



COUNTY OF PLACER ADULT SYSTEM OF CARE

PUBLIC NOTICE

Letters of Interest for the Development of Supportive Housing Projects for People with Psychiatric Disabilities

Notice is hereby given that Letters of Interest from organizations with experience developing affordable housing will be accepted by the Placer County Adult System of Care as described herein for potential partnership in the development of permanent supportive housing for individuals with serious mental illness who are homeless or at risk for homelessness. A funding opportunity currently exists related to ongoing Mental Health Services Act (MHSA) Housing Program funding. Letter of Interest for Mental Health Services Act Housing Program funding shall be received on an ongoing basis, based on funding availability, until such funds have been committed.

STATEMENT OF PURPOSE

The purpose of this Notice is to gain adequate information by which the County of Placer may identify developers with potential projects suitable for submission for supportive housing funding including, but not limited to, projects currently under development, newly proposed projects, or rehabilitation of existing structures. Letters of interest received as a result of this announcement will be evaluated for viability and adherence to State requirements. If a project is selected for consideration under the MHSA Housing Program, the County will encourage the developer to work with the County to complete a full MHSA housing application for submission to the State Department of Mental Health (DMH) and the California Housing Finance Agency (CalHFA). The completed application is submitted by the County on behalf of the sponsoring organization.

The most highly qualified project(s), as decided wholly and independently by the County, may be invited to partner with the County in the completion of a MHSA Housing Program application, until all available funds have been committed. A request to work on a MHSA housing application is not a promise by the County to approve or submit the completed application. Further, the County of Placer does not guarantee that the resulting MHSA Housing Program application will be accepted by the State.

All applications are subject to a 30 day public comment period prior to submission to the State.

DESCRIPTION OF THE PROGRAM

Jointly administered by the California Department of Mental Health and the California Housing Finance Agency on behalf of counties, the program makes permanent financing and capitalized operating subsidies available for the purpose of developing permanent supportive housing, including both rental housing and shared housing, to serve persons with serious mental illness and their families who are homeless or at risk of homelessness and MHSAs Housing Program target population description. MHSAs Housing Program funds will be allocated for the development, acquisition, construction, and/or rehabilitation of permanent supportive housing. Placer County has been allocated MHSAs development funds in the amount of \$2.3 million. This amount will fund both capital costs and capitalized operating subsidies. However, the intention is to continue funding the program on an ongoing basis as long as the Mental Health Services Act continues to generate sufficient revenues and the program is effective in meeting the needs of the counties and the target population.

The project sponsor will be expected to retain the property acquired or built using MHSAs funds as supportive housing for persons with mental illness for a minimum of 20 years.

All proposed projects must be located within the geographic boundaries of Placer County in order to be considered for funding. When considering Letters of Interest, priority will be given to sites in the greater Roseville and Auburn areas that are proximate to public transportation and services.

The State MHSAs Housing Program Application and requirements may be downloaded at <http://www.dmh.ca.gov/mhsa/Housing.asp>. While the selected applicant(s) may be invited to complete this process in partnership with the County, this information is provided solely for informational purposes at this time. Interested parties responding with a Letter of Interest are not required to complete this application, nor will such applications be considered if offered in this phase of the selection process.

ELIGIBLE APPLICANTS/DEVELOPERS

The following requirements are excerpted from the MHSAs Housing Program funding application.

An application for the MHSAs Housing Program funding may be submitted only by a county mental health department. However, funds may be distributed only to a qualified borrower in the form of a loan (and in some cases, as capitalized operating subsidies). Therefore, the application must be prepared and signed by both the county and the developer, and will serve as the loan (and capitalized operating subsidy) application from the developer, for the ultimate borrower.

As a part of the State application process, the County Adult System of Care must approve the use of its allotted MHSAs Housing Program funds for the development described in the application, Commit to providing supportive services to the target population for the full term of the MHSAs Housing Program loan, and specifically commit support and services to the development.

Qualified developers include any of the following:

- 1) Developers with a track record of successful housing development and a history of serving the target population,
- 2) Developers with a track record of successful housing development but with no history of serving the target population, but with a strong contract/Memorandum of Understanding with a qualified service provider and property manager, and the assistance of qualified consultants with a history of successfully working with developers to house the target population,

- 3) A qualified supportive services provider with a joint venture developer partner with a history of successful development, who has entered into a contract/Memorandum of Understanding (acceptable to CalHFA) with a qualified property manager, and has the assistance of qualified consultants who have a history of successfully working with similar joint venture partners to house the target population,
- 4) A qualified supportive services provider with a qualified development team that has a history of successful development and that has entered into a contract/Memorandum of Understanding (acceptable to CalHFA) with a qualified property manager, or
- 5) For a Shared Housing Development that consists of a condominium, single family home, duplex, triplex and/or four-plex, an appropriate agency of the county.

The developer and its affiliate organizations will be evaluated both for their ability to successfully develop and manage the real estate component of the development, and for their ability to partner with a primary service provider to deliver high-quality services to the target population. The developer will also be required to meet CalHFA's underwriting criteria, as discussed in Section 5.0 of this application.

The ultimate borrower must be one of the following:

- a limited partnership (LP) (the managing general partner of the LP must be a 501(c)(3) corporation or a limited liability company (LLC) whose sole member or members are 501(c)(3) corporations),
- a 501(c)(3) corporation,
- a LLC whose sole member or members are 501(c)(3) corporations,
- an affiliate of a local redevelopment agency,
- an affiliate of the county created to hold properties financed with MHSA Housing Program funding, or
- an affiliate of a local housing authority created to hold MHSA Housing Program properties.

The borrower also must be organized as either a single asset entity (in the case of a LP or LLC), or as a separate legal entity that only holds properties that have MHSA Housing Program funding, as appropriate.

COUNTY MHSA HOUSING COORDINATOR

Refer all questions to:

Kathie Denton, LCSW
MHSA Housing Program Manager
Placer County Adult System of Care
11533 C Avenue
Auburn, CA 95603
530/886-2974

E-mail is the preferred method of receiving and answering questions. Address all questions to kdenton@placer.ca.gov.

Inquiries relating to the MHSA Housing Program will be accepted until all available funding has been committed, and as such do not have a predetermined deadline.

A response to any question that is given orally is to be considered tentative and non-binding on the County. Only written responses provided by the County MHSA Housing Coordinator shall be considered official.

RESPONSE CONTENT AND FORMAT

Interested parties should submit, for evaluation, Letters of Interest that reference and respond to all of the following criteria, in the exact sequence in which they appear below, to demonstrate that the applicant meets the mandatory qualifications requirements.

All responses shall be accompanied by a cover letter on the applicant's letterhead, must be dated, all pages must be numbered, all signatures must be original, and must include the following information:

1. Complete Exhibit A, Project Detail, the fullest extent possible based on the current status of your proposed project.
2. Describe the project your agency can provide, and are planning within in the County of Placer for the period ending June 30, 2009, not to exceed one page.
3. Provide a preliminary cash flow analysis using the format provided in the CalFHA Universal Application found on tab 12 at http://www.dmh.ca.gov/Prop_63/MHSA/Housing/docs/CopyofUniversalApp.xls. The County understands that there will be a number of cost factors that may not be known at this time. The cash flow analysis should be as complete as possible and based on reasonable assumptions.
4. Do you have site control of the proposed project site? If you do not have site control, describe your plans for securing the site.
5. Provide a time line for the proposed project.
6. Provide information detailing past experience in developing, managing, and providing services in permanent supportive housing for persons with serious mental illness. Experience in these areas may be established by including copies of existing contracts or Memoranda of Understanding with other organizations to provide the required services. Include any other pertinent information that will assist the County in evaluating experience.
7. Provide a narrative that illustrates experience in project management to ensure completion of services.
8. Identify client references for the projects listed in your past experience statement. Include the title and current phone number of individual contacts for each reference.

SUBMITTALS

One (1) original and two (2) copies of the Letter of Interest and all additional required information shall be submitted in a sealed package or envelope that is clearly marked as a Letter of Interest, the organization's name and return address, and is delivered to the following address:

County of Placer
Adult System of Care
11533 C Avenue
Auburn, CA 95603
Attn: Letter of Interest for Supportive Housing Project

All submittals, whether selected or not, shall become the property of Placer County. All responses received will be retained and, if not initially selected, may be reconsidered at the sole discretion of the County should additional MHSA housing funding become available.

Cost of preparation of all responses and any subsequent applications shall be borne by the applicant. The County shall not pay any costs associated with the preparation, submittal, or presentation of any response or housing application.

Fax, telephone, electronically transmitted (e-mail), or telegraphic submittals will not be accepted.

In order to receive consideration, the cover letter of all proposals shall be signed by an employee or officer authorized to commit the proposer to a contract with the County.

The County will not be responsible for Letters of Interest delivered to a person or location other than that specified herein.

SELECTION PROCEDURE

County staff will review all submittals for completeness, responsiveness, and benefit to the County. One or more of the responding organizations may be invited for personal interviews prior to final selection to allow for further elaboration of their submittal. The County reserves the right to choose the most qualified organization(s) based solely on the written responses received, without conducting interviews.

The County will consider letters of interest for MHSA Housing Project funds on an open ended basis until funds are committed. Should the level of interest exceed available funding, the responses will be ranked based on the criteria herein and projects selected on the basis of the scores earned.

The County reserves the right to select projects for further consideration that, in the sole judgment of the County, best accomplish the desired results.

The County reserves the right to reject any or all submittals, or to waive minor irregularities in said submittals. The County also reserves the right to negotiate minor deviations to the proposed project of the selected organization(s).

PROJECT DETAIL

This project is being submitted for consideration for funding as follows (select one option):

- Full Service Partnership (FSP) Housing Program, or
- Mental Health Services Act (MHSA) Housing Program funding.

Name of Project: _____

Site Address: _____

City: _____ State: _____ Zip: _____

Project Sponsor: _____

Project Developer: _____

Primary Service Provider: _____

Total number of units: _____ Total number of units reserved for people with mental illness: _____

Total cost of the project: \$_____ Amount of MHSA funding requested: \$_____

Other Sources of Funds: _____

Request MHSA Funds for Capitalized Operating Subsidies?: Yes No

Other Rental Subsidy sources (list if applicable): _____

Target Population(s) (please check all that apply):

- Adults (ages 18 through 59 years)
- Transition-Age Youth (ages 16 through 25 years)
- Older Adults (age 60 and older)

Every submittal must include all required information, and the signature, printed name, and title of an individual legally authorized to submit any subsequent applications for funding on behalf of the responding organization.

ORGANIZATION NAME: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP CODE: _____

AUTHORIZED SIGNATURE: _____

PRINTED NAME and TITLE: _____

TELEPHONE: _____ FAX: _____

E-MAIL ADDRESS: _____

THIS FORM MUST BE RETURNED WITH YOUR RESPONSE