

CITY OF EL SEGUNO
AFFORDABLE HOUSING SERVICES PROVIDER RFQ

IMPORTANT UPDATES

Subsequent to the release of the Affordable Housing Services Provider RFQ, the RFQ Administrator has changed to Paul Samaras, Principal Planner. Please submit responses to the RFQ to:

Paul Samaras, Principal Planner, AICP

Email: psamaras@elsegundo.org

RFQ Submittal Deadline: November 9, 2020 at 3:00 pm

RESPONSES TO QUESTIONS

1. Has the City's 2014-2021 RHNA allocation of 69 units already been provided or will they be part of this RFQ / partnership?

Each RHNA cycle is self-contained. If excess units are produced during a cycle those excess units do not carry over to the following cycle. Similarly, any shortfall in meeting the RHNA goal does not carry over to the following cycle. When the 6th Cycle RHNA goes into effect in October 2021 the City's approximate RHNA obligation will be for 491 units.

2. To meet the City's goal of providing 491 new affordable housing units:
 - a. Will the respondent selected under this RFQ be tasked with fulfilling the entire goal or will some of it be met from other sources?

The selected Affordable Housing Services Provider will not be tasked with fulfilling the City's entire 6th Cycle RHNA obligation.

The Affordable Housing Services Provider will be asked to assist the City in creating a strategic plan that will be used to guide the City actions during the 6th Cycle period. The selected Affordable Housing Services provider will also be asked to assist in identifying properties that exhibit potential for affordable housing development and acquisition/rehabilitation projects that meet the standards imposed by the State for fulfillment of RHNA obligations.

- b. By what process will the 491 new affordable units be allocated among the many different types of affordable housing referenced in the RFQ?

The allocation of the affordable units will be determined as part of the strategic planning process undertaken by the City and the selected Affordable Housing Services Provider.

- c. Does the City envision meeting this goal over the eight year cycle, early in the cycle or late in the cycle?

The development timing during the eight-year cycle will be guided by the strategic plan and impacted by the time period required to identify potential sites and to implement the development.

- d. Does the City have a preference or target for how many of the 491 new affordable units will be new development vs. repurposing of existing properties?

The strategic plan will be focused on affordable housing production that fulfills RHNA requirements. There are significant limitations in the Government Code to the use of acquisition/rehabilitation projects to fulfill RHNA requirements.

3. Explain the City's general approach to and objectives in financing its target of 491 new affordable units:

- a. Does the City want to own some or all of the units?

The City does not wish to own any of the units.

- b. Does the City want to maximize the leverage of the funds it contributes to production of affordable housing by having the RFQ partner access other sources of affordable housing finance?

It is a fundamental assumption that outside funding sources will be required to be used to the maximum extent possible as leverage to the City funds contributed to the production of affordable housing.

4. Will the selected team through this RFQ process be the team that implements the affordable housing production strategies that get recommended by the Housing Strategic Plan, or will additional bid processes be required for specific sites or strategies?

It is anticipated that the selected Affordable Housing Services Provider will have access to the \$5.3 million in funds the City currently has available to assist in producing affordable housing units that comport with the strategic plan. An independent financial analysis will be performed to quantify the amount of City assistance funding to be provided to a project or projects.

5. Formatting Question – The cover page and table of contents, which would typically not be divided or tabbed, are labeled A/B in the RFQ. What are the submission requirements that must be followed? Should respondents follow the lettering listed in the RFQ? For example, does the “Development Entity” section need to be separated as “Section D” since it’s titled “D” in the RFQ?

The responses should follow the lettering listed in the RFQ. For consistency’s sake each section, including the cover sheet and table of contents should be labelled as “A” and “B”, respectively.

It is also important to note that the RFQ that was originally published on September 1, 2020 was updated on September 8, 2020. Submissions must be based on the updated RFQ, and the sections must be labelled accordingly.

6. Does the City control any potential development sites that the selected respondent would be permitted to develop for new construction affordable housing?

No, the City does not control any potential development sites. However, the City may potentially consider selling the Park Vista project to the selected Affordable Housing Services Provider.

7. Will the selected respondent tasked with managing the 97 unit Park Vista Senior Housing Project also be allowed to identify new land parcels to develop new affordable housing?

Yes, the selected Affordable Housing Services Provider will be allowed to identify new land parcels for the development of affordable housing.

8. What is the City’s goal from the RFQ process? Is it development? Is it property management? Will the \$5.3 million go to only one respondent or could there be multiple recipients of the total fund?

The City’s intent is to select an Affordable Housing Services Provider that has the capability to assist in creating a strategic plan to guide future affordable housing activities; to assist in the ongoing administration and monitoring of affordable housing projects in El Segundo, to oversee the management of the Park Vista senior citizen project, and to develop affordable housing units. The selected Affordable Housing Services Provider will have access to the \$5.3 million funding.

9. What are the qualification requirements for someone that is interested in living in the new affordable housing project? When can we apply, and where would we find an application?

The qualifications for those interested in living in the new affordable housing project(s) will be established on a preliminary basis during the strategic planning process and finalized on a project-by-project basis.

10. Do we know which areas are being looked at for development and what sort of price ranges are considered affordable? Are these apartments or single-family homes?

No decisions have yet been made at this time pertaining to project locations, price ranges or product types. These decisions will be made during the strategic planning process.

11. What area will be designated for the Affordable Housing?

No decision has yet been made to the area(s) that will be designated for affordable housing. These decisions will be made during the strategic planning process.

12. Will new zoning and/or Specific Plans be created to do this?

It is not currently anticipated that new zoning and/or Specific Plans will be created. However, it is possible that this may change during the strategic planning process.

13. What's the density of such kind of housing, i.e. how many units will be allowed per acre etc.?

The affordable housing will be developed at the density's allowed by the zoning code.

14. When will the new guidelines of Affordable Housing be released?

The timing of the release of the strategic plan for affordable housing production is not yet known.

15. What sections of the Submittal Requirements are included in the 30 page limit? (i.e. Table of Contents? Cover letter? Section Tabs? Etc.) Are there any items that are excluded from the page count?

Section tabs, resumes, reference letters, and financial statements will not be counted towards the 30 page limit. All other submittal requirements identified in the RFQ will be counted towards the 30 page limit.

16. Does the City have or anticipate hiring a separate consultant to update the City's Housing Element?

It is anticipated that a separate consultant will be engaged to update the City's Housing Element.

17. Is the intention for the selected team to assist with the Housing Element update entirely, or assist with the Housing Resources (sites inventory) for the Housing Element or will the work focus more on the implementation of the Housing Element once it is complete?

It is anticipated that the strategic plan created by the City and the selected Affordable Housing Services Provider will be used as a resource for the Housing Element update.

18. With respect to Park Vista:

- a. What is the age of the property?

The project was constructed in 1987.

- b. What is the general condition of the property? Does it require a substantial rehab investment?

The property management group categorized the condition of the property as “Excellent”. There is no significant deferred maintenance, and it has been properly maintained. The plumbing is 33 years old and the roof is five years old. The selected Affordable Housing Services Provider will be responsible for assessing the magnitude of the capital improvements that will be required by the project.

- c. What funding sources, regulatory agreements and restrictions on the property?

The property was acquired by the City with excess General Fund funds, in compliance with the Gann Appropriations spending limit.. The project is not currently subject to a formal regulatory agreement. However, it has been operated as a de facto affordable housing project with below market rents over its entire life span. It is anticipated that at some point in the 6th Cycle RHNA, formal income and affordability covenants will be executed on the project.

- d. Is the property 100% affordable or are there special needs residents?

The project is a dedicated senior citizen apartment project.

- e. Can an operating budget for the property be made available?

An operating budget for the project will not be made available during the RFQ process. All the pertinent information will be provided to the selected Affordable Housing Services Provider.

19. How does the City envision the El Segundo RFQ developments fitting within the City's larger Housing Element goals?

The City's primary objective through this RFQ is to attract projects that assist the City in meeting its 6th Cycle RHNA obligations.

20. What is the status of the mobile home park in El Segundo.

There are no mobile home parks located in El Segundo.