CEQA determination. Where specific studies are needed, work should be done by a qualified consultant. All environmental documents shall be prepared within the time periods required by CEQA.

NEPA Compliance

Since one of the parcels was purchased using Federal funds, depending on the outcome of the LDDA negotiations, the Project might also need to be assessed in accordance with the provisions of the National Environmental Policy Act of 1960 (NEPA) prior to closing the LDDA.

Additionally, if the respondent elects to use Federal affordable housing development funds, the Project must also be assessed in accordance with the provisions of NEPA prior to loan closing.

Choice-Limiting Actions are prohibited during NEPA review. Federal fund loan applicants must refrain from undertaking activities that would have an adverse environmental impact or would otherwise limit the choice of reasonable alternatives between the time of funding application submittal and when the City has completed its environmental review process. Such activities include acquiring, rehabilitating, converting, leasing, repairing or constructing property, or committing or expending either Federal or non-Federal funds. Federal funds may not be used to reimburse an applicant for project related costs incurred after the applicant has submitted the application for these funds and before the completion of the NEPA environmental review process except for activities that are excluded and not subject to Federal environmental review requirements, and for certain relocation costs.

The prohibition against choice-limiting actions begins on the date that the application for Federal funding is submitted to that funding agency. Respondents are encouraged to check with the funding agency regarding eligible expenditures. Failure to comply with this requirement could result in a project being ineligible for that funding.

If you anticipate seeking Federal funds, please contact staff at that Federal funding agency prior to submitting your RFP application to discuss additional materials that may be required, such as a noise study, for a NEPA review. If your proposal is selected and you are applying for Federal funds for the project, contact City staff to begin the NEPA review process. City staff will seek to obtain NEPA approval in a timely manner. Completing the NEPA review, including local and Federal noticing periods, takes a minimum of 8-12 weeks after receipt of all necessary information.

VI. MINIMUM QUALIFICATIONS & EVALUATION CRITERIA

A. Description of Procedure

All proposals submitted in response to this RFP will be reviewed and evaluated based on information contained in the application, interviews, an investigation of the developer's past projects and performance, and other pertinent factors. Additional information from applicants may be requested.

Proposals will be reviewed by City staff. It is anticipated that some or all of the Respondents will be asked to also make oral presentations to a Selection Committee made up of City staff, community members, and other stakeholders. Based on the staff evaluations, interviews, and review by the Selection Committee, staff will recommend the Respondent who demonstrates the best qualifications and commitment for producing a successful project to the Oakland City Council.

B. Minimum Qualifications

The City will not consider or evaluate submittals from Respondents that do not meet these minimum requirements:

1. Respondents must have completed at least three housing projects (at least one of which is similar to the proposed project) to qualify. Respondents who have successfully completed more than the minimum number of required projects within the last five years will be given preference.
2. Strong credit history and demonstrated ability to finance the project proposed on commercially reasonable terms from equity or debt from bona fide financial institutions.
3. A development team that includes, at a minimum, an experienced affordable housing property manager (if rental), an architect, and the technical experts necessary to develop the project.

C. Evaluation Criteria

When it is determined that the Respondent and proposed project meet basic thresholds for experience, financing, income targeting, and other criteria described in this RFP, the projects will be ranked based on information provided in the application. Factors to be considered in the selection process include but are not limited to (not in order of importance):

- The Respondent's relevant experience, particularly related to housing development projects of approximately equivalent type, size, and complexity as the proposed Project.

- Proven ability of the Respondent to implement projects quickly, effectively, and on budget.
- Financial strength of the applicant and the ability of the Respondent to obtain equity and debt capital for the Project.
- Quality and appropriateness of site and development concept and Project design and relationship to the surrounding neighborhood.
- Demonstrated design and aesthetic understanding and appreciation, as demonstrated in previous projects.
- General financing approach to the Project and amount of non-City funds leveraged.
- The affordability mix and depth offered by the Project.
- Ability of the Project to serve large families (three bedroom and larger units).
- Extent the Project addresses community concerns and goals.
- Proven ability to work with public agencies and communities.
- Extent the Project implements sustainability and green building practices. Respondent has the proven ability to incorporate green building practices into housing projects.

SCORING CRITERIA

Complete applications will be scored in the following categories. Maximum points in each category are noted. The discussion following contains a more detailed description of the criteria. Some categories are not applicable for certain types of projects. As a result, scores are calculated as the percentage of points attained out of the total points possible for each project type. Please note that points will be rounded to the nearest ¼ point. **In all cases, points are awarded for exceeding, rather than meeting, the threshold requirements for the category.** See Discussion for further information.

	<i>Possible Points</i>	<i>Self Score</i>
I. Target Population and Project Attributes	25 pts	
A. Income Targeting	15	
B. Unit Size	10	
II. Developer Experience and Capacity	25 pts	
A. Developer Experience Exceeds Minimum	10	
B. Developer Capacity	7	
C. Developer Financial Strength	5	
D. Strength of the Development Team	3	
III. Sustainability	10 pts	
IV. Penalty for Nonperforming Previously Funded Projects	-10 pts	
Total Possible Points	60 pts	

I. **Target Population** (25 points)

A. **Income Targeting:** (15 points)

Rental Projects: All units (other than a manager's unit) must be affordable to households earning less than 80% of AMI. Points are awarded for rental projects providing more low and very low income rental units.

- One point will be awarded for each additional full one-percent of affordable units with restricted rents at or below 30% of 60% of AMI.
- Full points in this category will be given to projects that have a minimum of 15% of units with rents no more than 30% of 30% of AMI.
- To score points for units with Project Based Section 8 or other rental subsidy contracts, it is assumed that those units will be kept affordable at or below 50% of AMI for the full 55-year loan term, regardless of whether the rental subsidy contract is renewed.

Ownership Projects: Points are awarded for ownership projects providing units for households earning less than 80% of AMI (all projects are required to have an average affordability level of 100% AMI).

- One point awarded for each one full percentage point of units above the minimum threshold of 25% of units with affordable sales prices based on an annual housing payment of 30% of 70% of AMI (targeted to households up to 80% of AMI).

B. **Unit Size:** Number of larger units (10 points).

Points are awarded for the number of units provided with 2, 3, or more bedrooms.

- ½ point will be awarded for each 20% of units that have 2 bedrooms.
- 1 point will be awarded for each additional 5% of units with 3 bedrooms or larger.

II. **Developer Experience and Capacity (25)**

Applicants should refer to the Section XI: "Minimum Developer Qualifications" for minimum requirements to qualify for funding.

A. **Developer Experience Exceeds Minimum** (10 points).

- Points are awarded for completing more than three affordable housing projects on time and within budget in the last ten years (by the Developer, not other team members). 2 points will be awarded for each additional project completed within the last 5 years (up to 6 points).
- Points will be given for completing more than one project similar to the proposed project by the Developer within the last ten years. 2 points will be awarded for each additional similar project completed within the last 5 years (up to 4 points).
- If the developer is a joint venture, projects will be scored based on the experience of the lead developer. Where partners have approximately equal participation, the individual scores of each partner will be averaged.

B. Developer Capacity & Staffing (7 points).

- Points are awarded based on evidence that the lead staff, including the Project Manager and supervisory staff, proposed to work on the current proposal have the necessary experience and that the organization has adequate staffing capacity to undertake the project.

C. Developer Financial Strength (5 points).

- Points are awarded based on evidence that the Developer is financially sound and will be able to sustain the costs of effectively following through with the current proposal, based on review of current interim and previous years audited financial statements. Financial statement review will evaluate the organization's net assets, debt equity ratio, current assets and liabilities ratio, and other factors, using the Organizational Underwriting tool developed by Alameda County.

D. Strength of Development Team (3 points).

- Points are awarded based on evidence that the Development Team members (Property Manager, Attorney, Architect, Financial Consultant, etc.) exceed the minimum requirements.

III. Sustainability (10 points)

- Maximum points will be awarded to new construction projects scoring higher than 110 points on the Green Points Checklist or at the Gold or above level for LEED (see the *Application Instructions*).
- New construction projects are required to score at least the minimum points in each required category of GreenPoint Rated or LEED and must certify the project during the design and construction process according to the chosen method.

IV. Penalties for Nonperforming Previously Funded Projects (-10 points)

Within 36-months preceding a funding application, events occurring in connection with projects with City funding under the control of the sponsor will be used as the basis for penalties. Events will not result in negative points if they have been fully resolved as determined by, or to the satisfaction of the City as of the date of application.

Two points may be deducted at the City's discretion for each occurrence below with a maximum deduction of 10 points.

- Projects that have received City/Agency development funding and are returning for additional gap financing.
- Failure to properly maintain a project as determined by the City's property site inspections.
- Failure to comply with prevailing wage/Davis-Bacon, living wage, or other City contracting and employment programs.
- Unresolved defaults under any City agreement or on any agreement for a project that has City funding.

- Unjustifiable increases in City subsidy after the initial funding commitment or demonstrable failure to maximize non-City funding sources.
- Significant delays to a project schedule, as proposed in the initial application or per the schedule set forth by the City funding commitment or loan documents that are under the control of the sponsor. Inability to meet deadlines imposed by external funding sources.
- Other significant violations of requirements of the City's housing development programs, programs of other public agencies, or agreements with private lenders (such as inadequately maintaining books and records; failure to comply with fair housing requirements; failure to achieve sustainability criteria; failure to properly certify tenant income eligibility; failure to adequately qualify prospective first-time homebuyers, etc.) that haven't been cured within a reasonable time period as determined by the City.

VII. SUBMITTAL INSTRUCTIONS AND REQUIREMENTS

A. Submittal Instructions

1. Schedule

RFP Release Date:	Friday, May 11, 2018
Mandatory Pre-submittal Conference:	Thursday, May 17, 2018 at 1:30 pm, One Frank H. Ogawa Plaza, Ground Floor, Hearing Room No. 3
Written questions deadline:	Monday, May 21, 2018 by 5:00 p.m.
Submittal deadline:	Thursday, June 7, 2018 at 2:00 p.m. to the Housing Community Development Department, City of Oakland, 250 Frank Ogawa Plaza, Suite 5313 (Fifth Floor), Oakland, CA 94612.

2. Pre-Submittal Respondent Conference

Interested parties are required to attend the RFP pre-submittal conference. The pre-submittal conference will be held at One Frank H. Ogawa Plaza, Ground Floor, Hearing Room No. 3, at 1:30pm, in order to address any questions regarding the RFP requirements.

3. Questions Regarding RFP

Any requests for information concerning, or clarification of, this RFP must be submitted in writing before 5:00 p.m. on May 21, 2018, to: Antoinette M. Pietras, 250 Frank Ogawa Plaza, Suite 5313, Oakland, CA 94612 or by e-mail to apietras@oaklandnet.com.

Responses to all questions directed to staff either at the pre-submittal meeting or in writing prior to the date above will be posted on the City's web page for this RFP. Respondents are presumed to have received any and all information contained and referenced in this RFP, transmitted to interested parties and posted on the City's web page for this RFP.

<http://www2.oaklandnet.com/government/o/hcd/index.htm>

4. Number and Form of Submittals

Please submit one 3-ring binder, as described below.

Submittals must be prepared and submitted in an organized manner. Information must be printed double-sided to the extent possible. Page numbers and a table of contents are required and tab dividers are encouraged. Submittals must be submitted in 8½ x 11 inch, 3-hole punched format. The submittal can include 11x17 inch paper, folded, as necessary.

5. Submittal Delivery

The proposals are due to Housing Community Development Department, City of Oakland, 250 Frank H. Ogawa Plaza, Suite 5313 (Fifth Floor), Oakland, CA 94612 no later than 2:00 p.m. on Thursday, June 7, 2018.

B. Submittal Requirements

The submission deadline is Thursday, June 7, 2018, at 2pm. Applications submitted after this deadline will not be considered.

Submit one copy of your proposal including all necessary attachments and schedules to:

City of Oakland, Housing and Community Development Department, 250 Frank H. Ogawa Plaza, Suite 5313 (Fifth Floor) Oakland, CA 94612, Attn: Antoinette Pietras

Applications should be submitted in a 3-ring binder, with each item described in the Submission Requirements below contained in a separately tabbed section. The budgets and GreenPoint or LEED Checklist must be submitted electronically on disk or by email to apietras@oaklandnet.com. Please note the language of this RFP is subject to change pursuant to City of Oakland rules and regulations.

Submittal forms may be found here:

<http://www2.oaklandnet.com/government/o/hcd/s/AffordableHousing/DOWD009608>

Introductory Information

1. Narrative Cover Letter

All proposals must include a cover letter that provides a basic description of the Project, including but not limited to the following:

- Proposed development concept and components (ownership/rental mix, the number and type of buildings and units, square feet, income targeting, amenities, etc.),
- Description of financing plan and any anticipated need for City gap financing,
- Proposed development schedule and phasing,
- Proposed character and quality of the development,
- Brief summary of how the Project achieves community and public objectives (demonstrated success in complying with Local and Small Business participation requirements, ability to work with the community, affordability of the units, integration of green building practices, and meeting concerns of the community, etc.),
- Brief summary of how the proposed Project interfaces with its surrounding environment and other adjacent developments,
- Brief description of common facilities and amenities, including computer technology, tenant and social services programs, and project specific open space,
- Potential project challenges,
- Any desired variance in standard loan terms (if applicable).

2. Application Form

Complete the *Application Form* provided and include documentation requested:

- 1) Articles of Incorporation
- 2) By-laws
- 3) Tax-exempt [501(c)3] determination from the I.R.S.
- 4) List of board members
- 5) Corporate Borrower's Certification
- 6) Two years of audited financial statements

Developer Qualification Submissions

3. Developer Experience

See Section XI: “Minimum Developer Qualifications.”

Provide the following information and title it “**Developer Experience Worksheet,**” for all completed projects developed within the last five years. Developers must have completed at least three housing projects (at least one of which is similar to the proposed project) to qualify. Developers who have successfully completed more than the minimum number of required projects within the last five years will be given preference.

If a project is a joint venture, the lead developer must meet the experience thresholds and projects will be evaluated based on the experience of the lead developer. Where partners have approximately equal participation, the experience of each partner will be taken into account.

Please use the following format for your response and title it “**Developer Experience Worksheet**”:

Project Name:	Completion Date:
City:	Total Project Cost:
Number of Units:	Rental or Ownership:
New Construction or Rehabilitation:	

Major Funding Sources

Project References - Individual in Local Governing Body most familiar with project. (Include Name, Organization, Title or Relationship to Project, Address, and Phone)

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Completion (Relative to schedule and budget at start of construction)

Budget

On time, delayed (by ___ months), etc.	Project over budget by ___%
--	-----------------------------

If applicable, explain why project was delayed or over budget:

Project Key Staff	Name	Current Title	Role in Current Project
Project Manager			
Director of Real Estate Development			
Executive Director			

Other			
Other			

4. Developer Capacity

Provide the following information and title it “**Developer Capacity Worksheet,**” documenting staff experience, and providing resumes for the key staff that will be assigned to the proposed project.

Please use the following format for your response and title it “**Developer Capacity Worksheet**”.

Project Staff	Name	Role in other current or planned developments (List role, project name, number of units, beginning and completion dates)	Years of Hsg Devt Experience	Years with this Developer
Project Manager				
Director of Real Estate Development				
Executive Director				
Other				

5. Developer Financial Capacity

The City requests evidence that the development entity has the financial capacity to carry out the proposed project. Please title your response to this section “**Developer Financial Capacity.**” Please provide:

- Letters from lenders (and investors, if the project involves tax credits) attesting to the developer's capacity to obtain financing to undertake the project.
- For the developer entity or any named individual, provide the following:
 - Is the development entity or any named individual in the proposed project involved in any litigation or disputes that could result in a financial settlement

having a materially adverse effect on the ability to execute a project? If yes, please explain.

- Has the development entity or any named individual ever filed for bankruptcy or had projects that have been foreclosed? If yes, please list the dates and circumstances.
- Is the development entity currently involved with the development of a competing project in the market area? If so, please identify the project and its status.

6. Development Team Experience

Please title your response to this section “***Development Team Experience.***” In this section please identify the following members of the development team. If not yet selected, please indicate.

- Developer, if different from applicant
- Architect(s)/Engineer(s)
- Attorney(s) and/or Tax Professionals
- Property Management Agent and or Sales Manager
- Financial and Other Consultant(s)
- General Contractor (if available)

For each Team Member other than the developer, provide the following supplemental information. See Section XI: “Minimum Developer Qualifications” for specific requirements for each type of participant.

- Descriptions of at least 3 previous housing projects, including the address, number of units, total cost, completion date and funding sources.
- Resumes of the assigned project staff.

7. Joint Venture Agreement (if applicable)

If the Respondents is a joint venture, a Joint Venture Agreement is required, clearly describing the roles and responsibilities of each partner, who is the lead partner, or if the responsibilities are approximately equally split between the partners and the term of the partnership.

Project Description Submissions

8. Project Concept Narrative

Provide a narrative describing the design concept of the proposed project, how the project complements the neighboring, how the development will address resident needs, and any particularly unique or innovative plans for the project.

9. Project Schedule

Provide a project schedule indicating the timeline for design, financing applications, local planning and building approvals, construction start and completion, marketing, sales and/or

lease up, and other significant development milestones.

10. Sustainability Plan

Respondents must submit an initial checklist for either the GreenPoint Rated (<http://www.builditgreen.org/greenpoint-rated>) or LEED (<http://www.usgbc.org/leed>) certification. All projects are required to be either GreenPoint Rated or LEED certified.

Other rating or certification systems may also be acceptable, but the equivalency of the proposed system and the score to be achieved must be reviewed and approved by City staff prior to application submittal.

Respondents should download the appropriate Green Point or LEED Checklist or request via email. Respondents should submit a hard copy of the Checklist, and also should provide an electronic copy with your application.

It is understood that project designs are in early stages of development, and therefore, applicants are asked to complete the GreenPoint or LEED checklists based on their intent to incorporate green building components. The selected project will be evaluated for the actual design prior to start of construction and will be required to achieve approximately the same GreenPoint or LEED score range as was achieved for this RFP.

11. Financing Plan Submissions

Use the City's Excel *Financing Workbook* to demonstrate your financial plan for your RFP application. The spreadsheets can be downloaded from the City's website:

<http://www2.oaklandnet.com/government/o/hcd/s/AffordableHousing/index.htm>

<http://www2.oaklandnet.com/government/o/hcd/s/AffordableHousing/DOWD009608>

Please note that there are separate budget formats for rental and ownership housing. If the project includes both rental and ownership components, please provide separate budgets for each. Respondents should submit a hard copy of each completed spreadsheet under the appropriate exhibit, and provide an electronic copy with your application.

If the Project proposes to request additional City funds, please round requested City loan amounts to \$1,000 increments. Further instructions for completing the spreadsheets are included with the electronic files.

12. Development Budget (ownership and rental)

Complete the Development Budget worksheet in the City's provided format. Please note that there are separate budget formats for rental and ownership housing. If the project includes both rental and ownership components, please provide separate budgets for each component. Submit a hard copy and provide electronically on disk or by email to apietras@oaklandnet.com.

13. Operating Budget (rental only)

If the project includes a rental component, complete the Operating Budget worksheet in the City's provided format. Submit a hard copy and provide electronically on disk or via email to apietras@oaklandnet.com

14. Financial Summary (ownership and rental)

Complete the Financial Summary worksheet in the City's provided format. If the project includes both rental and ownership components, please provide separate spreadsheets for each component. Submit a hard copy and provide electronically on disk or by email to apietras@oaklandnet.com.

15. Unit Size and Affordability Worksheet (ownership and rental)

Complete the Unit Size and Affordability Worksheet in the City's provided format. Please note that there are separate budget formats for rental and ownership housing. If the project includes both rental and ownership components, please provide separate spreadsheets for each component. Submit a hard copy and provide electronically on disk or by email to apietras@oaklandnet.com

Please review the 2017 Income and Rent Limits and the Affordable Homeownership Development Program description.

Submit a hard copy and provide electronically on disk or by email to apietras@oaklandnet.com

16. Operating Proforma (rental only)

For rental proposals, provide a 15-Year Pro-Forma analysis following the format below which should be submitted electronically in Excel. Gross Potential Residential Income used here for the initial year must match that figure calculated in the Unit Size and Affordability Analysis. Additionally, use the following assumptions:

- 5% annual vacancy/collection loss for family, senior, and preservation projects
- 3.5% annual increase for expenses (other than property taxes and replacement reserves deposit). A higher annual increase of 5% is recommended for utilities.
- 2% annual increase for property tax
- 2.5% annual increase for income
- Include Asset Monitoring Fee of \$140 per unit per year
- First year operating expenses should equal annual total shown in the Operating Budget
- Annual replacement reserves deposit of at least 0.6% of the replacement cost of the structure up to a maximum of \$600 for family projects and \$500 for senior projects
- Annual deposits of not less than 2% of annual gross rental income are required until an operating reserve has been capitalized at a level equal to six months operating costs and debt service. The operating reserve must be maintained at the level of six months of operating costs during the term of the Regulatory Agreement.
- Partnership/Asset Management fees (for tax credit projects only) may not exceed a combined total of \$25,000 annually but may increase by 3% per year.

Gross Potential Residential Income	
plus Commercial Income	
plus Laundry and Other Income	
Gross Scheduled Income	
(Less Vacancy Allowance and Collection Loss)	
Effective Gross Income	
(Less Operating Expenses)	
Net Operating Income	
(Less Debt Service)	
(Less Operating Reserves)	
(Less Replacement Reserves)	
(Less Deferred Developer Fee - if applicable)	
(Less Partnership/Asset Management Fee - if applicable)	
Cash Flow	
City Loan Residual Receipts Payment (50%)	
Incentive Management Fee (50%)	
Debt Coverage Ratio	

VIII. SELECTION PROCESS, AWARD AND NEXT STEPS

A. Completeness Review

The City will review all submittals to determine whether they are complete and responsive to this RFP. Only submittals that are complete, responsive and meet all requirements of this RFP will be evaluated during the selection process. The City will deem a submittal non-responsive and ineligible for consideration for any of the following reasons:

1. The submittal does not include all information specified in Section VIII of this RFP.
2. The submittal is not responsive to the City's development objectives and key terms (Sections IV and V).
3. The Respondent does not meet the minimum qualifications (Section VII).
4. The submittal is submitted after the deadline.
5. The submittal is submitted with incomplete or missing forms or attachments.
6. The submittal includes information that is false or misleading.
7. The submittal is only transmitted by electronic mail.

The City will send a letter to any Respondent whose submittal is deemed non-responsive and will indicate the reason(s) that the submittal is deemed non-responsive.

B. Evaluation and Recommendation

Complete and responsive submittals from qualified Respondents will be reviewed in detail by staff. If warranted, the City reserves the right to request clarification or additional information from individual Respondents. Staff will contact references and industry sources and investigate previous projects and current commitments. Staff will review the confidential Financial Capacity Materials provided to assess the financial capability of each Respondent to undertake the project proposed.

The submittals (except for the Confidential Financial Materials) will then be reviewed and evaluated by an evaluation panel consisting of city staff and possibly community stakeholders and professionals with experience in real estate economics, land use planning, architecture/

urban design or other relevant fields. Respondents, or a subset of respondents deemed most responsive to the requirements and terms of this RFP, will be asked to present their proposal to the evaluation panel in the form of an interview. Respondents may be asked to present proposals to other interested stakeholders for input during the evaluation process. The evaluation panel will score submittals according to the evaluation criteria in Section VII.

C. City Council Determination

Staff will recommend to the City Council one Respondent to advance to refine a development project for the building. The staff report supporting the recommendation may include information gathered during the evaluation process, including the results of reference checks, as well as information provided by the Respondent. The City Council may elect to direct staff to enter into negotiations with the recommended Respondent. The City Council, in its sole and absolute discretion, will make such decision.

The City Council's selection of a Respondent will not imply the City's acceptance of all terms of the selected Respondent's submittal or that a final agreement with Respondent will be executed, which will be subject to further negotiations and approvals before the City may be legally bound.

D. Project Negotiations and Non-Refundable Deposit

Upon City Council selection of Respondent, City staff and the selected Respondent will negotiate the terms of a lease disposition and development agreement ("LDDA") to further refine the development project. The numbered items below will be required to complete the LDDA. If a satisfactory LDDA cannot be negotiated with a selected Respondent, the City, at its sole discretion, may terminate negotiations with the selected Respondent and begin negotiations with another qualified Respondent, conditioned on the City's receipt of a new earnest money deposit from that Respondent.

Assessing the feasibility of developing 100% affordable housing units on the Project Site may require more extensive due diligence than Respondents might be able to undertake in preparing a RFP submittal. The development of the LDDA will refine the Development Concept into a more specific proposal. The "Project Proposal" will define the proposed development program (including any phasing), development costs, land uses, business terms, private investment, etc. If agreement cannot be reached on a feasible Project

Proposal by a mutually agreed upon schedule, the City may terminate the negotiations and commence negotiations with another qualified respondent.

The selected Respondent should anticipate, and participate in, substantive discussions with staff, community stakeholders and other interested parties and policy makers during the LDDA negotiations. The Respondent also should anticipate revisions to their Project Concept and, later, their Project Proposal as a result of negotiations with the City and as a result of the public regulatory review process. The period of LDDA may be extended solely at the City's discretion for an extension period as determined by the City Council, in its sole and absolute discretion, provided that the selected Respondent has met certain benchmarks as otherwise required by City Council.

During the period of LDDA negotiations, the following events are anticipated:

1. Define parameters for development, a performance schedule, development standards and requirements and conditions to be satisfied before the City will enter into a lease of the project site.
2. A plan to consult with neighborhood groups and Describe how you will involve the community in the proposed project. Provide examples of previous projects that have involved community input and participation.
3. A conceptual architectural plan and preliminary design sketches, including a site plan with building footprint, a three-dimensional conceptual site plan, elevations or massing for the building(s), and the basic unit configurations and/or plans. Indicate the location and layout of housing units, common areas, parking, and entry/exit points (auto and pedestrian).
4. Identify the target market and project characteristics appropriate to that market. For ownership projects, proposals shall include a description of the sales prices in the area and describe the feasibility of the Project based upon market comparables. For rental projects, Proposals shall include a description of rents in the area and waiting lists for comparable projects in order to justify the developer's pro forma cash flow assumptions and income targeting.
5. The sustainability plan for the selected project will be evaluated for the actual design prior to start of construction and will be required to achieve approximately the same GreenPoint or LEED score range as was achieved for this RFP.
6. A preliminary marketing plan will be required. For more information please see the Addendum: Affirmative Fair Marketing Procedures Addendum for guidelines. For ownership projects, also see Addendum: Affordable Homeownership Development Program. Marketing plans for ownership projects must at a minimum provide information on the marketing process, method for educating buyers on resale restrictions, and a description of the proposed homebuyer counseling program (pre- and post-purchase). The City must be involved in reviewing and presenting the City's affordability restrictions to potential buyers. A Final Marketing Plan will be required 180 days prior to construction completion (for rental projects) or prior to beginning of marketing units (for ownership projects) and must be approved before marketing can begin.

7. Negotiation of a form lease and related documents for the lease of the building in a final form approved by the City Attorney's Office incorporating specific terms, including the City's and selected Respondent's respective responsibilities and the economic parameters.
8. The selected Respondent will secure financial commitments for the proposed project from lenders and/or equity sources and, if applicable, preliminary sublease commitments from proposed anchor and other tenants.
9. The selected Respondent, with the City's cooperation and prior approval, will initiate and complete the project approval processes.
10. The selected Respondent will undertake any required environmental review.

Within 30 days of receiving a commitment letter to negotiate an LDDA between the City and the Respondent, the City will require a non-refundable deposit of \$10,000, which will be considered a Project Expense Payment (PEP), to cover City costs associated with managing the project.

E. LDDA and Other Transaction Approvals

Upon completion of any required environmental review and above negotiations by staff, the City Council may, but is not required to, approve an LDDA, a ground lease, and any related documents.

IX. CITY OF OAKLAND REQUIREMENTS AND PROGRAMS

A. REQUIREMENTS APPLICABLE TO ALL PROPOSALS

The following City requirements and policies are applicable to all proposed projects. Note that Schedules E, O and K described below must be submitted as part of Respondent's proposal.

1. Project Consultant Team (Schedule E):
Respondent shall submit information concerning the ownership and workforce composition of Contractor's firm using Schedule E, Project Consultant Team, as part of the proposal, which can be found at:

<http://www2.oaklandnet.com/w/oak023379>

2. Limitation On Campaign Contributions (Schedule O):
The Oakland Campaign Reform Act prohibits parties doing business or seeking to do business with the City from making campaign contributions to Oakland candidates between commencement of negotiations and either 180 days after completion or termination of negotiations. Respondents are required to submit the Acknowledgement of Campaign Contributions Limits form attached as Schedule O as part of the proposal. Schedule O can be found at:

<http://www2.oaklandnet.com/w/oak023287>

3. Pending Dispute Disclosure Form (Schedule K)

All entities are required to disclose pending disputes with the City when bids, proposals or applications are submitted for a City contract or transaction, involving, but not limited to:

- Contracts with project developments, including Disposition and Development Agreement, Lease Disposition and Development Agreement, and other participate agreements,
- Loans and grants, or acquisition, sale, lease or other conveyance of real property, excluding licenses for rights of entry or use of city facilities for a term less than thirty (30) consecutive calendar days.

Schedule K must be submitted as part of the proposal and can be found at:

<http://www2.oaklandnet.com/w/oak023378>

4. Contracting and Employment Requirements and Programs

- 50% Local and Small Local For Profit and Not For Profit Business Enterprise Program (L/SLBE)

- 50% Local Employment Program
- 15% Oakland Apprenticeship Program
- City of Oakland Equal Benefits Ordinance
- Electronic Certified Payroll Submittals (for construction)

Additional contracting requirements and instructions include:

- The use of contractors that appear on the Federal government's list of suspended and debarred contractors is expressly prohibited.
- The Developer must require Prime Contractors and all subcontractors to enter ALL certified payroll reports into the Labor Compliance Program (LCP) tracker in accordance with Special Provision Section 7 subsection 7-2.2.1. The LCP tracker is a web based program that monitors the payment of Davis Bacon and State of California prevailing wages. The prime contractor will be charged a monthly fee for this service (subcontractors will not be charged).
- The 50% L/SLBE requirement must be met on both the professional services and construction phases of each project. A minimum of 25% of this requirement must be met with SLBE participation.

Applicants are strongly encouraged to contact the Contract Compliance and Employment Services Division at (510) 238-3970 or visit the website <http://www2.oaklandnet.com/Government/o/CityAdministration/d/CP/index.htm> for any questions regarding specific requirements of the City's contracting and employment programs. Please note this language is subject to change pursuant to City of Oakland rules and regulations.

5. Prevailing Wage Requirements

Projects that are subsidized will be subject to the City's prevailing wage policy, which requires all workers performing construction work on a project be paid prevailing wages as determined under the California Labor Code and implementing regulations.

The general contractor selected must comply with the State of California Prevailing Wage as determined by the Department of Industrial Relations. General prevailing wage rates can be obtained via www.dir.ca.gov/DLSR.

6. Living Wage Requirements (Schedule N)

The City of Oakland Living Wage Ordinance requires that, unless specific exemptions apply, or a waiver is granted, all recipients of \$100,000 or more in any twelve-month period from the City (including recipients of land write downs), shall pay employees a minimum of \$13.32 per hour. That rate applies if health benefits of at least \$1.9p per hour are offered. If no health benefits are offered, a

pay rate of \$15.31 per hour is required. Such rates shall be adjusted annually pursuant the terms of the City's Living Wage Ordinance. These requirements will also apply to service contractors who receive service contracts of \$25,000 or more. The Ordinance also requires submission of the Declaration of Compliance, Schedule N.

Under the provisions of the City's Living Wage Ordinance (Oakland Municipal Code 2.28), the City shall have the authority, under appropriate circumstances, to terminate and seek remedies as set forth therein for violations of the Policy.

More information can be found at the City of Oakland's website at:

<http://www2.oaklandnet.com/Government/o/CityAdministration/d/CP/index.htm>

7. Other Schedules that may be Required at a Later Time

Once a developer is selected, the following City requirements may be applicable. The City reserves the right to request that any or all of these schedules be completed if needed at a later date, following developer selection. All of the schedules can be found at the following website:

<http://www2.oaklandnet.com/Government/o/CityAdministration/d/CP/s/FormsSchedules/index.htm>

a. Arizona Resolution (Schedule B-2)

Applicant agrees that in accordance with Resolution No. 82727 C.M.S., neither it nor any of its subsidiaries, affiliates or agents that will provide services under this agreement is currently headquartered in the State of Arizona, and shall not establish an Arizona business headquarter for the duration of the agreement with the City of Oakland or until Arizona rescinds SB 1070.

Respondent acknowledges its duty to notify the Purchasing Department if it's Business Entity or any of its subsidiaries affiliates or agents subsequently relocates its headquarters to the State of Arizona. Such relocation shall be a basis for termination of this agreement.

b. Combined Schedules (C-1, P, U&V)

The Respondent shall submit a completed combined schedules form, which includes the following specific schedules:

- Schedule C-1 - Compliance With The Americans With Disabilities Act
- Schedule P - Declaration of Compliance (Nuclear Free Zone Disclosure Form)
- Schedule U - Compliance Commitment Agreement
- Schedule V - Affidavit of Non-Disciplinary or Investigatory Action

c. Ownership, Ethnicity and Gender Questionnaire (Schedule D)

The Respondent shall submit information concerning the ownership and workforce composition of the Respondent's firm by completing Schedule D.

d. Equal Benefits Declaration Of Nondiscrimination (Schedule N-1)

The Respondent may be subject to the Equal Benefits Ordinance of Chapter 2.32 of the Oakland Municipal Code and its implementing regulations. The purpose of this Ordinance is to protect and further the public, health, safety, convenience, comfort, property and general welfare by requiring that public funds be expended in a manner so as to prohibit discrimination in the provision of employee benefits by City contractors (consultants) between employees with spouses and employees with domestic partners, and/or between domestic partners and spouses of such employees. (Ord. 12394 (part), 2001)

The following entities are subject to the Equal Benefits Ordinance: Entities which enter into a "contract" with the City for an amount of twenty-five thousand dollars (\$25,000.00) or more for public works or improvements to be performed, or for goods or services to be purchased or grants to be provided at the expense of the City or to be paid out of moneys deposited in the treasury or out of trust moneys under the control of or collected by the city; and Entities which enter into a "property contract" pursuant to Section 2.32.020(D) with the City in an amount of twenty-five thousand dollars (\$25,000.00) or more for the exclusive use of or occupancy (1) of real property owned or controlled by the city or (2) of real property owned by others for the city's use or occupancy, for a term exceeding twenty-nine (29) days in any calendar year.

The Ordinance shall only apply to those portions of a contractor's operations that occur (1) within the city; (2) on real property outside the city if the property is owned by the City or if the City has a right to occupy the property, and if the contract's presence at that location is connected to a contract with the City; and (3) elsewhere in the United States where work related to a city contract is being performed. The requirements of this chapter shall not apply to subcontracts or subcontractors of any contract or contractor.

The Equal Benefits Ordinance requires among other things, submission of Schedule N-1.

e. Insurance (Schedule Q – Construction Services)

The Respondent may be required to submit insurance covering relating to construction services. All policies must name the City as an additional insured. For more information on insurance requirements for construction services, please review Schedule Q for Construction Services.

f. Subcontractor, Supplier, Trucking Listing (Schedule R)

The Respondent may be requested to submit a list of all subcontractors and

supplies using Schedule R with values in excess of one-half of 1 percent of the prime contractor's (or general contractor's) total bid or ten thousand dollars (\$10,000), whichever is greater regardless of tier and all trucking and dollar amount regardless of tier to be used on the project.

g. Recycling & Waste Reduction (Jobsite Waste Reduction & Recycling Plan Form)

The Waste Reduction and Recycling Plan (WRRP) must be completed for any new construction, any demolition (excludes single family & duplex) and any addition or alteration with a construction value exceeding \$50,000 (excludes single family & duplex). WRRP must be submitted and approved prior to issuance of building permits. Incomplete forms will be returned to applicant and may delay issuance of permits

8. Insurance

Commencing on the date that the City Council approves the Project and for the life of the Project, the Respondent must obtain comprehensive general liability and property (hazard) insurance coverage of at least \$2 million. The City also requires property damage or builder's risk insurance in an amount equal to 100% of the replacement cost of the structure, with a lender's loss payable endorsement in favor of the City. Construction contractors will be required to obtain liability and builder's risk insurance in an amount equal to \$2 million. Automobile insurance, professional liability, workers compensation and employer's liability coverage are also required.

All policies must name the City as an additional insured. For more information on insurance requirements, please review Schedule Q for Professional and Specialized Services:

<http://www2.oaklandnet.com/Government/o/CityAdministration/d/CP/s/FormsSchedules/index.htm>

Schedule Q is not required to be included in the proposal.

9. Indemnification

Commencing on the date the City Council approves the Project and for the life of the Project, the selected Respondent shall, to the fullest extent allowable by law, hold harmless, defend at its own expense and indemnify the City, and their respective commissioners, members, officers, agents and employees of and from all claims, loss, damage, injury, actions, causes of action and liability of every kind, nature and description, including reasonable attorney's fees, directly or indirectly arising from all acts or omissions to act of the development team or its officers, agents or employees connected with the performance of the Project and any of the contractor's development team's operations or activities related thereto, excluding, however, such liability, claims, losses, damages or expenses arising from the City's sole negligence or willful acts.

10. Environmental Review And Assessment – CEQA & NEPA

The City cannot enter into any LDDA for development of the property until environmental review under the California Environmental Quality Act ("CEQA") is complete. Changes to the proposed project may occur or be required during the course of public review of the proposed project, during the extensive approval processes that will follow CEQA review, and in response to other City and public concerns that may arise, and those changes may require additional CEQA review if the changes have not already been analyzed. If a project is found to cause significant adverse impacts, the City retains absolute discretion to require additional environmental analysis, and to: (1) modify the project to mitigate significant adverse environmental impacts; (2) select feasible alternatives that avoid significant adverse impacts of the proposed project; (3) require the implementation of specific measures to mitigate the significant adverse environmental impacts of the project, as identified upon environmental evaluation in compliance with applicable environmental law; (4) reject the project as proposed if the economic and social benefits do not outweigh otherwise unavoidable significant adverse impacts of the project; or (5) approve the project upon a finding that the economic and social benefits of the project outweigh otherwise unavoidable significant adverse impacts.

Since one of the parcels was purchased using Federal funds, depending on the outcome of the LDDA negotiations, the Project might also need to be assessed in accordance with the provisions of the National Environmental Policy Act of 1960 (NEPA) prior to closing the LDDA.

Additionally, if the developer elects to use Federal affordable housing development funds, the Project must also be assessed in accordance with the provisions of NEPA prior to loan closing.

11. Nondiscrimination

All Respondents must agree not to discriminate on the basis of race, color, ancestry, national origin, religion, sex, sexual preference, age, marital status,

family status, source of income, participation in a tenant-based rental assistance program, physical or mental disability, Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related conditions (ARC), immigration status, past criminal background or any other arbitrary basis.

12. Disabled And Senior Accessibility

The Respondent must meet the requirements of the Americans with Disabilities Act.

13. Public Records

Respondents should understand that under the California Public Records Act and the City's Sunshine Ordinance, all documents that are submitted in response to this RFP, including financial information, are considered public records and will be made available to the public upon request, unless specifically exempted under the law.

14. Conflict of Interest

No public official of the City who participates in the decision-making process concerning selection of a developer or a project may have or receive a direct or indirect economic interest in the developer or the project.

15. Sustainability – Green Building Ordinance

In 2005, the City adopted a Green Building Ordinance that will apply to all projects. For more information about the Ordinance, go to the following website:

<http://www2.oaklandnet.com/Government/o/PBN/OurServices/GreenBuilding/index.htm>

Continuing this leadership, the City Council, on October 19, 2010, pursuant to Ordinance No. 13040 C.M.S. adopted a comprehensive green building ordinance for private development projects. In addition to Oakland's local green building ordinance, the state of California adopted a Green Building Code known as CALGreen in 2010. Both the City's local ordinance and the 2013 amendments to CALGreen are now in effect. Follow the link below to visit the City's policies and requirements page:

<http://www2.oaklandnet.com/Government/o/PBN/OurServices/GreenBuilding/OAK022992>

Green Building Guidelines and Technical Assistance:

A wealth of information regarding green building techniques can be found from the following resources:

- Oakland's Green Building Resource Center (2nd Floor, 250 Frank

Ogawa Plaza), or

<http://www2.oaklandnet.com/Government/o/PBN/OurServices/GreenBuilding/index.htm>

- StopWaste.org, at www.stopwaste.org
- Build It Green, especially for information about the GreenPoint Rated program:

www.builditgreen.org

- Leadership in Environmental Energy and Design (LEED):

www.usgbc.org/leed

X. ADDITIONAL TERMS AND CONDITIONS

A. Development Team Expenses

Respondents responding to this RFP do so at their own expense. The City will not reimburse respondents for any costs related to this RFP or any activities conducted during the negotiation period.

B. Liability Waiver

By responding to this RFP, every member of each development team waives any claim, liability or expense whatsoever against the City and its respective officers, commissioners, employees and volunteers.

C. Development Team's Responsibility

After transfer or execution of a ground lease for the property, the selected development team will be solely responsible for construction of all improvements according to the City-approved construction documents, and in accordance with applicable City building codes. This includes, but is not limited to, all on-site improvements and any changes from existing conditions, including site remediation, underground utilities, street lighting, curbs, gutters, street trees and sidewalks.

D. City Non-Responsibility

The Property will be conveyed to the selected development team in an "as is" condition without warranties. The City has no obligation to perform any site remediation; demolish any improvements on the site; remove, relocate or install utilities; complete on-site or off-site preparation work or improvements or make any changes whatsoever to existing conditions prior to conveyance of the Property to the developer.

E. Geotechnical and Environmental Investigations

All geotechnical and environmental investigations prior to transfer of the Property must be conducted by licensed companies retained by developer for that purpose, which investigations may only occur upon the issuance of a Right of Entry by City staff.

F. Right To Modify Or Suspend RFP

The City's issuance of this RFP is not a promise or an agreement that the City will actually enter into any contract. The City reserves the right at any time and from time to time, and for its own convenience, in its sole and absolute discretion, to do the following:

- Modify, suspend or terminate any and all aspects of the selection process, including, but not limited to this RFP and all or any portion of the developer selection process from the date on which this RFP is issued until the parties execute an LDDA;
- Waive any technical defect or informality in any submittal or submittal procedure that does not affect or alter the submittal's substantive provisions;
- Reject any and all submittals;
- Request some or all Respondents to revise submittals;
- Waive any defects as to form or content of the RFP or any other step in the selection process;
- Reject all proposals and reissue the RFP;
- Procure the desired proposals by any other means or not proceed in procuring the proposals;
- Negotiate and modify any and all terms of an agreement;
- Accept or reject any Respondent for exclusive negotiations[?].

The City may modify, clarify and change this RFP by issuing one or more written addenda. Addenda will be posted on the City's website, and notice of the posting will be sent by electronic mail to each party that attended the pre-bid meeting and signed-in. The City will make reasonable efforts to notify interested parties in a timely manner of modifications to this RFP but each Respondent assumes the risk of submitting its submittal on time and obtaining all addenda and information issued by the City. Therefore, the City strongly encourages interested parties to check the City's web page for this RFP frequently.

G. Respondent's Duty to Investigate

It is the sole responsibility of the selected Respondent to investigate and determine the condition of the Property and the suitability of the conditions for any proposed improvements and use.

The information presented in this RFP and in any report or other information provided by the City is provided solely for the convenience of the interested parties. It is the responsibility of interested parties to assure themselves that the information contained in this RFP or other documents is accurate and complete. The City provides no representations, assurances or warranties pertaining to the accuracy of the information.

Respondents are responsible for reviewing all portions of this RFP and any other information provided by the City in relation to this RFP.

Respondents are to notify the City in writing of any ambiguity, discrepancy, omission or other error in this RFP promptly after discovery, but in no event later than fifteen (15) business days before the deadline to submit submittals. Any concerns over ambiguity, discrepancy, omission or other error in this RFP from an interested party not provided to the City in a timely fashion will not

be able to be accommodated or addressed.

The City's failure to object to an error, omission or deviation in any submittal will in no way modify this RFP or excuse Respondents from full compliance with the requirements of this RFP.

XI. REFERENCE MATERIALS AND ELECTRONIC LINKS

A. Reference Materials Available Upon Request

1. City of Oakland, Housing and Community Development, Reference Materials, Available Upon Request (Housing Development Services, apietras@oaklandnet.com)
2. City of Oakland, Contracts and Compliance Division, Required Forms
 - a. Schedule E
 - b. Schedule O
 - c. Schedule K

B. Electronic Links

1. City of Oakland, Housing and Community Development Department
 - a. Affordable Homeownership Development Program

<http://www2.oaklandnet.com/oakca1/groups/ceda/documents/form/dowd008108.pdf>

- b. Developer Fee Guidelines

<http://www2.oaklandnet.com/oakca1/groups/ceda/documents/form/dowd008109.pdf>

- c. Minimum Developer Qualifications

<http://www2.oaklandnet.com/oakca1/groups/ceda/documents/form/oak030884.pdf>

- d. Affirmative Fair Marketing Procedures

<http://www2.oaklandnet.com/oakca1/groups/ceda/documents/procedure/oak025582.pdf>

2. City of Oakland, Contracts and Compliance Division, Required Forms

- a. Schedule E

<http://www2.oaklandnet.com/oakca1/groups/contracting/documents/form/oak023379.pdf>

- b. Schedule O

<http://www2.oaklandnet.com/oakca1/groups/contracting/documents/form/oak023287.pdf>

- c. Schedule K

<http://www2.oaklandnet.com/w/oak023378>

3. City of Oakland, City Administrator's Budget Office, Master Fee Schedule

<http://www2.oaklandnet.com/government/o/CityAdministration/d/BudgetOffice/index.htm>

