

**Housing Trust Silicon Valley
 Safety Net Capital Improvement Program (SNCIP)
 Santa Clara County
 NOFA
 Revised June 9, 2016**



SOLICITATION TYPE:	Notice of Funding Availability (NOFA)
DESCRIPTION:	Safety Net Capital Improvement Program , Santa Clara County
ISSUE DATE:	May 5, 2016
PROPOSAL DUE DATE:	July 14 , 2016
SUBMIT PROPOSAL TO:	Sandra Murillo, Chief Operations Officer Housing Trust Silicon Valley 95 S. Market Street, Suite 610 San Jose, CA 95113
DIRECT INQUIRIES TO:	Julie Quinn, Senior Loan Officer Phone: (408) 436-3450 x223 Email: julie@housingtrustsv.org
All Proposals are subject to the Conditions, Instructions and Specifications attached hereto.	

SECTION I - BACKGROUND

Housing Trust Silicon Valley (HTSV)

HTSV is a nonprofit community loan fund that makes loans for the development and preservation of affordable housing, provides down payment assistance loans to income qualified first-time buyers and grants to households facing homelessness. HTSV also contracts with local jurisdictions to administer funds for the development and preservation of community facilities.

In January 2016, the Santa Clara County Board of Supervisors awarded the \$750,000 grant funds to HTSV, including administrative fees to manage an application and award process with qualified nonprofit entities in Santa Clara County who would use such funds for the rehabilitation/renovation of community facilities including, but not limited to, properties owned or leased by faith-based organizations, community-based organizations and government agencies to increase or enhance shelter, transitional housing or drop-in centers for homeless persons. This award was based on the Housing Task Force Implementation Plan considered by the Board of Supervisors on September 15, 2015.

Program Description

The Safety Net Capital Improvements Program (SNCIP) is designed to provide forgivable loans and grants to qualifying community-based organizations and faith-based organizations to cover expenses

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associated with modifying or repairing facilities in order to increase the number of and geographic distribution of drop-in centers for homeless persons, providing them with access to food, mail, showers, restrooms and laundry facilities. These funds could also be used to bring additional mobile hygiene facilities to Santa Clara County. Community-based or faith-based organizations could also apply to the fund to provide temporary shelter /transitional housing to individuals or families.

Under the SNCIP, funds may be used for costs associated with the modification or repairing of emergency shelters, transitional housing or drop-in centers with the goal to increase the number of person service days or beds, and increase the geographic distribution of shelters and drop-in centers for homeless persons providing them with access to basic needs. The applicant must demonstrate the ability to provide the services for a ten- or five-year period depending on the award amount.

Requests for these funds are considered based on amount of increased capacity and the number of days of operation per year. It is understood that operational capacity of church facilities [will be subject to](#) jurisdictional regulations.

HTSV will provide a list of Approved Contractors to the recipients of funds. The funding recipient shall execute the construction contract with an HTSV Approved Contractor. HTSV will regularly monitor progress, review and approve draw requests, and pay the Approved Contractor directly,

To be eligible for funding, subject facility must be located in Santa Clara County and a portion of the facility must be used for the Target Population in the provision of increased services. Geographic locations will be taken into account and requires a description of the unmet need that will be met through this program.

Eligible entities may submit applications for multiple eligible uses; however each request must be submitted under a separate application for each project.

Definitions

1. Approved Contractor(s): General contractors or subcontractors who have been preapproved by HTSV to perform the rehabilitation/renovation or repair work that will be funded with SNCIP funds.
2. Eligible Entities: Eligible entities include community-based organizations and faith-based organizations that maintain current nonprofit status pursuant to Section 501(c) (3) of the Internal Revenue Code, and government agencies.
3. Expansion: Increase in services or geographic locations into previously underserved areas within Santa Clara County.
4. Homeless: Individuals or families who are in shelters, transitional housing programs or who are living outside or in areas not meant for human habitation.
5. Nonprofit: An institution or organization which maintains nonprofit status pursuant to Section 501(c)(3) of the Internal Revenue Code, whereby no part of the net earnings benefit any private shareholder or individual.
6. PSD - Person service days: Each evening that a person is sheltered is counted as a PSD.

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7. Recapture of Funds: Proportionate share of principal based on number of years, or fraction of the default year that the Recipient provided homeless shelter services as a nonprofit agency, under the terms and agreement as outlined in the Promissory Note. This will occur if recipient ceases to be a nonprofit agency, or the facility is no longer used for homeless shelter activities.
8. Recipient: Applicant approved for use of funds.
9. Rehabilitation/Renovation: Modifications to an existing facility which are necessary for cost-effective use as a homeless shelter, including restoration, repair, expansion, and all related physical improvements that will result in an increase of service units or beds.
10. Shelter: A facility that provides a variety of services to homeless persons to assist them with their immediate basic needs.
11. Services: Services provided in emergency shelters, transitional housing, and/or drop-in centers to the Target Population including, but not limited to providing them with access to shelter, food, mail, showers, restrooms, and laundry facilities.
12. Target Population: Homeless persons or families.
13. Transitional Housing: Housing that provides temporary residence for people experiencing homelessness, combined with services to assist the individual with developing stability in their lives.

SECTION II – ELIGIBLE ACTIVITIES

Under the SNCIP, funds may be used for costs associated with the modification or repairing of emergency shelters, transitional housing or drop-in centers with the goal to increase the number of person service days or beds, and increase the geographic distribution of shelters and drop-in centers for homeless persons providing them with access to basic needs, including but not limited to food, mail, showers, restrooms and laundry facilities.

Shelter facilities that are shared with clients outside of the Target Population may be eligible for funding on a proportionate basis. Funds may support: 1) that part of the facility used by the Target Population; or 2) a proportionate share of the costs based on the extent of use of the facility by the Target Population.

Faith-Based Facilities: Facilities rehabilitated or modified using SNCIP funds may be used, and may be intended to be used for sectarian instruction or as a place for religious worship and must be used for the provision of services to the Target Population.

SECTION III - TERMS

Terms and Requirements

	Forgivable Loan	Grant
Maximum Loan:	\$660,000	\$20,000
Assistance Type	Rehabilitation/Renovation/Repairs	Minor Repair or Modifications

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Interest Rate:	0%	NA
Term:	<p>Compliance with the loan agreement, its requirements and term, will result in loan forgiveness. In the event of default, the loan shall be repaid on a proportionate basis as outlined in the Recapture of Funds section below. Compliance requirements are:</p> <ul style="list-style-type: none"> • Loans greater than \$200,000: 10-year term beginning after completion of the renovation as evidenced by a recorded Notice of Completion. • Loans less than \$200,000: 5-year term beginning after completion of the renovation as evidenced by a recorded Notice of Completion. 	<p>Compliance with the grant agreement, its requirements and term, will result in the release of the UCC filing recorded at time of award. In the event of default, the grant shall be repaid on a proportionate basis as outlined in the Recapture of Funds section below.</p>
Repayment:	<p>Loans greater than \$200,000 will have a forgivable term of 10 years. Loans less than \$200,000 will have a forgivable term of 5 years.</p> <p>Failure to comply with the terms of the Forgivable Loan Agreement will result in recapture, see Recapture section below.</p>	<p>Failure to comply with the terms of the Grant Agreement will result in recapture, see Recapture section below.</p>
Security:	<ol style="list-style-type: none"> 1. Promissory Note 2. Deed of Trust on the subject property 3. Use Restriction Agreement 4. Forgivable Loan Agreement 	<ol style="list-style-type: none"> 1. Grant Agreement 2. Uniform Commercial Code Financing Statement (UCC1)
Loan to Value	The maximum loan-to-value ratio is 100% CLTV, after rehab/renovation.	The maximum grant-to-value ratio is 100% of actual cost.
Appraisal	At the discretion of HTSV, a Fair Market Appraisal or valuation may be required. The cost of either valuation will be the responsibility of the applicant.	NA
Match	There is no match requirement	There is no match requirement

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Prevailing Wage Requirement	Yes, for projects over \$1,000	Yes, for projects over \$1,000
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Underwriting Criteria

HTSV will confirm or revise the recommendations and will subsequently make tentative commitments. Final funding commitment will occur once an underwriter performs a full underwriting analysis of the approved projects and provides verification that the proposals are acceptable.

Recapture

In the event of a default, HTSV shall be entitled to recapture a portion of SNCIP funds from the Recipient if, within the term of the Loan or Grant, either of the following occurs:

1. Recipient ceases to be a nonprofit agency.
2. The facility is no longer used as a Shelter for the Target Population.

See Program Guidelines for details on the Recapture of Funds.

SECTION IV – OTHER REQUIREMENTS:

Prevailing Wage Requirements

Recipients of the SNCIP funds must comply with the County of Santa Clara (CSC) Prevailing Wage Requirements. Except for projects of \$1,000 or less, vendors who perform building construction, alteration, demolition or repair must pay all workers on County-funded projects the prevailing wage pursuant to the California Labor Code, sections 1770 through 1777.7. A copy of the prevailing wage rate determination is issued by and available through the California Department of Industrial Relations at <http://www.dir.ca.gov/oprl/DPreWageDetermination.htm> and the U. S. Department of Labor at <http://www.wdol.gov/dba.aspx>.

Non-Discrimination

Recipient shall comply with all applicable Federal, State and local laws and regulations, including CSC’s policies concerning nondiscrimination and equal opportunity in contracting. Such laws include but are not limited to the following: Title VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act of 1990; The Rehabilitation Act of 1973 (Sections 503 and 504); California Fair Employment and Housing Act (Government Code sections 12900 et seq.); California Labor Code sections 1101, 1102, and 1102.1. Recipients shall not discriminate against any subcontractor, employee, or applicant for employment because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status in the recruitment, selection for training including apprenticeship, hiring, employment, utilization, promotion, layoff, rates of pay or other forms of compensation. Nor shall Recipient discriminate in provision of services provided under this contract because of age, race, color, national origin, ancestry, religion, sex/gender, sexual orientation, mental disability, physical disability, medical condition, political beliefs, organizational affiliations, or marital status.

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No-Smoking Policy

Recipient and its employees, agents, sub-contractors and consultants, shall comply with the CSC’s No-Smoking Policy under Chapter 5 of Division B13 of the Municipal Code at <https://library.municode.com/index.aspx?clientId=13790>.

Nutrition Standards

Recipient shall comply with the CSC Nutrition Standards based on the United States Department of Agriculture (USDA) *Dietary Guidelines for Americans 2010*, when County funds used to purchase beverages and food. CSC’s Nutrition Standards can be found at http://www.sccgov.org/sites/planning/PlansPrograms/GeneralPlan/Health/Documents/NUTRITION_STANDARDARDS_2012.pdf.

USDA Dietary Guidelines can be found at <http://www.health.gov/dietaryguidelines/dga201/DietaryGuidelines2010.pdf>.

Other Principles

Recipient warrants and agrees that Recipient shall be fiscally responsible during the Term of the Agreement and shall treat their employees fairly. To ensure compliance with these principles, Recipient represents warrants and agrees that it shall: (1) comply with all applicable federal, State, and local rules, regulations and laws; (2) maintain financial records, and make those records available upon request. Recipient further represents, warrants and agrees that Recipient will: (1) provide annually to HTSV, approved audited financial statements within 150 days from the end of the fiscal year; (2) provide updated or revised service plans, as applicable; and (3) upon HTSV’s request, provide HTSV reasonable access to facilities, financial and employee records that are related to the purpose of SNCIP, except where prohibited by federal or state laws, regulations or rules.

Wage Theft Prevention

Recipient and its employees, agents, sub-contractors and consultants shall comply with all applicable federal, state, and local wage and hour laws, including, but not limited to, the Federal Fair Labor Standards Act, the California Labor Code, and any Minimum Wage Ordinance enacted by the County of Santa Clara or any city within the County of Santa Clara, pursuant to Santa Clara County Board of Supervisors Policy Manual, Section 5.5.5.4.

SECTION V – NOFA PROCESS

NOFA Timeline

NOFA Released	May 5, 2016
Proposals Due	July 14, 2016
Completeness review complete	Within 5 business days of receipt
Review Committee Makes Funding recommendation	Within 20 business days of completeness review completion
Selected Applicant(s) notified via email	Within 2 business days of selection

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Proposal Submittal Period

Applications will be accepted Applications will be accepted from May 5, 2016 until July 14, 2016.. One (1) original and one (1) electronic copy (USB drive or CD) of the proposal are to be submitted via hand or mail delivery **NO LATER THAN 3:00 PM** to:

Sandra Murillo, Chief Operations Officer
Housing Trust Silicon Valley
95. S. Market Street, Suite 610
San Jose, CA 95113

Proposals submitted by fax or email will not be accepted. HTSV reserves the right to request additional information.

NOFA Questions

Email submission is preferred. HTSV will use its best efforts to answer questions within three (3) business days of receipt. All questions and answers will be posted in a NOFA FAQ section on HTSV's website: <http://www.housingtrustsv.org/snci-homelessness>.

Any questions and/or requests for additional information should be directed to:

Julie Quinn, Senior Loan Officer
Phone: 408-436-3450 x223
Email: julie@housingtrustsv.org

Application Review

Upon receipt of proposals, HTSV staff will conduct an initial review to determine whether the project is eligible and that the application is complete. The Applicant will be notified in writing if the initial review determines the application is either ineligible or incomplete. Staff may make requests for clarification to determine eligibility. Incomplete applications will be denied in writing.

To be eligible, the Applicant must comply with activity requirements as well as other program requirements and guidelines described in this NOFA.

Review Committee

A Review Committee will be comprised of persons with knowledge or expertise capable of determining the best applicants under the Program, including members of the HTSV Program and Policy Committee and two County-designated panel members. The Review Committee will review all responses to this NOFA. It is the responsibility of the Review Committee to ensure that each application contains all the information and documents required to verify that the application is appropriate for funding. The Review Committee will evaluate the content of the applications and determine:

- Whether the proposed project appropriately addresses the identified needs, percentage increase in homeless service units or beds, number of homeless served, and coordination with and utilization of other agencies serving homeless;
- Whether the Applicant has the experience in program management, particularly in programs serving the homeless;

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- Whether the proposed project complies with existing state, county and city laws, ordinances, regulations and policies;
- Whether, the Applicant has the technical expertise and financial capacity to complete the proposed project; feasibility of timely implementation of the project; including meeting prevailing wage requirements;
- Whether cost estimates appear to be accurate and cost effective.

If an application is determined to be ineligible, the Applicant will be informed in writing and the application will be withdrawn from consideration.

The Review Committee will evaluate applications based on information provided in the original submission, but reserves the option to request additional information for clarification purposes.

The Review Committee may schedule interviews with Applicants to discuss their applications. Additionally, Review Committee members may visit the proposed project site(s), which may impact the final funding recommendation. Review Committee members may also call references provided by Applicants.

Funding Recommendations and Award

Following the interviews and site visits, if applicable, the Review Committee will score the respondents and recommend one or more Applicants who meet the minimum score requirement to HTSV for selection and negotiation of loan or grant agreements. Funding amounts may not be equal to the full amount requested in the application. At HTSV's discretion, the funding commitment may be increased or decreased based on funding availability and need. Once all available funding has been awarded, no further awards will be made.

HTSV will confirm or revise the recommendations and will subsequently make tentative commitments. Final funding commitment will occur once an HTSV underwriter performs a full underwriting analysis of the approved projects and provides verification that the proposals are acceptable.

Disclaimer

This NOFA does not commit HTSV to award any agreements, execute any loan documents, pay any pre-award expenses, or pay any costs incurred in the preparation of a proposal. HTSV reserves the right to: 1) accept or reject any or all proposals received; 2) waive any non-substantive deficiency or irregularity; 3) negotiate with any qualified Applicant; 4) execute loan documents in what it believes to be the best interest of HTSV; 5) cancel this request, in part or its entirety, if it is deemed to be in the best interest of HTSV; 6) reject the proposal of any Applicant who has previously failed to perform under Santa Clara County or HTSV agreements; 7) reject the proposal of any Applicant who has failed to complete a contract within the specified timeframe; 8) reject the proposal of any Applicant that is not in a position to fulfill a resulting contractual obligation; or 9) recommend partial funding of a proposal.

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In addition, HTSV reserves the right to issue written notice to all Applicants of any changes in the proposal submission schedule or other schedules, should HTSV determine, at its sole and absolute discretion, that such changes are necessary. Any subsequent changes to this NOFA from the date of issuance to the date of submittal may result in an addendum by HTSV.

SECTION VI – EVALUATION CRITERIA

All eligible, complete proposals will be reviewed and scored by a Review Committee. Proposals will be reviewed and scored relative to the below project scoring summary. **The maximum possible score for a loan is 100 points. The minimum score needed to be eligible for consideration is 70 points. The maximum possible score for the grant is 90 points. The minimum score to be eligible for consideration is 50 points.**

Scoring Summary	Rehabilitation/ Renovation/Repair Points >\$20,000	Minor Repair/Renovation Points <\$20,000
1. Applicant Prior Experience	20	20
2. Applicant Property Management Experience	10	N/A
3. Applicant Services Experience	10	10
4. Service Plan	20	20
5. Financial Feasibility	10	10
6. Project Readiness	10	10
7. Need and Projected Impact	10	10
8. Cost Effectiveness	10	10
Maximum Possible Score	100	90

SECTION VIII – DETAILED SCORING CRITERIA

Upon successful completion of the preliminary evaluation, the Review Committee will review and score each application based upon the evaluation criteria set forth below.

1. Applicant Prior Experience

20 Points

Points will be awarded for past performance of the Applicants with regards to their experience with similar projects/developments. Applicants must include a list of rehabilitation projects similar to the type of project proposed. The list is to include the street address, capacity (number of beds, number of clients assisted annually), and description of each project (emergency, transitional housing, drop-in center, etc.). The list should also note the Applicant’s role in each property including owner, project manager and construction manager. If Applicant is using a consultant, their experience may be considered in the evaluation.

Number of Similar Projects	Points
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1 to 2 shelters/developments	10.0
2 to 4 shelters/developments	15.0
5 or more shelters/developments	20.0

2. Property Management Experience

10 Points

Skilled property management is critical to the success of homeless shelters. Applicants must provide a Property Management Plan along with a list of their previous experience providing property management to the Target Population or similar clients. Applicants must include a list of similar projects managed by the Applicant. The list is to include the street address, capacity (number of beds/number of clients assisted annually) and number of years managed. *(Not required for those applying for <\$20,000.)*

Number of Years of Experience	Points
Less than 10	5.0
5 to 10 years	10.0

3. Service Delivery Experience

10 Points

Skilled service delivery is critical to the success of homeless shelters. Applicants must provide a Service Plan along with a list of their previous experience providing services to the Target Population or similar clients.

Number of Years of Experience	Points
Less than 10	5.0
10 or more years	10.0

4. Service Plan

20 Points

The Service Plan must describe how the Applicant will execute the increase in services. Description must include the type of service, percentage increase in service (example: PSDs and/or beds), and the period of use of additional beds and services (example: annual, winter and/or inclement weather), that will meet the needs of homeless persons. New geographic locations will be considered. The Applicant must describe the unmet need that will be met through this program. The Plan must also document plans to coordinate and utilize with other organizations serving the same homeless population.

Funding Request Over \$200,000

# of Beds/% Increase in Service	Period of Use	Points
10% increase in PSDs or Persons Served	Available Year Round	5.0
20% increase in PSDs or Persons Served	Available Year Round	10.0
25% increase in PSDs or Persons Served	Available Year Round	20.0

Funding Request \$20,001 to \$199,999

# of Beds/% Increase in Service	Period of Use	Points
5 additional beds or 10% increase in PSDs.	Available Year Round	5.0
10 additional beds or 20% increase in PSDs.	Available Year Round	10.0

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15 additional beds or 25% increase in PSDs.	Available Year Round	20.0
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Funding Request Under \$20,000

# of Beds	Period of Use	Points
Existing Shelters: 1 Additional Bed New Shelter Program: 5-Bed Minimum	Available during winter and/or inclement weather periods, or as rotating shelter program	5.0
Existing Shelters: 3 Additional Beds New Shelter Program: 10-Bed Minimum	Available during winter and/or inclement weather periods, or as rotating shelter program	10.0
Existing Shelters: 5 Additional Beds New Shelter Program: 15-Bed Minimum	Available during winter and/or inclement weather periods, or as rotating shelter program	20.0

5. Financial Feasibility

10 Points

Points are awarded to the extent that the applicant demonstrates their financial capacity to ensure that the proposed activity is completed on time. Through a budget, Applicant must demonstrate how the new service or increase in service delivery costs will be met. Resources may include cash or in-kind and must be documented.

Financial Feasibility	Points
Feasibility Budget	10.0

6. Project Readiness

10 Points

Applicant will earn points in this category based upon their demonstration of readiness to proceed upon notice of award.

Readiness	Points
Evidence of ability to begin project within 180 days	2.0
Evidence of ability to begin project within 120 days	5.0
Evidence of ability to begin project within 60 days	10.0

7. Need and Projected Impact

10 Points

Points will be awarded to the extent that Applicant demonstrates that the project will provide maximum benefit to the Target Population. Applicant's Statement of Need and Projected Impact should include a description of the Target Population in need (reference sources used), capacity of existing facilities, proposed percentage increase in capacity (example: PSDs and/or beds), and the period of use of

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additional beds and services (example: annual, winter and/or inclement weather), that will meet the needs of homeless persons, and the type of services.

Points will also be awarded for the projected impact of the proposal. Applicants should include the projected number of clients they plan to serve with their proposed SNCIP-funded project (for the term of the loan or grant) including a description of the methodology used to determine projected impacts.

Need and Project Impact	Points
Demonstrated Need	5.0
Projected Impact	5.0

8. Cost Effectiveness

10 Points

Points will be awarded to the extent that Applicant demonstrates that the project will provide maximize cost effectiveness. Describe process/method for creating the scope of work and the proposed construction budget. NOTE: Recipient of funds will be required and responsible for coordinating and finalizing the Scope of Work with an HTSV approved contractor.

Cost Effectiveness	Points
Demonstrated Cost Effectiveness	10.0

ATTACHMENTS

Attachment A: Homeless Shelter Safety Net Capital Improvement Program, Program Guidelines

Attachment B: Homeless Shelter Safety Net Capital Improvement Program, Application

Attachments can be found on HTSV's website at: <http://www.housingtrustsv.org/snci-homelessness>.