



**REQUEST FOR PROPOSALS
TO PROVIDE ORGANIZATIONAL AND
PROFESSIONAL DEVELOPMENT
SERVICES TO THE CITY'S
COMMUNITY HOUSING DEVELOPMENT
ORGANIZATION**

*Community Development Department
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255*



INTRODUCTION

The Community Development Commission of the City of Huntington Park (CDC) is soliciting proposals from qualified consultants to assist in the implementation of a capacity enhancement program to restructure and improve the City's Community Housing Organization (CHDO). CDC staff, in conjunction with the City's CHDO, is undertaking an ambitious housing strategy to develop affordable housing projects to respond to the City's current housing needs and revitalize community neighborhoods. In order to effectively and efficiently operate current and future affordable housing projects and activities, staff is interested in retaining an experienced consultant that would provide technical assistance, training and professional development services to improve the capacity of the City's CHDO.

This RFP provides a brief description of the City, background information, scope of services, proposal requirements, and an overview of the evaluation process. Responses must conform to the requirements for this RFP. The City reserves the right to waive any irregularity in any proposal or to reject any proposal and will determine the selection of the proposing applicant.

The successful consultant will be required to enter into an agreement which will include the requirements of this RFP as well as other requirements. By submitting a proposal, the applicant agrees to all the terms in this RFP.

CITY DESCRIPTION

The City of Huntington Park (City) lies within Los Angeles County and was incorporated in 1906. The City is densely urbanized; it has an area of about 3.02 square miles and has an estimated 64,607 residents with approximately 4.3 people per household, making it one of the most densely populated cities in the state. Huntington Park is located within Los Angeles County and sits five (5) miles southeast of Downtown Los Angeles. Future projections indicate that the population in Huntington Park is expected to grow at a rate of 0.8% annually. The City has a vibrant mix of residential, commercial, and industrial properties with a significant stock of older single-family and multi-family dwellings. Seventy three percent of the dwellings in the City are estimated to be renter occupied, according to the 2000 Census.

BACKGROUND INFORMATION

On July 23, 2007, the CDC selected the Oldtimers Housing Development Corporation – IV as the City's CHDO and entered into a Reservation Agreement (Agreement) to provide a total of \$3.57 million in HOME funds to develop long-term affordable rental housing or homebuyer opportunities through development, redevelopment and/or rehabilitation of deteriorated housing stock or blighted properties. Since entering into the Agreement, the CHDO and CDC staff implemented an ambitious affordable housing strategy to purchase and rehabilitate substandard rental properties and to then operate the



units in conformance with long-term occupancy, affordability and management covenants. To date, a total of five properties have been acquired, totaling 31 units; and one 5-unit property at 6614 Middleton is in the process of being purchased. The funds spent in acquisition, rehabilitation, and relocation total approximately \$5.88 million, which include \$3.94 million in HOME funds, \$191,000 in low/mod set-aside, and \$1.75 million in private financing. The HOME funds were provided in loans that will eventually be repaid annually through 50 percent of the residual receipts from the projects' net profits.

Oldtimers Housing Development Corporation (OHDC) has been actively serving the Huntington Park community for over 30 years and has been working to create affordable housing since 1994. OHDC is also a designated Community Housing Development Organization in the cities of South Gate and Fontana and the County of Los Angeles. In addition to providing affordable housing, OHDC operates and manages nutrition, transportation, and educational services. The mission of its housing division is to preserve and produce safe, sanitary and affordable housing for low-income seniors and families. OHDC has developed and manages over 800 units of senior and family housing in Los Angeles and San Bernardino counties. The CDC's goal is to enhance the capacity of OHDC housing division.

The following provides a description of the projects initiated and/or completed by the CDC and its CHDO in the City of Huntington Park:

➤ **Bissell Focus Neighborhood**

6342-6344 Bissell (Bissell I - 4 units) and 6308-6312 Bissell (Bissell II- 7 units):

The Oldtimers Housing Development Corporation IV (CHDO) submitted a proposal requesting City assistance to rehabilitate 6342-44 Bissell Street (Bissell I) and 6308-12 Bissell Street (Bissell II), which were previously acquired with the assistance of HOME Investment Partnership Act funds. Subsequently, on August 6, 2007, the CDC entered into an Affordable Housing Agreement (Agreement) for each project with the CHDO.

The City/CDC subsidy for Bissell I and II, including HOME and low/mod set-aside funds, totaled \$348,500 and \$833,600 respectively. In Bissell I all four units are designated as affordable to lower-income households. Bissell II consists of seven units of which two units are affordable to very low-income households, four to low-income households, and one rented at market rate. In addition, the CHDO secured a total of \$160,500 in private financing for Bissell I and \$371,700 for Bissell II. Rehabilitation of the units for both properties was completed in 2008.

6340 Bissell Project (Bissell III - 4 units):

On May 1, 2006, the CDC Board approved an agreement with the CHDO to purchase and rehabilitate a four-unit property located at 6340 Bissell Street. The property is located in a medium density residential neighborhood comprising of two duplexes.



The CDC allocated \$612,400 in HOME funds and \$32,000 in low/mod set-aside funds to finance the project, leaving the CHDO to secure mortgage financing from a lending institution for approximately \$259,000. All four units were recently completed and are designated as affordable units. Currently, low-income families are occupying the units.

➤ **Middleton/Malabar Focus Neighborhood**

6700 Middleton Street (6 units):

On December 3, 2007, the CDC and CHDO entered into an agreement to acquire and rehabilitate a six-unit property at 6700 Middleton Street. The property is located in a high-density residential neighborhood and consists of an 8,568 square foot parcel containing a total of six units in five separate structures which were built in 1932. Four structures are 2-bedroom Spanish style bungalows, and the fifth structure is a duplex with one 1-bedroom unit and one 2-bedroom unit over a 7-car garage at the rear of the property that is currently utilized as storage. The property is in substandard condition, and each unit will require comprehensive rehabilitation to bring them up to current City codes.

Under the agreement the CDC provided \$892,000 in HOME assistance to acquire and rehabilitate the property. Additionally, the CDC granted \$23,000 in low-mod set-aside for relocation expenses. Furthermore, the CHDO secured a total of \$454,000 in mortgage financing from a private lender. Two out of the six units will be rented to very-low income households and four to low income households. Rehabilitation of the units is expected to be completed by the summer of 2009.

6822 Malabar Street (10 units):

On January 22, 2008, the CDC and CHDO entered into an agreement to acquire and rehabilitate a ten-unit property at 6822 Malabar Street. The property is located in a high-density residential neighborhood and consists of an 8,564 square foot parcel comprised of an eight-unit, two story Mediterranean-style structure and one duplex of similar architectural style at the rear of the property and built over a six car garage. Nine of the ten units are one-bedrooms/one-baths, and one/one bedroom unit is illegally converted into a two-bedroom unit. Both structures were built in 1937. All units are in substandard condition, and each unit will require substantial rehabilitation to bring them up to current City codes.

Under the agreement the CDC provided \$1.31 million in HOME funding assistance to acquire and rehabilitate the property. Additionally, the CDC granted \$51,000 in low-mod set-aside for relocation expenses. Furthermore, the CHDO secured a total of \$500,000 in mortgage financing from a private lender. Two out of the ten units will be rented to very-low income households and eight to low income households. Rehabilitation of the units is expected to be completed by the summer of 2009.



6614 Middleton Street (5 units):

The CHDO is in the process to acquire a five-unit property located at 6614 Middleton Street. This property is adjacent to 6700 Middleton which was recently acquired by the CHDO and described hereinabove. The purchase of this property would provide the benefit of combining two sites for a better project, similar to the recently completed project in the Bissell Focus Neighborhood. The total cost to purchase the property was \$500,000 and the CHDO is expecting to commence rehabilitation of the units in April of 2009.

On April 14, 2008, the CDC entered into a Predevelopment Loan Agreement with the CHDO to lend a total amount of \$34,525 to fund predevelopment project expenses in connection to the acquisition of property. The funds are to be utilized for eligible predevelopment costs to conduct a financial analysis, property valuation, environmental testing, and obtain construction, site work and relocation estimates. Upon completion of a project budget and financial analysis, the CDC and the CHDO will enter into an agreement to assist in the acquisition and rehabilitation of the property. Staff expects that the CDC will subsidize the project with HOME and low/mod set-aside funds. .

In addition, it is expected that the CDC will provide up to five percent of its annual HOME allocation for fiscal years 2008-2009 and 2009-2010 to assist in enhancing the operating capacity of the CHDO, including reorganizing and recruiting CHDO's board members and providing technical assistance and training to key staff in the CHDO's housing division. It is therefore crucial that the proposed applicant demonstrate exceptional administrative aptitude with specialization and expertise with HOME regulations, CHDO's requirements and activities, and non-profit real estate asset management knowledge and experience.

SCOPE OF SERVICES

Specific responsibilities for the selected consultant include the following:

1. Training key staff to increase their capacity, knowledge and experience in carrying out and implementing affordable housing projects and activities;
2. Providing guidance in improving the organizational structure by upgrading the CHDO's board member structure to reflect the community it serves, and meet the regulatory requirements of the HOME program which includes assisting the CHDO in the recruitment process for board members by improving the professional qualifications of the board;
3. Reviewing and recommending revisions, as needed, to the CHDO's enabling documents - articles of incorporation, organizational bylaws, and board resolution - to enhance the CHDO capacity to develop and manage affordable housing;
4. Providing recommendations to develop or improve policies, procedures, organizational structure and staffing, including the CHDO's Affirmative Marketing Plan, Asset Management Plan and a long-term Organizational Development Plan;



5. Reviewing and providing recommendations on the CHDO's management protocols, and
6. Providing recommendations to the organization's fiscal policies/procedures and structure.

PROPOSAL REQUIREMENTS

Format - Pages should be numbered and a Table of Contents included. The document(s) shall be standard (8½" x 11") letter-sized paper. It shall be structured to include all of the information listed below. The requested document should not contain any unnecessary promotional material.

1. **Consultant Experience & Qualifications (30%)** - This section should serve to describe your experience in working with CHDOs, including requirements and activities. The background, experience and qualifications of individual members are a key element for consideration.
2. **References (5%)** - Please provide examples similar undertakings that were successfully completed. The list shall include but not be limited to a description of your responsibilities, process/procedures, time taken to complete, City staff involvement, fees charged, and a contact person's name and current telephone number.
3. **Scope of Work (25%)** - In responding to this RFP, the proposing consultant will provide a description of both the proposed approach and the scope of work which will include an identification of what the proposing consultant perceives will be required. A description should be given of the products that you would draft for the City's CHDO. Sufficient detail should be included for the reviewer to determine if the City's expectations will be completely addressed. Please include your expectation of City and CHDO staff involvement and responsibilities.
4. **Proposed Consultant Team (20%)** - This section should provide a list of team members if any (names and titles), including any sub-consultants, and a summary of their qualifications. This section should also indicate the primary contact person and/or Project Manager acting on behalf of the consultant team. Please list only those members that will have direct hands-on responsibilities for this project, and their respective roles for the project. Resumes should also be submitted for all team members, as well as for all proposed sub-consultants, if any.
5. **Proposed Fees (10%)** - Specify your firm's hourly rate of compensation to provide services to improve and reorganize the City's CHDO, its board and provide training to key staff. Specify the maximum number of hours per week required to complete the intended scope of work. As part of the contract negotiation process, the City will work with the proposed applicant to determine what method of compensation will be the most cost effective for the services. The



- City may wish to establish a cap to maintain cost control for the program. The rates provided as part of this RFP shall remain constant for a two (2) year period.
6. **Proposed Hours (5%)** - Please specify the days and hours that the proposing consultant's staff will be available to complete the scope of services.
 7. **Budget (5%)** - The proposed budget must be listed by task, hours and cost. The contract will be a time and material contract, with a "Not to Exceed" budget. The costs will be a factor in the City's selection of the consultant.

SELECTION PROCESS

The proposals will be evaluated by the CDC and CHDO on the basis of the consultant's qualifications and experience in working with CHDOs, including the consultant's knowledge in housing development activities eligible under the HOME program, proposed scope of work, proposed consultant team, as well as cost effectiveness, and reference evaluation. Some proposing consultants may be invited to interview with CDC and CHDO staff. Evaluation and subsequent selection of a qualified consultant firm is competitive. The CDC reserves the right to reject any and all proposals received as a result of the CDC's "Request for Proposals"; amend or change criteria for award of contract; and/or waive any informality or irregularity in any proposal received to the extent allowed by law.

INSURANCE AND LIABILITY

The selected consultant shall obtain, at its own cost, a policy of Commercial General Liability Insurance and Professional Liability Insurance (Errors and Omissions) in the amount described below and satisfactory to the CDC. Such policy shall be signed by a person authorized by that insurer to bind coverage on its behalf and must be filed with the CDC prior to exercising any right or performing any work pursuant to the Agreement/Contract. The CDC expressly reserves the right to amend and or revise the insurance and liability provisions contained herein. Consultant shall be responsible to provide the following:

1. During the term of the Agreement, Consultant shall carry, maintain, and keep in full force and effect insurance against claims for death or injuries to persons or damages to property that may arise from or in connection with Consultant's performance of the Agreement. Such insurance shall be of the types and in the amounts as set forth below:

- A. Comprehensive General Liability Insurance with minimum limits of One Million Dollars (\$1,000,000) for each occurrence and Two Million Dollars (\$2,000,000) in the aggregate for any personal injury, death, loss or damage. General

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liability coverage shall be amended so that Consultant and its managers, affiliates, employees, agents, and other persons necessary or incidental to its operation are insured.

B. Automobile Liability Insurance with minimum limits of One Million Dollars (\$1,000,000) per accident for bodily injury and property damage.

C. Worker's Compensation insurance as required by the laws of the State of California.

D. Professional Errors and Omissions Insurance with coverage limits of not less than One Million Dollars (\$1,000,000).

E. Consultant would agree that if it does not keep the aforesaid insurance in full force and effect, CDC may either (i) immediately terminate the Agreement; or (ii) take out the necessary insurance and pay, at Consultant's expense, the premium thereon.

F. At all times Consultant shall maintain on file with CDC a certificate or certificates of insurance showing that the aforesaid policies are in effect in the required amounts and naming the CDC and its officers, employees, agents and volunteers as additional insured. Consultant shall, prior to commencement of work under this Agreement, file with CDC such certificate(s).

G. All policies of insurance required shall contain an endorsement naming CDC and its officers, employees, and agents as additional insured. All of the policies required shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty days' prior written notice to the CDC.

H. The insurance provided by the Consultant shall be primary to any coverage available to the CDC. Any insurance or self-insurance maintained by CDC and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.

I. Consultant shall include subcontracting consultants as insured under its policies or Consultant shall furnish separate certificates and endorsements for each contractor. All coverage for such subcontractors shall be subject to the requirements stated herein.

2. **Indemnification** – The contract awarded shall include a provision whereby the Consultant(s) shall indemnify, defend, and hold the Community Development Commission of the City of Huntington Park and its officials, employees, agents and volunteers harmless from any and all losses and damages arising out of any act or omission of the Consultant in the performance of the contract.



BUSINESS LICENSE

Consultant shall obtain, at its own cost, a City of Huntington Park Business License prior to exercising any right or performing any work pursuant to the Agreement/Contract.

SUBMITTAL REQUIREMENTS

Quantity - Five (5) bound copies of the Proposal are required for submission, plus one (1) additional unbound black and white reproducible copy. Only original documents will be accepted; faxed or electronically mailed versions will not be accepted.

Deadline for Submittal - The filing deadline for submittal of the above proposal is 5:30 p.m. on February 9, 2009. Please remit the documents to:

Fernanda Palacios
Redevelopment Project Manager
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

INQUIRIES

Interested participants may contact Fernanda Palacios, Redevelopment Project Manager, at (323) 584-6266, Monday through Thursday, 7:00 a.m. to 5:30 p.m.