

N A S C O   C O M M U N I T Y   O W N E R S H I P

*Affordable Housing for the Davis Community*

REQUEST FOR PROPOSALS



INQUIRIES:

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# Request For Proposals

## Desired Outcomes for Development

NASCO Community Ownership owns four group-residential buildings in central Davis for the purpose of providing affordable housing. NCO is seeking a group of individuals or an organization to lease one of these buildings for the purpose of providing affordable housing.

- Priority will be given to proposals which use the building as a cooperative, group housing, or intentional community.
- Occupancy of this building would come at a per-person lease charge substantially below market rates, and the use of the property would serve residents below 80% AMI.
- Short or long term uses of the property will be considered, with priority given to long term arrangements.
- Organizational partners are preferred.

## Application Timeline

Submission of a letter of interest	December 14
Submission of Proposals	January 18
Selection of Project	February 20

## Contact Information

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## **Introduction**

NASCO Community Ownership is a non-profit founded to provide affordable housing, and to promote the social and economic welfare of the resident members of the organization. NASCO Community Ownership shares staff with NASCO Education and NASCO Properties, both of which are non-profits dedicated to promoting affordable cooperative housing and the principles of cooperatives.

NCO currently owns four buildings with a maximum occupancy of 112 persons. One of these buildings is currently vacant, and NCO seeks an organizational partner in order to ensure that the Davis community can take advantage of this currently unused affordable housing. The currently vacant building contains:

- 24 bedrooms (4 designed for double-occupancy),
- 3 kitchenettes,
- 4 common areas
- 2 private bathrooms (one wheelchair-accessible),
- 2 dorm-style bathrooms (each with 3 toilets, 3 showers, 3 sinks),
- 1 large dining room,
- 1 full kitchen,
- 1 Laundry room

## **Goals and Selection Criteria**

The preferred proposal would involve a master-lease between NCO and another organization which provided affordable housing to the Davis community. The occupant of the building would be able to make modifications to the building within the context of the lease, in order to tailor the building to the needs of the lessee organization. Ideally, NCO would like to see this property used not only to serve members of the Davis community in need of affordable housing, but as a starting point for an organization which seeks to expand over time, but which has not been able to find affordable multi-family housing.

- Highest priority would be given to groups which operate cooperatively, or as a democratically controlled intentional community.
- Second priority would be given to groups which operate on a not-for-profit basis in order to fulfill a social mission, such as multi-faith housing or education.
- Third priority would be given to any groups or organizations which provide affordable housing to residents at or below 80% AMI. The cost of the lease on this building would depend in part on the portion of the building being leased. Costs for the entire building would be \$7,600 per month, or roughly \$315 per bedroom (treating all bedrooms as single occupancy) and would include basic maintenance, gas, water, trash, and sewer.

## **Other Selection Criteria**

Proposals will be considered on the basis of the following additional criteria:

1. The number of residents served.
2. The experience of the lessee organization in operating a group residence.
3. The resources available to the lessee organization in sustaining the health of the group residence, in order to make the project as effective as possible in using the building to provide affordable housing over time.
4. Financial feasibility, including the ability to generate a surplus which could be put towards reserves.

### **Format for Proposals**

Organizations or groups responding to this request for proposals may use the included application form or may develop their own format.

### **Revisions and Changes**

NASCO Community Ownership reserves the right to revise or change any part of this Request for Proposals. All changes will be forwarded to all interested parties.

### **Limits of Liability**

NASCO Community Ownership, as issuer of this Request for Proposals, does not assume any responsibility or any liability for cost incurred by applicants in responding to this Request, or in responding to approval of a project.

### **Acceptance or Rejections of Proposals**

NASCO Community Ownership reserves the right to reject any and all proposals submitted in response to this Request for Proposals. NP also reserves the right to negotiate modifications to the lease with the winning applicant prior to signing of the lease.

### **Approval by the City of Davis**

The City of Davis and NASCO Community Ownership have each have interests in 1752 Drew Circle. Any final decisions on Proposals will require approval by the City of Davis.

### **Timeline**

The latest preferred timeline is as follows and may be modified by common consent of both parties. NASCO Community Ownership is prepared to accelerate this process in order to have a leasing group by the start of 2010 if possible.

Submission of Letter of Interest	Dec 31, 2009
Submission of Proposals	Jan 10, 2010
Staff consideration, work with applicants and recommendation to board	Jan 2010
Selection of proposal or proposals	By Jan 30, 2010
Start of Lease	Feb 20 2010

# PROPOSAL FOR DEVELOPMENT

If you need help or clarification with any part of this process, please contact our staff.

## GENERAL INFORMATION REQUESTED OF ALL APPLICANTS

(A) Legal or business name: \_\_\_\_\_

(B) Official address: \_\_\_\_\_

(C) Corporate structure: non-profit\_\_\_ cooperative\_\_\_ other (explain)\_\_\_\_\_

Registered as a corporation in the state of \_\_\_\_\_

Federal Tax ID number: \_\_\_\_\_ State Tax ID number (if any): \_\_\_\_\_

IRS tax status: \_\_\_\_\_

(D) Applicant contact:

Name: \_\_\_\_\_ Position: \_\_\_\_\_

Title: \_\_\_\_\_ Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

**PROJECT INFORMATION**

*Purpose of project. Please include the most current Business Plan or narrative that includes a description of this project. Include the following points:*

A brief narrative that describes:

- A) Your group’s history, focusing on the context of this loan request.
- (B) What cooperative benefits will result from expenditure.
- (C) The target market for the residents of this project?

Describe your residency requirements, responsibilities and benefits. Include number of residents, turnover rates over the last several years, and communication activities, (i.e. newsletter, community events etc). and the amount charged for deposits.

**Please attach any of the following which are applicable:**

- (A) Copy of Articles and By-laws that are certified as current by Board Secretary.
- (B) Your last two annual federal income tax returns
- (C) The most recent financial statements compared to budget.
- (D) Budgets and/or projections for the next fiscal year and annual projections for the following four years, identifying major assumptions. Include projections of income statements, balance sheets and cash flow statements. Contact NASCO staff for samples.

We are proposing this project to NASCO Community Ownership. To the best of my belief and knowledge this application and all attachments are accurate and complete.

\_\_\_\_\_

Authorized signature \_\_\_\_\_  
Date

\_\_\_\_\_

Title