



Solicitation of Interest (SOI) 134.2
Questions and Answers
Issued January 14, 2022

GENERAL

- 1. Question** **When the SOI says the “City’s long-term goal is to transfer these properties to community ownership” does the City imagine this to be site control via long-term leases or fee simple ownership?**

Answer The City has not determined the structure or specific model of a future transfer of ownership. Immediate plans are for the City to retain ownership and enter into an agreement with the selected property manager and service provider for its operations.

- 2. Question** **Is it a requirement that the social services provider be able to bill Medi-Cal?**

Answer HSH providers are not required to bill Medi-Cal for this particular project; however, providers may be required to develop the capacity to bill Medi-Cal in the future to draw down additional service funding.

- 3. Question** **Under the SIP Re-housing Policy, what is the process for HSH to “facilitate client’s move” in the event that the client is not eligible for housing post-placement? What actions are expected of the provider in this situation?**

Answer All Shelter in Place (SIP) residents are homeless and part of the Homelessness Response System and therefore eligible for some type of housing option (Permanent Supportive Housing, Rapid Rehousing, Emergency Housing Voucher, temporary housing, etc.). In the case that a resident does not meet eligibility for one specific housing option, HSH will work with the Grantee(s) on a transfer to an appropriate housing option. The Grantee(s) is expected to fully cooperate in the transfer process.

- 4. Question** **Has/will Coordinated Entry perform assessments on existing long-term and short-term residents to understand their housing eligibility?**

Answer The selected Property Management Grantee, in cooperation with the selected Support Services Grantee, will be responsible for conducting an assessment of legacy tenants and developing new lease agreements.

- 5. Question** **Will/can these residents be referred to existing PSH vacancies in the grantee portfolio in case of rehab related relocation?**

- Answer HSH will work with the selected Grantee(s) during rehabilitation should residents need to be relocated to other buildings, within or outside the Grantees' housing portfolio.
- 6. Question If there are existing residents who do not qualify as homeless or at risk of homelessness, will the grantee still receive operating and services funds for these units? And same question for if these existing residents do not qualify as low-income?**
- Answer HSH calculates operating and services funding based on total units in the building and expects that all residents are offered support and property management services.
- 7. Question Are there any on-site supportive services currently provided?**
- Answer No.
- 8. Question What timeline does HSH have in mind for the rehab?**
- Answer Please see page eight of SOI 134.2. Scope of work and timeline for needed upgrades and renovations will be determined in collaboration between HSH and the selected Grantee.
- 9. Question Does HSH require an occupied rehab or is temporary relocation to another building and/or permanent relocation within the grantee's portfolio permitted?**
- Answer Relocation requirements, if needed, will be determined during scoping of the rehabilitation work. Please also see the answer to question five in this document.
- 10. Question While the SOI talks about 90% rent collection requirements, there is no discussion of establishing accounts of where rents are deposited, and what sources of rental assistance are required (i.e. housing authority vouchers, HAP contracts etc.) and to whom the rents are paid. Has the City thought about the process for this?**
- Answer All residents in PSH are expected to pay no more than 30 percent of their income towards rent. The Property Management Grantee is expected to collect rent from all residents on a monthly basis and provide rent roll information to HSH for analysis. Rent is considered revenue to the Grantee and is intended to offset the City's funding for operating expenses. PSH residents do not usually hold housing authority vouchers and they are not required to obtain Section 8 vouchers.

11. Question **When does City anticipate opening 835 Turk and beginning lease-up?**

Answer The City expects to open the building and begin lease up as soon as Grantee(s) are awarded agreements and have been onboarded. Per page two of SOI 134.2, agreement start date is Spring 2022. All dates are tentative.

BUILDINGS

12. Question **May applicants take a tour of the Gotham? Who may we contact to schedule one?**

Answer Please see footnote 3 on page two of SOI 134.2.

13. Question **Will City or Contractor be responsible for all furnishings and the removal of existing furnishings that don't fit with the project?**

Answer The Property Management Grantee will be responsible for ensuring that furnishes meet the programmatic need.

14. Question **Will the seismic retrofit and other renovations precede further occupancy?**

Answer The City anticipates the property will be put to immediate use as PSH while the scope and timeline of the rehabilitation are determined, and design and permitting is undertaken.

15. Question **Aside from students, what is the demographic of the other legacy tenants?**

Answer Demographic information is not available at this time.

16. Question **Do the units have space for kitchenettes? Is retrofitting the units with kitchenettes anticipated as part of the upfront rehab scope?**

Answer There is room in the units for installation of kitchenettes and HSH anticipates installation of kitchenettes will be included in the rehabilitation scope.

17. Question **According to the needs assessment, approximately 14 units are occupied but the SOI says to anticipate 25 occupied units. Can you provide clarity on the number of occupied units?**

Answer As of November 17, 2021, the property housed 43 residents in 39 units, not including the manager and manager's unit. Of the 43 residents, approximately 14 are legacy tenants, meaning the property has long-term residents. Other tenants are more recent tenants and the City anticipates some of those residents will choose to voluntarily relocate. The City estimates initially the property will have 25 occupied units at the time Grantee(s) is selected and under agreement.

18. Question When was the latest pest control inspection and/or treatment? What was noted?

Answer Pest control inspection information is not available.

19. Question How many rooms are available for providers to utilize as office space for on-site supportive services and property management? Will units need to be converted from housing to offices? If the building lacks space for additional communal kitchens, will the city allow units to be converted into these spaces?

Answer Please see Exhibit A, Physical Needs Assessment, which has been posted to: <https://hsh.sfgov.org/wp-content/uploads/2021/12/SOI-134.2-Exhibit-A-Physical-Needs-Assessment.pdf>. Specific design and programming decisions will be made in collaboration between HSH and the selected Grantee, as stated in SOI 134.2.

20. Question Is the structural analysis that has been completed recently to go along with the PNA available for review? The PNA mentions a structural report on Pg. 14.

Answer Only the PNA is available at this time.

FUNDING

21. Question Will the City be covering the cost of rehabilitation and renovation/construction?

Answer Yes.

22. Question Will there be an annual rent increase provision in the lease?

Answer Please refer to the answers in questions 24 and 32.

23. Question Will there be an annual capital improvements line item in the budget?

Answer Grantee operating budgets should include the cost for annual maintenance and repairs. The City intends to fund a to-be-determined scope for major capital rehabilitation or improvements needed to operate the building long-term as permanent supportive housing.

24. Question Standard PSH leases have a \$5k or 10k threshold that shifts obligation to make repairs to lessor. Will that be the case with this lease?

Answer The building will be owned by the City and County of San Francisco and the City does not anticipate the need for a lease agreement between the City and Property Management Grantee. Please see the answer to question 32. Please see answer to question 23 for other funding matters related to building repairs.

25. Question Will the city pay for operating losses while the building is being leased-up?

Answer The Grantee will be required to lease up the building in a timely manner. The City plans to fund the operating expenses, less any tenant rent revenue, to continue the building operations during lease-up. Because the building is City owned, these expenses will be limited to operations and on-site services.

26. Question Will this project be expected to apply for CoC funding in the future?

Answer The Grantee(s) may be required to apply for CoC funding, if necessary.

27. Question Is there any historical data available regarding utility costs for currently occupied sites to assist with budget planning?

Answer Utility cost data is not available.

28. Question What funding sources is HSH considering to fund the rehab work? What limitation of who/how the work may be completed goes along with those sources?

Answer HSH is still determining the funding sources for the rehabilitation work. The funding source will dictate requirements on how and who completes the work.

SCOPE

29. Question Does the tenant survey mentioned in both the Services and Property Management requirements need to be 2 separate surveys or is 1 okay?

- Answer Property Management and Support Services are very distinct functions. The City is requiring survey results that capture resident satisfaction of each function in a disaggregated way; however, it does not need to be two separate surveys.
- 30. Question** **The SOI mentions monthly community meetings (pg. 5), are these permitted to be paused/virtual/written updates based on COVID safety advice from public health personnel?**
- Answer All PSH sites are required to follow DPH guidelines related to community meetings and gatherings during health emergencies such as COVID-19.
- 31. Question** **What flexibility does grantee have with the rehabilitation scope of work? Will HSH limit strictly to what is needed for health and safety or can grantees make improvements that will aid building efficiency and sustainability? ie. Installation of items like solar PV, battery back-up systems for elevators, or other sustainability items that may benefit residents and building operations/costs but are not items which are, for example, required to pass a building inspection.**
- Answer The scope of work will be developed collaboratively between HSH and the selected Grantee, per SOI 134.2.
- 32. Question** **Will the grantee have a lease on the building for the initial 3 year period? Or will the contract only be to provide services and Property Management?**
- Answer HSH does not anticipate the need to develop a lease agreement between the City and the Property Manager or Support Services provider. The agreement(s) will cover provision of property management, support services and real estate development.
- 33. Question** **Is the City or Contractor responsible for the legacy tenants from agreement to operation start?**
- Answer The selected Grantee(s) are responsible for supporting legacy tenants once an agreement is certified and building operations are transferred to the Grantee(s). Support Services are voluntary for all PSH residents.
- 34. Question** **What specific seismic life safety standard would be required to be achieved as part of the potential structural upgrade?**

Answer This will be determined as part of the scoping of the rehabilitation of the site.

APPLICATION AND SUBMISSION

35. Question Under the minimum qualifications section, the application asks for demonstrated experience in the areas of support services, property management, and real estate development. If the applicant is a single entity expecting to be the provider of each of these services, can the same examples be used under each category?

Answer Yes; however, the example must be completely relevant to each respective service type.

36. Question Is there a character limit for each section of the application?

Answer There are no character, word or page limits included, however, please note that the City has requested brief descriptions and asks Applicants to be mindful of reviewers' time. Applicants should consider how to clearly and succinctly describe how the organization meets the criteria in the SOI.

37. Question For Minimum Qualifications section 2 is there an assigned point value? Is it pass/fail or is there opportunity for partial points?

Answer Application Section 2. Minimum Qualifications are pass/fail and are not assigned points.