

Real Estate Development Consultant**Request for Proposal****January 2020****Introduction and Background**

Pathways to Housing PA (“Pathways”) alleviates homelessness and deep poverty in Philadelphia for people who have been homeless for extended periods of times. Pathways program participants often suffer from serious mental illness, long-term substance use, medical frailty, and are further marginalized due to race, gender, and economic status. Pathways has become a national leader in addressing homelessness through the Housing First Model. We maintain an 85+% housing retention rate with people previously thought to be non-compliant and unable to be housed by traditional systems. Please see our website to learn more about our organization. www.pathwaystohousingpa.org

In FY 2019, Pathways served more than 450 people through its Housing First program that provides market rate rental units via private landlords throughout Philadelphia; operated the Philadelphia Furniture Bank, which has provided furniture for thousands of individuals and families moving out of homelessness since 2015; and operated its Integrated Healthcare Program, which provides a full range of primary care services and treatment for opioid use disorder. This year, the agency launched Housing First University to fulfill part of its strategic plan focusing on dissemination of the model. Pathways’ budget has now grown to over \$15 million annually. As Pathways embarks on its next chapter, it needs to not only ensure greater impact but also financial sustainability for the organization.

Pathways intends to pursue a real estate development strategy that would (1) enable it to further address the prevalence of homelessness in Philadelphia by creating and providing affordable housing and (2) position itself for greater financial sustainability. Pathways envisions two approaches that will enable the agency to deepen its impact and build financial sustainability for operations. Pathways intends to secure public and private foundation funding, with limited reliance on Pathways cash and/or private debt to implement these strategies.

Pathways has secured a predevelopment loan from the Corporation for Supportive Housing (CSH) to begin some of the real estate predevelopment work and has formed a working relationship with Turner Law for all real estate related activities.

Strategy #1 Housing Development

Rather than developing large apartment buildings, a more strategic and community focused approach for Pathways entails rebuilding lost and decaying homes into small multifamily housing units that fit into the style of the surrounding neighborhood. These units would be rented to people earning at or below 60 percent of area median income (AMI), and a portion (25-30%) would be rented to people participating in Pathways' Housing First program.

Pathways would like to start with one small development ranging from four to 20 units comprised of one- and two-bedroom apartments. All units should be in a concentrated area and close to public transit enabling Pathways staff to efficiently visit tenants for providing supportive services. Proximity to public transit will also benefit all low-income residents as they will need a viable way to get to work or school, go grocery shopping and/or get to health and social service appointments.

We are interested in providing innovative and comfortable homes and amenities that can keep utility costs low, provide basic wifi services to help lessen the information divide found in poorer households, perhaps offer community garden or meeting space, or other enhancements.

Pathways is open to partnering with other organizations and developers on housing projects if both goals of building assets and providing housing can be achieved for our organization.

Strategy #2 Headquarters Acquisition

In addition to acquiring and developing smaller sites for affordable housing, Pathways is interested in acquiring a large site that would house its offices, the Philadelphia Furniture Bank, social enterprises and other community-serving organizations, and (if possible) space for affordable housing. For FY2019, Pathways rented 60,000 square feet of office and warehouse space at a cost of close to \$500,000 annually. There are several important advantages to this strategy:

- Builds more assets for the agency, thus promoting greater financial sustainability;
- Provides Pathways with long-term control that does not subject the organization to rent increases or being pushed to relocate;
- Centralizes Pathways' operations and enhances organizational efficiency; and
- Adds value to the community by supplying more affordable housing and attracting mission-driven businesses and services.

To ensure sufficient space for these multiple purposes, Pathways is interested in acquiring an approximately 140,000 square foot building. This building will need to be very accessible to public transportation and have ample parking available.

Scope of Work for Consultant

Pathways has identified the following scope of work for a Consultant:

1. **Identify and Secure Land and/or Buildings** for development as described above.
2. **Identify and Secure Funding** for development.
3. **Predevelopment Tasks** to secure funding and gain stakeholder support such as hiring an architect to complete schematics, zoning, and interface with community groups.
4. **Owner's Representative Tasks** to ensure the building of each project is cost-effective, complies with all government funding and building requirements, and results in high quality housing, commercial and office space. Specific activities include:
 - The consultant will coordinate with the Pathways' project coordinator, currently the CEO, to plan, monitor, and control the project.
 - Review of plans, specifications, permits, violations, energy recommendations, and contracts to improve quality and reduce cost.
 - Management of architect, engineer, contractor, surveyor and other professionals such as environmental firms.
 - On-site inspection of work-in-progress to ensure construction meets specification and is completed in a timely manner.
 - Regular site meetings to address problems as they arise and review contractor's application for payment.
 - Develop bid documents and analyze bids from contractors, engineers, architects and other professionals.
 - Negotiate terms of contract and develop final contract for contractors, engineers, and other professionals.
 - Work with contractor to develop appropriate construction schedule and schedule of values.
 - Supervise project completion, prepare for turnover to owner, develop final punch list, collect all warranties and guarantees and approve final payment.

Submission Requirements

Proposals must include the following information:

Contact Information - Provide full contact details including name, title, firm, address, email, and phone number for the person submitting the proposal.

Experience – Provide a statement that details your experience and why you would be a good fit for Pathways. Include bios of team members and an overview of the firm’s philosophy and values.

Diversity Plan – Pathways to Housing PA is interested in doing business with firms that promote the utilization of Disadvantaged, Minority-Owned, Women-Owned, Emerging Small Businesses, Service Disabled Veterans Business Enterprises (D/M/W/ESB/SDVBE) employees, contractors and sub-contractors to promote inclusion and a sustained, vibrant local economy for all sectors. Please outline your diversity plan.

Company Resume – Provide a list of projects your firm has completed that includes client name, project, year developed, number and type of units and total development cost. Please don’t list anything more than 5 years old.

References – Provide 3 client references with name, title, organization, and contact email and phone number.

Strategy and Approach – Provide a statement of your planned strategy and approach to assist Pathways in our real estate development goals.

Timeline - Provide a timeline that matches the strategy and approach for your work.

Cost - Provide an estimate of total cost for your services based on the provided Scope of Work. Also provide hourly rates for all employees and identification of which employees will be working on the Pathways assignment, if chosen.

Disclaimer - This RFP is not an agreement and is neither an offer nor invitation by Pathways to housing PA to the prospective Applicants. The purpose of this RFP is to provide interested parties with information that may be useful to them in the formulation of their Proposals pursuant to this RFP.

Questions - Bidders can submit questions via email to csimiriglia@pathwaystohousingpa.org until 2/7 and the (de-identified) questions and answers will be provided via email to all who were invited to bid on 2/8.

Submitting - Please submit electronically to Christine Simiriglia, President and CEO at csimiriglia@pathwaystohousingpa.org by Friday, February 14, 2020. If you have further questions regarding this RFP please contact Chris by email.