



CITY OF BEND

Request for Proposal
Affordable Housing Development – Bear Creek

Proposal Due Date: November 28, 2023
2:00 p.m.

Send to:

housing@bendoregon.gov (preferred)

OR

City of Bend
710 NW Wall
Bend, Oregon 97701
Attention: Lynne McConnell

**Housing Department
710 NW Wall Street
Bend, Oregon 97701**

REQUEST FOR PROPOSAL – NOTICE

The City of Bend requests proposals for development of a site for affordable housing. The site is map/tax lot # 171233DD00102. Proposals must be submitted to housing@bendoregon.gov (preferred) or Lynne McConnell, 710 NW Wall St, Bend, Oregon 97703 by 2:00 PM Pacific Standard Time, November 28, 2023.

A Power Point presentation of the application overview will be posted on www.bendoregon.gov/affordable-housing-developers on or after October 27, 2023.

Applicants are also encouraged to participate in a no-cost pre-application meeting through the Planning Division prior to submitting an application.

To schedule the pre-application, visit <https://cityview.ci.bend.or.us/Portal/Account/Logon>

Requests for a copy of the Request for Proposal (at no cost) should be directed via email to housing@bendoregon.gov, via phone to 541-323-8550, or viewed and printed at www.bendoregon.gov/affordable-housing-developers.

Technical questions should be directed to housing@bendoregon.gov and please include “Surplus RFP – Bear Creek” in the subject line. Frequently Asked Questions (FAQs) and answers will be posted at www.bendoregon.gov/affordable-housing-developers on November 22, 2023. The FAQ period closes November 21, 2023, at 11:59 AM PST.

The City may reject any proposal not in compliance with the qualifications and submittal requirements and City Council may reject for good cause any or all proposals upon its finding that it is in its best interests to do so.

Lynne McConnell
Housing Director

INTRODUCTION

The City of Bend is requesting proposals for the sale and development of a portion of City-owned property identified as map/tax lot # 171233DD00102 with the address of 1246 NE Bear Creek Road, Bend, OR 97701. The City of Bend seeks a qualified developer to purchase the subject property and develop it for affordable housing, maximizing dwelling units on the available site. The definition of affordable housing in the City of Bend is typically restricted to sixty (60%) percent of Area Median Income (AMI) for rentals, and eighty (80%) AMI for home ownership. To be considered, interested parties must respond to this Request for Proposal (RFP) and provide the submittal requirements outlined herein.

BACKGROUND

Bend is the largest urban area in Oregon east of the Cascade Mountains with an approximate population of 99,178 based on 2020 census data. By the year 2030, the urban area population is expected to reach 123,574 persons with an expected increase to 184,754 persons by the year 2050. The notable growth in recent years is accompanied by increased challenges related to housing availability and affordability. Based on the City's most recent Housing Needs Analysis, Bend anticipates population growth of about 38,500 people by 2028, requiring nearly 16,700 new dwelling units. A need for more affordable housing exists within the city limits, and the City of Bend wishes to encourage the development of affordable housing. The City of Bend owns various properties that are surplus to the City's needs that can be developed for affordable housing purposes.

On June 21, 2023, Bend City Council held a public hearing and adopted the Resolution Adopting a Procedure for the Sale of City Property for Developing Affordable Rental and Owner-Occupied Housing Purposes and Declaring Certain Property Surplus. Bend Code 1.50.040.K requires property to be sold by Request for Proposals ("RFP") to those interested in developing the property for the use as affordable housing, and for those proposals to be reviewed by the City's Affordable Housing Advisory Committee ("AHAC"), which will make a recommendation to the City Council as to which proposal to accept, or whether to accept a proposal if only one is received. The City Council will make the final decision on any proposal.

OVERVIEW

The property in consideration is a portion of real property, approximately 0.62 acres in size, to be partitioned, located near the intersection of Bear Creek Road and NE 13th Street; PP2011-14 Lot PARCEL 1 Block, Taxlot: 171233DD00102. The property is currently zoned Residential Standard Density – Bend UGB (RS) and is bordered by land zoned Public Facility (PF), on which the Pilot Butte Cemetery and Central Oregon Intergovernmental Council operates. The subject property is currently undeveloped and contains mature juniper trees and groundcover (See Exhibit A). The City of Bend owns this property fee simple. The property is currently undivided, and the City is working to

partition the property and record an access easement (See Exhibit B) Note: successful purchaser will be required to work with the City on any remaining titling issues.

ANTICIPATED SCHEDULE

The City of Bend anticipates the following schedule:

<i>October 27, 2023</i>	Surplus applications available to the public at www.bendoregon.gov/affordable-housing-developers . Frequently Asked Questions (FAQs) submission period opens. Questions regarding the application should be directed to housing@bendoregon.gov
<i>November 21, 2023</i>	FAQs submission period closes at 11:59 a.m. on November 21, 2023.
<i>November 22, 2023</i>	FAQs and answers will be posted at www.bendoregon.gov/affordable-housing-developers by 5:00 p.m.
<i>November 28, 2023</i>	Surplus applications are due by 2:00 p.m. Applications may emailed to housing@bendoregon.gov (preferred) or delivered in person.
<i>November 29th to December 8th, 2023</i>	Staff and the Advisory Committee members review Surplus Land proposals.
<i>December 8th, 2023</i>	PowerPoint presentations due no later than 5 p.m. on Friday, December 8, 2023.
<i>December 13th, 2023</i>	Oral presentations by applicants to the Advisory Committee. Deliberations before the Advisory Committee on surplus property award recommendations.
<i>December 20, 2023</i>	Recommendations to the Bend City Council on available awards.

IMPORTANT: All questions must be made in writing via email to housing@bendoregon.gov and please include “Surplus RFP – Bear Creek” in the subject line. Questions requiring clarification or modifications to the RFP from the City of Bend will be made available in the form of an addenda(s) to this RFP.

SUBMISSION DATE AND LOCATION

Proposals must be received no later than **2:00 p.m. (PST), November 28, 2023**.
Proposals received after the deadline will not be considered.

Submission:

Email to housing@bendoregon.gov (preferred)

Or

City of Bend

Attn: Lynne McConnell

710 NW Wall Street, Bend, Oregon 97703

PUBLIC RECORD AND PROPERTY OF THE CITY

All proposals submitted in response to this RFP shall become the property of the City of Bend and may be utilized in any manner and for any purpose by the City of Bend. ***Be advised that proposals and all documents submitted in response to this RFP are subject to public disclosure as required by applicable state and/or federal laws, including the Oregon Public Records Law.*** If you intend to submit any information with your proposal which you believe is confidential, proprietary, or otherwise protected from public disclosure (trade secret, etc.), you must separately bind and clearly identify all such material. The cover page of the separate binding must be printed in **red**, and the header or footer for each page must provide as follows: "Not Subject to Public Disclosure". Where authorized by law and at its sole discretion, the City of Bend will endeavor to resist disclosure of properly identified portions of the proposals.

COST OF PROPERTY

The sale price of the subject property is approximately \$20,000 and is based on the costs the City has associated with the sale, including the parcel. Buyer will be responsible for the cost of titling. The successful applicant will be responsible for all costs associated with development, including but not limited to cost of required infrastructure construction, cost of recording, and costs of obtaining necessary governmental approvals.

INCURRING COSTS

City of Bend is not liable for any cost incurred by applicants prior to issuance of a contract. Applicants responding to this RFP do so at their own expense and the City will not reimburse any expense incurred by Applicants or any other party in the preparation or submission of a response to this RFP.

BUSINESS INCLUSION AND DIVERSITY

Minority, Women Owned, Emerging Small and Veteran Owned businesses are encouraged to submit a proposal. Applicants are encouraged to involve participation of small, minority, women and veteran owned business enterprises. A Directory is available from the Certification Office for Business Inclusion and Diversity (COBID) web site at: <https://www.oregon.gov/biz/programs/cobid/pages/default.aspx> or by telephone, 503-986-0078.

PROGRAM CONSIDERATIONS

Affordable Housing Covenant

The successful Applicant must enter into an Affordable Housing Covenant at the time the contract is awarded. The Covenant will follow the City of Bend's Comprehensive Plan Policies under Chapter 5-20. Specifics of the Covenant are as follows:

- Upon completion of the housing project on the property, no less than 100 percent (100%) of the units in the property shall be provided to households with gross annual household incomes, at the time of initial occupancy, no higher than (1) **60% of Area Median Income** in the Bend-Redmond area in Deschutes County, Oregon adjusted for household size ("**AMI**") as estimated from time to time by the United States Department of Housing and Urban Development ("**HUD**") for rental properties and (2) **80% AMI** as estimated from time to time by HUD for ownership properties.
- The maximum housing costs must be no more than 30% for the household upon move-in of the dwelling unit. For ownership properties housing costs include the homeowner's loan, the loan's interest, property taxes, homeowner's and mortgage insurance, and fees. For rental properties housing costs include the rent and utilities
- This Covenant will be filed and recorded in the official public land records of Deschutes County, Oregon and shall constitute a restriction upon the use of the property subject to, and in accordance with, the terms of this Covenant for at least 20 years beginning on the date this covenant is recorded (the "Affordability Period").

QUALIFICATIONS

Proposals will be accepted from property owners, private sector for-profit developers, certified Community Housing Development Organizations (CHDO's), government housing providers and qualified 501(c)(3) organizations. Any such organizations currently under investigation regarding previously awarded federal, state, or local government funding are disqualified.

SUBMITTAL REQUIREMENTS

The following section outlines required elements of a responsive proposal. Each applicant is required to submit a proposal clearly addressing all the requirements outlined in this RFP in the following order:

A. Cover Letter

Submit a signed cover letter introducing the acquisition and development team, highlighting the proposed affordable housing development concept, and identifying any concerns about meeting any requirements in this RFP. By signing the cover letter, the applicant certifies its statement of qualifications and financial capability to complete the acquisition and development. Additionally, any and all information contained therein are true and correct to the best of its knowledge and belief, and that the information contained in the RFP response, is considered public record and may be made available for inspection and copying upon request. Any information with your proposal which you believe is confidential, proprietary, or otherwise protected from public disclosure (trade secret, etc.), you must separately bind and clearly identify as described above.

B. Applicant Identification

- 1) Identify the applicant entity's name, street address, mailing address (if different), telephone number, and website. Specify the legal form of the organization (e.g., corporation, partnership, joint venture, other) and identify persons with the authority to represent and make legally binding commitments for the applicant.
- 2) Identify the principal point of contact for the applicant and include telephone number and email address.

C. Project Description

A description of the proposed affordable housing development, including:

- 1) A brief narrative of the overall proposed development.
- 2) A preliminary plan with the number of proposed dwelling units and the location of prominent project features.
- 3) Affordability levels and unit counts for each level
- 4) Affordability period, minimum of 20 years under the Affordable Housing Covenant
- 5) Bedroom counts, accessibility features, amenities, and green building standards should be described, if applicable.

D. Qualifications and Experience

The following shall be included in the response:

- 1) Evidence of previous success developing affordable housing units, as demonstrated through written summaries;
- 2) Evidence of previous project experience in Central Oregon including land acquisition, entitlements, development agreements, construction, and operations management;
- 3) Evidence of sufficient staff and consultant resources to complete the proposed development in a timely manner;

- 4) Evidence that the proposed housing development will be affordable, including any anticipated subsidies.

E. Development Schedule

A schedule indicating key milestones to acquire and develop the subject property commencing with the execution of the Purchase and Sale Agreement (PSA), including, but not limited to pre-development coordination with the City, property acquisition, land use review and approvals, physical site development, and anticipated certificate of occupancy. The proposed timeline shall demonstrate an ability to execute the schedule diligently and in a timely manner.

EVALUATION CRITERIA

Complete proposals will be evaluated by the Affordable Housing Advisory Committee using the following criteria.

Project Evaluation (15 points):

- Applicant history of similar projects (successful affordable housing projects), portfolio and fiscal stability
- Applicant structure and staffing (experienced staff, ability to complete project in timely manner)
- Applicant explains how the project will house low- and moderate-income households, which includes households are at or below 80% AMI.

Funding/Budget (10 points)

- Application details the funding budget's appropriateness and cost-effectiveness
- Application demonstrates financial support from other funding sources

Affordable Housing Compliance (10 points):

- Points will be given at a higher rate for projects that demonstrate they will preserve the created units as affordable, equity recapture provisions, land trusts, ownership by public or non-profit entities, or other long-term mechanisms
- NOTE: Per the Affordable Housing Covenant, the Property will have deed restrictions that will require property to remain as affordable. Applicants must show how they will ensure that this requirement can be maintained in their proposal for points to be awarded in this category and how they will retain such usage

Development Feasibility (10 points):

- Applicant ability to design, develop, and complete the project in an expeditious manner

BONUS POINTS

Accessibility Bonus Award (5 bonus points)

- Project may receive bonus points for building more than the minimum required number of accessible units under the Fair Housing Act (accessible units are those constructed under standards for Universal Design or the Housing Design Standards for Accessibility and Inclusion from the Kelsey).

Lowest AMI Priority Bonus Award (up to 5 bonus points):

- Project may receive bonus points when the units built will house extremely low- and very low-income, which includes households at or below 50% AMI.

AWARD NOTIFICATION PROCESS

Complete proposals meeting the qualification criteria will be forwarded to the City of Bend Affordable Housing Advisory Committee for review, evaluation, and scoring. The Affordable Housing Advisory Committee will then forward their recommendations to City Council for final approval.

The applicant with the proposal deemed to be the best under the evaluation criteria and as determined by City Council will be invited to enter into a Purchase and Sale Agreement for the Property. The Council may ask applicant to make a presentation, however, the Council reserves the right not to request a presentation and enter directly into negotiations with the applicant delivering the best proposal.

If a satisfactory agreement cannot be negotiated in a timely manner with the applicant selected, then the Council may terminate negotiations, and the applicant submitting the second-best proposal may be invited to enter into a Purchase and Sale Agreement for the property.

City Council reserves the right to accept and consider proposals even if the applicant has not submitted all information requested or suggested and reserves the right to reject for good cause any and all submittals in response to this RFP upon its finding that it is in its best interest to do so.

CONFLICT OF INTEREST

Oregon State law requires any public official taking any official action, including discussion or deliberation toward a decision that might or would result in financial gain to that individual, a relative or to a business with which either the official or relative is associated, to publicly disclose a relationship that could potentially result in some financial gain and to not participate in any action where a financial gain is known to exist. No contact with any Bend Affordable Housing Advisory Committee members or Bend City Council members should be made other than in the course of the regular selection process.

ADDENDUM

This addendum information should be incorporated into any applicant's development plans before scheduling a pre-application meeting with the Planning Division or submitting a proposal.

Land Use General Comments

1. Southern portion of property addressed as 425 NE 15th St; abutting Bear Creek Road south of COIC property; zoned RS; approximately 0.62 acres.



2. This property would need to be partitioned from the rest of the property, either a 2-parcel partition (coinciding with the zoning boundary) or as part of an overall subdivision for the property (to create individual lots on the orange highlighted area).

3. Access to the property would need to be from the existing driveway on Bear Creek Road (no new direct access onto Bear Creek Road would be permitted); an access easement would be required as part of the partition/subdivision.

Zoning & Development Standards

1. Density range is 4.0 – 7.3 dwelling units / gross acre. Including the abutting 30 ft. of right of way (approx. 250 ft in length) in the density calculation allowed under BDC 2.1.600(C)(1)(c)., the base area is 0.79 acres (approx. 34,350 sq ft). The base number of units is 6 (5.77, rounded up). With all units on the site developed as affordable housing units, the maximum number of detached units increases to 9 units (if not exempt under BDC 2.1.600.B.2).
2. Duplexes, triplexes, quadplexes, townhomes and cottages are not subject to maximum density. See BDC 2.1.950 for duplex, triplex and quadplex standards. See BDC 3.8.300 for small unit (detached) development, 3.8.500 and 3.8.900 for two types of cottage development and 3.8.1000 for shared court (townhome) development, which have different density calculations.
3. Minimum lot frontage for single-unit detached homes, duplexes, triplexes and quadplexes is 40 ft and minimum lot size is 4,000 sq. ft. The minimum lot frontage for townhomes is 20 feet with an average lot size of 1,500 sq ft. See BDC 3.8 for lot sizes and frontage for other development alternatives.
4. Maximum building height is 35 feet.
5. Minimum setbacks: front (street) – 10 feet; side and rear – 5 feet. See BDC 3.8 for setbacks for other development alternatives.
6. No minimum parking required, but if parking is proposed, BDC 3.3.300 applies.

Engineering General Comments

1. Access to the site would need to originate either from West Avenue or the access road to the east of the site. Preference would be that access be taken from West Avenue, being the easterly access is used for buses and large public works trucking. The plat identified that there is an existing access easement, however it is not clear whether this is a public access easement or if it is applicable to this property's use. Further research is needed. No additional access points to Bear Creek would be permitted.

2. There is a 10" main in Bear Creek along the entire frontage of the site.
 - a. A hydrant may be required depending on what is proposed for the development. There are no hydrants in the vicinity on the Bear Creek frontage.
 - b. There is an existing 1" domestic water that likely services the existing building on the site. It can continue to be used but the meter needs to be relocated back to the right of way. Only one water service is permitted per property. Private water services are not permitted to cross property lines.
 - i. If this lot is going to be partitioned or subdivided, additional water services must be brought to the property.
 - ii. If this site is to remain as one property, it is likely that the 1" existing service line will not be sufficient for higher density use and this service would need to be removed and a larger service extended to the property.
3. There is a sewer man in Bear Creek that terminate approximately 80 feet east of West Avenue. There is a main along the easterly property line. If subdivision was to occur, the requirement to extend the main in Bear Creek may be required to extend services to each individual lot.
 - a. There is currently no sewer service to this property. A sewer lateral must be extended to the property. Private sewer laterals are not permitted to cross property lines.
 - b. If this lot is going to be partitioned or subdivided, additional sewer services must be brought to the property.