



REQUEST FOR PROPOSALS

Child Care Center Provider

Release Date: August 3, 2022

Deadline for Submission of Proposals

Friday Sept 2, 2022, 7:00 pm

Proposals to be submitted via email in pdf format to:

Isaac Cruz
Isaac.cruz@mercyhousing.org
415.355.7132

Prospective Child Care Center Providers

If interested in responding to RFP and would like to receive updates and/or answers to questions, please send an email to:

Isaac Cruz
Isaac.cruz@mercyhousing.org
415.355.7132

Request for Proposals August 3, 2022

Middlefield Junction Child Care Center

Mercy Housing California (MHC) is inviting written Requests for Proposals (RFP) to select a non-profit Child Care Provider to lease & operate an on-site child care center located within the Middlefield Junction affordable housing development. The facility will be on the first floor of the 5-story residential apartment Building A, located at 2700 Middlefield Rd, Redwood City, CA. It is intended that the child care center operator will provide high quality Early Childhood Education, ECE, programming for the families that live and/or work in the housing development community and the surrounding neighborhood.

This RFP is to result in a “*Memorandum of Understanding*” to operate the center that will lead to negotiating a lease when construction funding is in the process of being secured. MHC intends an initial fifteen-year lease for an annual Rent & Common Area Maintenance (CAM) amount of \$1.00 with the option to extend this term for ongoing renewals of fifteen year periods.

All the construction dates in this RFP are estimates and may be delayed due to unforeseen circumstances.

The child care center buildout, (tenant improvement within Building A’s shell) is a separate construction project from the development of the affordable housing complex. To complete the child care center’s design and have it constructed, requires its own architects, engineers, permitting, general contractor, project management, and funding.

The goal of selecting a Child Care Provider now is to form a partnership so we can collaboratively raise capital to obtain grants to fund the construction & project management of the center. The current estimate \$4M. This may include applying for state and foundation infrastructure grants and capital fund raising.

To refine the center’s design including the outdoor yards, MHC has hired an ECE facility consultant to provide you technical assistance throughout the design & construction processes.

Building A’s construction is anticipated to begin in the summer of 2023 and completed the summer of 2025. It is expected the children’s center construction would begin Q1 2025 and be completed Q3 2025.

MHC would like the child care center to open and start serving children as soon as feasible after the building is open for residential occupancy, taking into consideration the completion of the child care center’s construction, staffing, child enrollment process, and pandemic impact.

About Mercy Housing California

Mercy Housing California (MHC) develops and operates affordable, service-enriched housing that changes the lives of families, seniors, and people who have been homeless. We work with public and private partners throughout the state to help keep the most vulnerable in our communities stably housed and prevent homelessness. From construction to community development, we advance innovative solutions to meet the scale and urgency of California's housing crisis. We own and operate 155 rental properties across 36 California counties, serving low- and very-low-income working families, seniors, people who have experienced homelessness, people living with HIV/AIDS, and people with disabilities.

MHC is headquartered in San Francisco, with regional offices in Sacramento and Los Angeles. We are the largest regional division of Mercy Housing, Inc., (MHI) the nation's largest nonprofit affordable housing developer headquartered in Denver, Colorado. Established by the Sisters of Mercy in 1981, and in operation in 41 states, MHI has 40 years' experience developing, preserving, managing, and financing affordable housing. MHI supplements much of its housing with Resident Services, programs that help residents build stable lives. MHI serves tens of thousands of people with low incomes, including families, seniors, veterans, people who have experienced homelessness, and people with disabilities. Its mission is to build a more humane world where poverty is alleviated, communities are healthy, and all people can live to their full potential.

MHC partners with Mercy Housing Management Group as the management agent for our California communities.

Mercy Housing California's Local Experience

MHC has been developing and operating affordable housing communities in San Mateo County since 1992. We currently provide service-enriched affordable housing to residents of Pacifica, Half Moon Bay, and Daly City. Our Daly City location also includes an onsite child care center. In San Francisco, we own and operate 56 buildings, of which seven have onsite child care centers. We have experience incorporating thoughtfully-designed, well-resourced child care centers into our affordable housing communities, and a deep understanding of the unique operating needs of providers who deliver high-quality child care to low- and middle-income families.

Middlefield Junction Affordable Housing Development Overview



Middlefield Junction housing development includes 179 units of 100% affordable housing for low-income families. The unit mix includes one, two, and three-bedroom apartments. 177 of the 179 units will be restricted to households earning 80% or less of the Area Median Income.

The project will consist of two individual buildings. Building A is five stories tall, with four levels of housing above the ground level which will house a Child Care Center and a community room. The community room will be accessible for public use. It will function as flexible programmatic space that the community can use for a variety of public or private events and activities. In addition to these public features, MHC’s management and services staff will have offices in this building, and there will be an amenity room for the residents as well. Building B will be six stories tall, with five levels of housing above a podium parking structure. This building will also have amenity space for residents, offices for staff.

There will be a significant amount of open space at Middlefield Junction. In between the two buildings is the project’s central mews. The public community center opens out onto this space, allowing for indoor/outdoor events to occur. The central paseo will be closed off to vehicular traffic, allowing kids to ride their bikes safely or host larger events such as block parties. There is also landscaped space on top of the podium, which will have community amenities such as a grill/picnic area, a play structure, and a community garden.



Child Care Center Overview



Center on the 1st floor of a 5 story residential building, Building A

- It is expected the Child Care Provider will serve children, infant to elementary school entry.
- The proposed child care center interior is approximately 11,700 interior sq ft with 5 classrooms and support spaces including: office, staff lounge/prep, conference room, storage room, closets, 2 adult restrooms, and janitorial room.
- The enrollment capacity range is 78-89 children depending on the ages of the children served.
- There is the ability to modify the classrooms to include more infants and toddlers if the Child Care Provider can show a corresponding financially viable operating budget.
- The housing's public-use community center is also located on the 1st floor of Building A. Please note there is no physical connection between the child care center and the community center or the building's upper story residential units.

Outdoor Yards

- The total outdoor area is approximately 7,335 sq ft. It is expected there will be 3 separate outdoor yards for each of the age groups being served: Infant & Toddlers, Two's, and Preschool.

Design Team

- The design team is Mercy Housing, BAR Architects, and ECE Facility Consultant Kathy Tama.

Timeline and Process

Task	Timeline
Distribute RFP	August 3, 2022
Deadline for written RFP questions	August 15, 2022
Answers to RFP questions will be sent via email	August 17, 2022
Proposals due	Friday, Sept 2, 2022, 7:00pm
Interviews & on-site visits – anticipated	Sept – Oct 2022
Notice of Final Selection – anticipated	Sept – Oct 2022

RFP Clarification Inquiries

Please submit questions regarding the RFP to Isaac Cruz either by email or phone. A complete list of questions and answers will be emailed to prospective Child Care Providers.

Isaac Cruz
Isaac.cruz@mercyhousing.org
415.355.7132

Modification of RFP

If changes to the RFP are warranted, MHC will email them to prospective Child Care Providers.

Withdrawal of RFP

The RFP may be withdrawn by submitting an email request to Isaac Cruz, Isaac.cruz@mercyhousing.org

Right of Cancellation

MHC reserves the right to cancel this RFP at any time prior to MOU award.

Finalist Interview

MHC representatives will interview selected applicants and/or visit applicants' existing child care centers by appointment. We will negotiate the terms of the MOU and other administrative issues with finalists.

Negotiation Memorandum of Understanding

After selection, MHC will negotiate a Memorandum of Understanding with the selected Child Care Provider, which will include the basic understanding included in this RFP regarding intention to operate the child care center and assist MHC to acquire funding for the center's construction. See Exhibit A.

Evaluation & Selection Process

Mercy Housing California's evaluation is solely for the purpose of determining which organizations are deemed qualified. MHC may request Child Care Providers to submit additional information pertinent to the RFP.

Selection Process

- The Selection Committee will score proposals and determine Child Care Providers to interview.
- The Selection Committee will conduct and score interviews of selected Child Care Providers.
- The Selection Committee will sum the scores of all Selection Committee members and select the Child Care Provider with the highest score based on the selection criteria.

Evaluation Criteria

Proposals will be evaluated according to the following criteria:

Applicable Experience and Skills: Does the proposal demonstrate that the candidate has the experience and skills to provide a high quality ECE program?	40 points
Cost Proposal: Is the cost proposal complete and reasonable?	50 points
Cultural Diversity: The Child Care Provider's experience and ability to serve a diversity of family types and cultural backgrounds	10 points
Maximum Regular Point Score Possible	100 points
Graduated Bonus Score: Additional points may be assigned based on the percentage of Low- & Moderate-Income children intended to be served.	

Child Care Provider Minimum Requirements

- Respondents must be a nonprofit, 501(c)(3) organization.
- The Child Care Provider must have a proven history of providing publicly funded program services to low and middle income families in CA for a minimum of 5 years.
- Providers must have the ability to provide subsidized services through Title 5 contracts/subcontracts/vouchers, and/or Head Start and/or Early Head Start, and/or other government-funded subsidies, and serve populations of families with subsidy vouchers.
- Child Care Providers must have demonstrated the ability to serve mixed populations of subsidized families and private fee families.
- The Child Care Provider must be in good standing with California Department of Social Services Community Care Licensing Division regulations.
- Child Care Providers must have demonstrated the successful start-up and licensing of a center.

Child Care Provider Responsibilities

- The Child Care Provider is responsible for all the center's operational start-up costs.
- The Child Care Provider will be solely responsible for funding the day-to-day operations of the Center. This includes utilities, (electrical, water, waste collection, sewer, internet, and phone), interior custodial and center's outdoor yard maintenance. See Exhibit A *Memorandum of Understanding* for additional information.
- The Child Care Provider is responsible for carrying professional liability insurance as required by the California Department of Social Services Community Care Licensing Division for future lease agreement. See Exhibit B.
- The Child Care Provider is responsible for obtaining the appropriate Community Care Licenses prior to opening.
- The Child Care Provider must be familiar with and adhere to all federal, state, and local regulations pertaining to operating a child care center.
- The Child Care Provider shall maintain in good standing with California Department of Social Services Community Care Licensing Division regulations.
- A Child Care Provider must demonstrate fiscal feasibility and accountability.

Child Care Provider Enrollment Goals

- The intended waitlist enrollment priorities are:
 - 1st priority is families that are residents of MHC's Middlefield Junction affordable housing development
 - 2nd priority are families that live in the North Fair Oaks Neighborhood
 - 3rd priority are families with a parent working in the North Fair Oaks Neighborhood including center staff
 - 4th priority are children of families that live in Redwood City
- It is intended that at least half of the enrolled children will come from low-to-moderate households and will be accessing subsidized services through Title 5 contracts/subcontracts/vouchers, and/or Head Start and/or Early Head Start, and/or other government-funded subsidies, and other subsidy vouchers.

Child Care Program Requirements

- Provide curriculum based on ECE best practices, such as California Department of Education's Infant/Toddler Learning & Development Foundations/Curriculum Framework and Preschool Learning Foundations/Curriculum Framework or other.
- The program is inclusive of all learners and children with multiple abilities.
- The program has specific processes to generate family support and involvement.
- The program maintains partnerships with fellow community-based organizations that support and enhance your programming for young children and their families.
- The program partners with the appropriate School Districts to ensure effective transition to kindergarten.

Proposal

Instructions: Please directly and succinctly answer the questions. The content & quality of answer will be evaluated, not quantity of text. Use the number of paragraphs as a guide in answering questions, they are not a requirement, it can be less or more.

1. Cover Sheet

Please include a cover sheet with the following information:

- Organization name
- Contact person, title, phone number, e-mail address, mailing address
- Name of individual(s) authorized to submit the proposal on behalf of your organization

2. Background

- Describe your organization's history and mission, include date providing child care services began. 2-3 paragraphs
- List by location the existing child care center's/programs you currently operate, provide the number and age ranges of children they serve.
- Briefly describe your experience in providing child care services to low & moderate income families and what types of subsidies your existing programs offer. 1-2 paragraphs
- Please list total number of children currently serving and the number and/or percentage of subsidized/low & middle income children.
- What quality standards/accreditation do you use? Are all your centers accredited? If not, explain. 1 sentence to 1 paragraph
- List entities which you currently have leases/contractual arrangements with for facility space to provide child care.
- Please state if you are in good standing with California Department of Social Services Community Care Licensing Division regulations? If not explain. 1 sentence to 1 paragraph

3. Program

- Briefly describe your overall ECE philosophy. 1-2 paragraphs
- Describe curriculum philosophy for Infants & Toddlers, Two's, and Preschoolers. 1-2 paragraphs for each age group.
- Daily Schedule - Please attach examples of a daily schedule for each age group.
- Cultural Inclusion - Describe your experience in addressing the cultural, linguistic needs of children and their families, beyond translation of materials.
- Social Justice - Describe your experience in addressing racial equity within your organization & in ECE programming.
- Attach Parent Handbook as a PDF or provide link. If necessary, send pdf file in a separate email due to file size.

4. Organizational Management and Staffing

- Are you a Nonprofit Organization? Attach 501c3 certificate.
- Briefly describe your governance structure. 1 paragraph
- Briefly list/describe employee benefits and leave policies, may refer to Staff Handbook.
- Describe your approach to professional development. 1 paragraph
- Send Staff Handbook as PDF or provide link. If needed, send pdf file in a separate email due to file size.

5. Proposed Programming

Based on floorplan & information included in this document, briefly describe a proposed children center program for this facility:

- Hours of operation.
- Approximate number of children & ages of children to be served, group size and adult-to-child ratios for each age group.
- Describe the proposed number & positions of staff that would be located at this site. Attach position qualifications & job descriptions.
- Include expected type & percentage of children receiving subsidies.

6. Operational Budget & Tuition Fee Schedule

During the lease negotiations for this facility, specific operational budget, tuition schedule and staffing plan will be required. At this time, please provide an operational budget & tuition schedule from one of your existing programs that is “most like” the program proposed above, ages of children and subsidy mix. Include:

- All Costs - administrative costs, insurance, professional development, substitutes, food costs, material & equipment expenses, and any other expenses required for the operation of the center.
- All Income - identify all income sources.
- All types of subsidies

7. Salary Scales

List current center staff wage scales by position.

8. Other Information – Optional

Provide any other information that may assist in the evaluation of this proposal.

9. References

Provide 3 references, including name, address, e-mail address, and telephone number of persons/agencies that can attest to your organization’s performance as it relates to high quality child care and early learning services.

10. Most Qualified Provider

Describe why your organization should be selected.

Exhibit A

Proposed Memorandum of Understanding

This is a Memorandum of Understanding, MOU, to operate an on-site child care center located within the Middlefield Junction affordable housing development. The facility will be on the first floor of a 5-story residential apartment building located at 2700 Middlefield Rd, Redwood City, CA.

It is the intention of Mercy Housing California (MHC) to negotiate a lease with the Child Care Provider closer to the completion of the center's anticipated construction in 2025. MHC intends an initial fifteen year lease for an annual Rent & Common Area Maintenance, CAM, amount of \$1.00 with the option to extend this term for ongoing renewals of fifteen year periods

The goal of selecting a Child Care Provider now is to form a partnership so we can collaboratively raise capital to obtain grants to fund the construction & project management of the center. The current estimate \$4M. This may include applying for state and foundation infrastructure grants and capital fund raising.

To refine the center's design including the outdoor yards, MHC has hired an ECE facility consultant to provide you technical assistance throughout the design & construction processes.

Building A's construction is anticipated to begin in the summer of 2023 and completed the summer of 2025. It is expected the children's center construction would begin Q1 2025 and be completed Q3 2025.

The Child Care Provider be responsible for the following operating costs:

- Property taxes & property insurance resulting from the tenancy
- Utilities costs that are not separately metered (i.e. Water and sewer). These services will either be paid for directly by the Child Care Provider or if they are contracted for by MHC, MHC will bill the Child Care Provider for such costs on a schedule agreed to in the lease.

MHC will maintain the major building and equipment systems that are connected to the Center, such as heating, cooling, plumbing, electrical, weatherproofing, and structural systems, but the Child Care Provider will maintain all improvements in the interior of the Center.

The Child Care Provider will be responsible for all costs associated with basic maintenance of the Center, including (but not limited to) water, garbage/recycling/composting, electric, internet, phone, security surveillance services, janitorial services, and outdoor yard janitorial & maintenance, including sand, equipment, safety surfacing, fencing, and lighting.

The Child Care Provider will have their own outdoor waste enclosure.

There will be parent drop-off and pick-up parking spaces in front of the center and some onsite parking for the Child Care Provider's staff. Details to be worked out during the permitting process.

The outdoor play space will not be shared between the housing development and the childcare center.

The Child Care Provider is also responsible for carrying professional liability insurance as required by the California Department of Social Services Community Care Licensing Division.

The Child Care Provider will also be required to name Mercy Housing California, as land owner. See Exhibit B for more insurance requirements.

Either party may terminate the Memorandum of Understanding, by giving 30 DAYS written notice to the other party.

Exhibit B

Tenant's Insurance Requirements for Future Lease

Tenant's Insurance. Tenant shall maintain in full force and effect during the Term and any holdover period, at Tenant's sole cost, the following insurance:

- a) Property insurance covering perils normally associated with "all risk" coverage including, but not limited to the following: fire and extended coverage, smoke damage, vandalism, malicious mischief, and sprinkler leakage. This insurance policy shall cover all of Tenant's Property and Alterations in an amount not less than one hundred percent (100%) of the full replacement cost and shall name Landlord as loss payee for Alterations.
- b) Commercial General Liability Insurance (on an occurrence form) insuring bodily injury, personal injury and property damage including the following coverage:

Premises and Operations; MHC and Contractors protective; blanket contractual liability (including coverage for Tenant's indemnity obligations under this Lease); products and completed operations.

Such insurance shall have combined single limits of not less than \$1,000,000 for each occurrence and \$2,000,000 aggregate. Such base limits of liability may be increased from time to time at the request of Landlord to reflect inflation or any other changes in circumstances.

This coverage shall be primary and shall not be entitled to any contribution from insurance carried by Landlord. Tenant's general liability policy shall name Landlord (and, at Landlord's request, any Mortgagees) as additional insured.

- c) Umbrella Liability coverage in the amount of \$2,000,000.
- d) Workers' Compensation Insurance as required by the State of in which the Premises are located and in amounts as may be required by applicable statute, and Employers' Liability Coverage of Two Million Dollars (\$1,000,000.00) bodily injury by accident each accident, Two Million Dollars (\$1,000,000.00) bodily injury by disease policy limit, Two Million Dollars (\$1,000,000.00) bodily injury by disease each employee.

Other Requirements.

- e) All policies shall be (i) in a form reasonably satisfactory to Landlord; (ii) issued by an insurer admitted doing business in the State in which the Premises are located; and (iii) issued by insurers with a policyholder rating of at least "A" and a financial rating of at least "VII" in the most recent version of Best's Key Rating Guide.
- f) All policies shall require the insurer to notify Landlord in writing not less than 30 days prior to any material change, reduction in coverage, cancellation or other termination thereof. Tenant shall deliver to Landlord, as soon as practicable after procuring the required insurance, but in no event later than the Term Commencement Date, certificate(s) of insurance. Tenant shall cause replacement certificates to be delivered to Landlord not less than 15 days prior to the expiration or cancellation of any such policy or policies.
- g) No policies shall have deductible amounts greater than \$5,000.
- h) If Tenant fails to place the insurance described above, Landlord reserves the right to place such insurance and to charge to Tenant the cost of the insurance premium as Additional Rent.
- i) Landlord (and, at Landlord's request, any mortgagees of the Premises) shall be shown as additional insureds on the General Liability and Umbrella Liability policies described above.

Exhibit C
Building A



Exhibit D Site Plan



Exhibit E Child Care Center Overview

