



**RFP #HSH2018-115 – Supportive Housing Property Management  
RFP Questions and Answers  
Issued November 8<sup>th</sup>, 2018**

**FUNDING & BUDGET**

- 1. Question**      **What are the revenue sources for this RFP?**  
Answer            The funding is primarily General Fund, and also includes Mental Health Services Act (MHSA) and U.S. Department of Housing and Urban Development (HUD) funds. Per section 1.E on page 4 of the RFP, funding sources are subject to change.
- 2. Question**      **Is rental income included in the RFP amount?**  
Answer            Rental income is a source of revenue, but it is not included in the amount of \$5,033,000 listed in section 1.A on page 1 of the RFP. However, rental income should be used by Proposers to offset operating costs. Proposers should estimate rental income and list it as a source of revenue under “Other Revenue” on the Summary tab in the Appendix 2: Budget Template Workbook.
- 3. Question**      **What is the budget range?**  
Answer            Please see section 1.A on page 1 of the RFP.
- 4. Question**      **Can HSH explain \$5,033,000 figure?**  
Answer            HSH intends for all six awards resulting from this RFP to total \$5,033,000. This is the amount of funding available for Support Housing Property Management services for the six buildings over the first term year.
- 5. Question**      **Can a Proposer request more than \$5,033,000?**  
Answer            This is the amount of funding available for the first year at this time.
- 6. Question**      **Should Proposers not submit proposals if they expect their budgets to be higher than the amount of available funding listed in the RFP?**  
Answer            HSH encourages Proposers to evaluate whether they are able to provide the required services with the available amount of funding. Please also see the response to Question #2.
- 7. Question**      **The current contract includes funding streams from HUD and MHSA. Will those be used and if so, will those funds supplement the \$15 million (for the initial three-year term) in the RFP?**  
Answer            Please see the response to Question #1 in this document.
- 8. Question**      **Is the Cost of Doing Business (CODB) adjustment the same as the Minimum Compensation Ordinance (MCO)?**  
Answer            No. The CODB is an annual rate of increase for ongoing General Fund budgets that is set by the San Francisco Board of Supervisors (BOS). The Minimum Compensation Ordinance (MCO) is a local law passed by the BOS that sets

minimum wage and Paid Time Off (PTO) levels for employees performing work that is paid for with City funds. City contractors are required to comply with the MCO and Proposal Budgets should accurately reflect staffing costs. For more information about the MCO, see <https://sfgov.org/olse/minimum-compensation-ordinance-mco>.

**9. Question**      **The minimum hourly wage for non-profit organizations in San Francisco will be \$16.50 beginning July 1, 2019. Will HSH provide additional funding to cover the increase in salary costs resulting from the MCO?**

Answer      Proposed budgets should reflect this new minimum wage in the salary tab of the Appendix 2: Budget Template Workbook. There is no need to increase salary costs in the proposal for outgoing years in anticipation of the MCO. Please see <https://sfgov.org/olse/minimum-compensation-ordinance-mco> for more information.

**10. Question**      **Should Proposers address wage compression issues in the budget narrative?**

Answer      Proposed budgets should reflect staffing that is reasonable, cost effective and in compliance with the MCO in the Appendix 2: Budget Template Workbook.

**11. Question**      **Can Proposers propose a CODB rate? Does it have to be 2.5%?**

Answer      Please see the response to Question #8 in this document.

**12. Question**      **How is the total budget allocated across the six properties? How should Proposers determine the portion of the \$5,033,000 to request for an individual building?**

Answer      Proposers should consider the cost of providing the required services in each building as described in the RFP and use the most cost effective and streamlined staffing and service delivery models.

**13. Question**      **How should Proposers address fringe benefits?**

Answer      At the bottom of the Salary tab of Appendix 2: Budget Template Workbook, there is a fringe benefit rate box. Proposers should enter fringe benefit rates in the highlighted yellow box at the bottom of the Salary Detail tab, and fringe benefit costs will be automatically calculated as a percentage of salary. If this does not accurately reflect costs across years, the amount may hard-keyed. If different percentages are applied each year, Proposers must explain this in the Appendix 2: Budget Template Workbook Budget Narrative tab.

**14. Question**      **Can HSH explain the requirement to submit a Cost Allocation Plan?**

Answer      Please see section 4.C (5.3) on page 15 of the RFP. HSH is requesting a Cost Allocation Plan to understand how costs are distributed across an agency.

## SCOPE OF WORK/STAFFING

**15. Question**      **Given that these properties are all occupied and fully staffed, what is the expectation for transition (of staff, of legal agreements with current tenants,**

**property assets?) Is there a plan for communication with and/or hiring of existing staff?**

Answer Please note that the buildings will continue to be master leased by the City. Please see, section 4.C (4.1) on page 14 of the RFP. Proposers must address any potential transitions in their proposals.

**16. Question Who will provide support services? Who is the current provider of support services, and if it is HSH, are those dollars part of the \$5,033,000 amount?**

Answer HSH currently provides support services to the tenants of the six buildings. There is no plan to change this. Support services costs are not included in the RFP amount.

**17. Question How does HSH define subcontractor? How does HSH differentiate between subcontractors and regular vendors?**

Answer Subcontractors are defined as entities that provide services that are part of the scope of work described in section 2.D on pages 6 to 8 of the RFP. Subcontractor services provide a direct benefit to clients. For example, a provider of janitorial services for the buildings would be categorized as a subcontractor, whereas an IT consultant would not.

#### **MASTER LEASE STEWARDSHIP**

**18. Question Will HSH sublease the buildings to the Awarded Provider? Who then will sublease to tenants?**

Answer No. HSH holds the master leases. Please see section 2.D (1) on page 6 of the RFP.

**19. Question What is the term of the Master Leases on all of the buildings? When do current leases expire?**

Answer While Awarded Providers are expected to be stewards of the master leases per section 2.D (1) on page 6 of the RFP, master lease renewal is not part of the scope of services of this RFP.

**20. Question What will lease renewal look like, i.e., will the awarded provider then negotiate a new lease without the City and become a party to the lease?**

Answer Please see the response to Question #19 in this document. Awarded Providers will not negotiate new leases without the City nor become parties to the leases.

**21. Question Can the master leases signed between the City and landlord be made available?**

Answer The master leases will be shared with the Awarded Providers serving the buildings. Please also see the response to Question #19 in this document.

**22. Question What is the rent rate increase index (e.g., CODB at 2%, Consumer Price Index (CPI) or other)?**

Answer Master lease payments to building landlords are the responsibility of HSH. Tenant rent rates are based on percentages of tenant income and are not subject

to rate increase schedule.

- 23. Question**      **How can Proposers determine whether or not the current condition of building facilities will require upgrades/improvements to plumbing, electrical, and others? Is there a blueprint or inventory available containing elevator specifications, number of bathrooms, etc? Are the buildings in compliance with Municipal Codes and ADA?**
- Answer              This is outside the scope of services of this RFP, which is described in section 2.D on pages 6 to 8 of the RFP.
- 24. Question**      **Is there any restriction to transforming the building(s) into a women’s only facility over time, according to residents turn over?**
- Answer              HSH is seeking the scope of services described in section 2, pages 4 to 11 of the RFP.
- 25. Question**      **As building units turn over, can they be set aside for certain HUD-funded Rapid Re-Housing homeless referrals? What is the possibility of diversifying the programs at these buildings?**
- Answer              Please see the response to Question #24 in this document.

## **SERVICE REQUIREMENTS**

- 26. Question**      **Regarding Service Requirements & Expectations, topic 3, page 9, considering that failure to maintain “(...) ALL licenses and/or permits required by the laws and regulations of the United States, the State of California and the City (...)” constitutes a breach of contract, which are all the licenses and/or permits required?**
- Answer              Please note that this is standard City language in most RFPs.
- 27. Question**      **Will the Awarded Provider be required to report and bill through the CARBON system?**
- Answer              Yes. CARBON is HSH’s current invoicing system.

## **PROPOSAL & SUBMISSION**

- 28. Question**      **Why does the RFP list the six program sites independently– is there an advantage for HSH in that model?**
- Answer              The RFP lists the six buildings as independent programs to allow Proposers the flexibility to submit proposals to serve fewer than six buildings. However, the goal should be to propose the most cost effective model to deliver the services described in the RFP.
- 29. Question**      **Are Proposers required to submit both hard and electronic copies of their Proposals?**
- Answer              Yes. Please see section 4. A on pages 12 to 13 of the RFP. Electronic copies may be provided on a flash drive, which removes the redundancy of the email.

Proposers who submit a flash drive may label it with their name and HSH will return it to the Proposer after the award, if desired.

**30. Question      Can Proposers have direct communication with the evaluation panel?  
What if the Proposer needs to provide clarification about a response?**

Answer      Please see the cover page of the RFP. Proposers may not communicate with anyone outside of the contact person regarding the RFP. Per section 5.A on page 15 of the RFP, the HSH contact person may reach out to Proposers if clarification is required.

**31. Question      Prior to HSH, contracts for these services were administered by the  
Human Services Agency (HSA), which had a commission to approve  
proposals. Who does that now?**

Answer      Please see section 5.A on pages 15 to 16 of the RFP for information about how proposals will be evaluated.