



CITY OF BEND

**Request for Proposal**  
Affordable Housing Development - Franklin

---

Proposal Due Date: September 25, 2023  
2:00 p.m.

**Send to:**

[housing@bendoregon.gov](mailto: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 taxlot 171233DB10400. Proposals must be submitted to [housing@bendoregon.gov](mailto:housing@bendoregon.gov) (preferred) or Lynne McConnell, 710 NW Wall St, Bend, Oregon 97703 by 2:00 PM Pacific Standard Time, September 25, 2023.

An overview of the application will be held in a pre-application training webinar is scheduled on August 14, 2023, at 4:00 p.m. The recording of the training will be posted on [www.bendoregon.gov/affordable-housing-developers](http://www.bendoregon.gov/affordable-housing-developers) on or after August 15, 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](mailto:housing@bendoregon.gov), via phone to 541-323-8550, or viewed and printed at [www.bendoregon.gov/affordable-housing-developers](http://www.bendoregon.gov/affordable-housing-developers).

Technical questions should be directed to [housing@bendoregon.gov](mailto:housing@bendoregon.gov) and please include “Surplus RFP – Franklin” in the subject line. Frequently Asked Questions (FAQs) and answers will be posted at [www.bendoregon.gov/affordable-housing-developers](http://www.bendoregon.gov/affordable-housing-developers) on September 15, 2023. The FAQ period closes September 14, 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 # 171233DB10400 in the 1100 Block of Franklin Avenue, 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 includes approx. 0.41 acres off NE Franklin Ave., taxlot 171233DB10400 ("Subject Parcel A") and a portion of taxlot 171233DB10600 to the south, consisting of approx. 0.45 acres, off NE Larch Dr. ("Subject Parcel B") as shown in yellow in the Addendum and in Exhibit A. The City is currently undertaking a Property Line Adjustment process to create a legal lot of record for Subject Parcel B and anticipates it to be completed before November 1, 2023. Proposals may include alternatives and assumptions for a complete or partial vacation of NE Larch Dr. ROW

adjacent to Subject Parcel A & B. The property is currently zoned Residential Standard and abuts unimproved Larch Drive (60' ROW) to the south. The subject property is currently undeveloped and contains mature juniper trees and groundcover. The City of Bend owns this property fee simple.

## **ANTICIPATED SCHEDULE**

The City of Bend anticipates the following schedule:

- |  |   |
|--|---|
| <b><i>August 14, 2023</i></b>  | Pre-application training will be held via Zoom at 4:30 p.m. Register at <a href="https://bendoregon.gov.zoom.us/webinar/register/WN_o1FtSSlrQ-aY-c3NvpSYGQ">https://bendoregon.gov.zoom.us/webinar/register/WN_o1FtSSlrQ-aY-c3NvpSYGQ</a> .   |
| <b><i>August 14, 2023</i></b>  | Surplus applications available to the public at <a href="http://www.bendoregon.gov/affordable-housing-developers">www.bendoregon.gov/affordable-housing-developers</a> . Frequently Asked Questions submission period opens. Questions regarding the application should be directed to <a href="mailto:housing@bendoregon.gov">housing@bendoregon.gov</a> |
| <b><i>September 15, 2023</i></b>   | Frequently Asked Questions submission period closes at noon on September 14, 2023. FAQ will be posted at <a href="http://www.bendoregon.gov/affordable-housing-developers">www.bendoregon.gov/affordable-housing-developers</a> by 5:00 p.m.  |
| <b><i>September 25, 2023</i></b>   | Surplus applications are due by 2:00 p.m. Applications may emailed to <a href="mailto:housing@bendoregon.gov">housing@bendoregon.gov</a> (preferred) or delivered in person.  |
| <b><i>September 25<sup>th</sup> to October 10<sup>th</sup>, 2023</i></b> | Staff and the Advisory Committee members review Surplus Land proposals. PowerPoint presentations will be due no later than 5 p.m. on Friday, October 6, 2023  |
| <b><i>October 11<sup>th</sup>, 2023</i></b>                              | Oral presentations by applicants to the Advisory Committee  |
| <b><i>October 11, 2023 and November 8, 2023 (if necessary)</i></b>       | Deliberations before the Advisory Committee on the surplus property award recommendations.  |
| <b><i>November 2023</i></b>  | Recommendations to the Bend City Council on available awards.   |

IMPORTANT: All questions must be made in writing via email to [housing@bendoregon.gov](mailto:housing@bendoregon.gov) and please include “Surplus RFP – Franklin” 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), September 25, 2023**.  
**Proposals received after the deadline will not be considered.**

Submission:

Email to [housing@bendoregon.gov](mailto: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.

The City will consider a long term lease option in lieu of sale, if appropriate.

## **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 Pan 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**

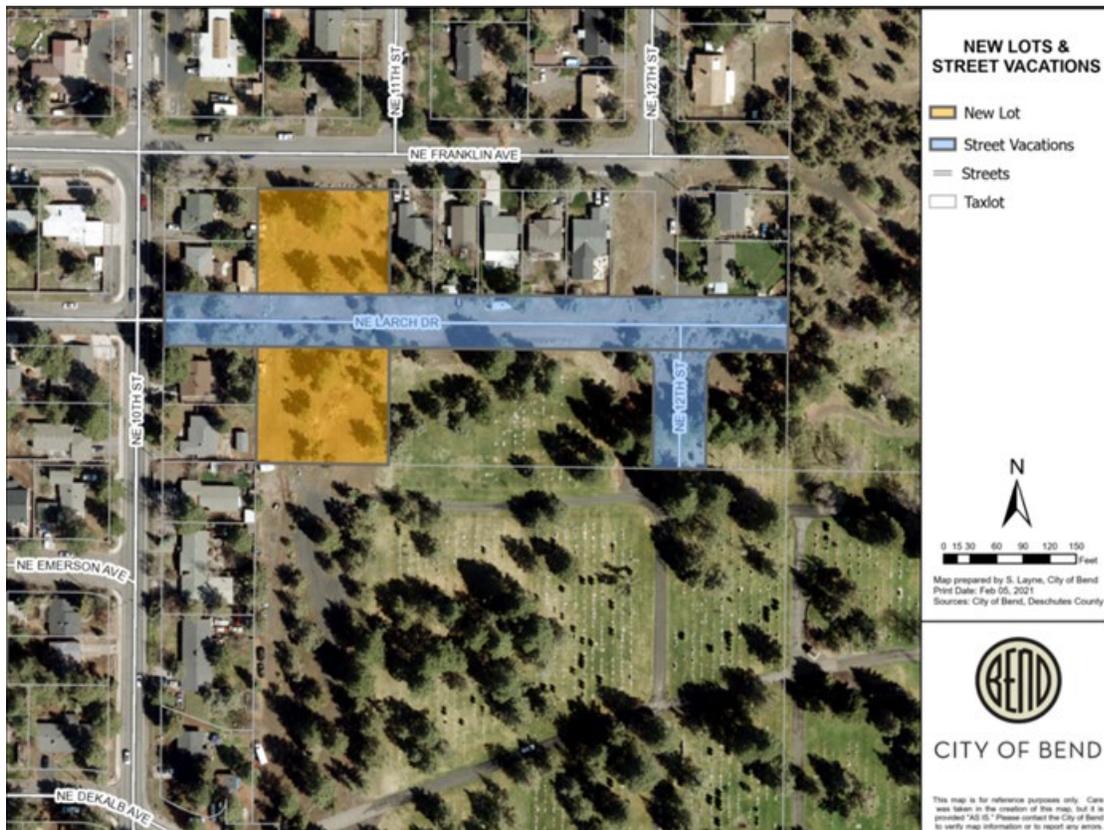
Oregon State law requires any public official taking any official action, including discussion or deliberation toward a decision that might or would result in financial gain to that individual, a relative or to a business with which either the official or relative is associated, to publicly disclose 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. TL 10400 contains 18,000 square feet (0.41 acres)
2. Comp Plan – RS; Zoning – RS
3. First Addition To Bend Park subdivision; Block 124, Lot 1,2,3 + ½ vacated road
4. Abuts unimproved Larch Drive (60' ROW) to the south



### Zoning & Development Standards

1. Density range is 4.0 – 7.3 dwelling units / gross acre. Including the abutting 30 ft. of right of way (150 ft in length) in the density calculation allowed under BDC 2.1.600(C)(1)(c), the base area is 0.52 acres (22,500 sq ft). The base number of units is 4 (3.77, rounded up). With all units on the site developed as affordable

housing units, the maximum number of detached units increases to 6 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.
7. To increase the development potential of this property, a right-of-way vacation could be initiated by the City to vacate a portion or all of Larch Drive and potentially include the portion of 12th St south of Larch Drive (see attached figure – blue area). The property in orange south of Larch Drive could then potentially be added to the development area (the remainder of the area south of Larch Drive is part of the cemetery).

If Larch Drive is vacated and this additional area in orange south of Larch Drive is included in the developable area, the base area increases to 49,500 sq. ft. (adding 9,000 sq ft of vacated ROW and 18,000 sq ft of area south of Larch Drive). The same density exemptions would apply and the same development alternatives could be utilized.

### **Engineering General Comments**

1. Access will be determined at time of site plan/land division application. Being that Franklin is a local street in this section, there is no hesitation from the City to allow connection to this street. The hesitation is that the two parcels are separated by Larch Drive. By standards, Larch Drive would need to be improved for the southern parcel to have access. If Larch Drive is vacated, access through the site would need to be determined or an alley constructed. If Larch Drive is maintained and is constructed to an alley standard as opposed to a street standard, then reasonable access could be obtained.

2. There is a 6" water main in Franklin and a 6" water main in 10th.
  - a. Fire protection is going to be a question that need to be resolved. There is no fire protection on the southern lot. Installation of a main in Larch would provide water and fire protection.
    - i. City standard is not to bring public water through private property, unless it can be shown to be adequately accessed and protected.
  - b. There are no water services to the lot. 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, water services must be brought to each property.
    - ii. If Larch Drive is maintained as right of way, a main is required in Larch to bring service to the lot.
3. There is a sewer man in Franklin Avenue and traversing north/south along the westerly property line.
  - 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.

**PRELIMINARY LEGAL DESCRIPTION**  
**ADJUSTED TAX LOT 171233DB10600**

LOTS 1, 2, AND 3, BLOCK 127 AND A PORTION OF VACATED NORTH WAY, FIRST ADDITION TO BEND PARK, RECORDED AUGUST 1, 1918 IN SUBDIVISION CABINET A, PAGE 12 OF DESCHUTES COUNTY OFFICIAL RECORDS, LYING WITHIN THE SOUTHEAST ONE-QUARTER (SE1/4) OF SECTION 33, TOWNSHIP 17 SOUTH, RANGE 12 EAST, WILLAMETTE MERIDIAN, CITY OF BEND, DESCHUTES COUNTY, OREGON, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING FROM CITY OF BEND MONUMENT NO. 120, BEING A FOUND 2 INCH IRON PIPE MARKING THE SE1/16<sup>TH</sup> CORNER OF SAID SECTION 33, SAID 2 INCH IRON PIPE ALSO MARKING THE SOUTHEAST CORNER OF SAID FIRST ADDITION TO BEND PARK; THENCE ALONG THE SOUTH BOUNDARY OF SAID FIRST ADDITION TO BEND PARK, NORTH 89°44'27" WEST, 450.80 FEET TO THE **POINT OF BEGINNING** AND THE SOUTHEAST CORNER OF SAID LOT 3; THENCE CONTINUING ALONG SAID SOUTH BOUNDARY, NORTH 89°44'27" WEST, 149.78 FEET TO THE CENTERLINE OF SAID NORTH WAY; THENCE LEAVING SAID SOUTH BOUNDARY, ALONG SAID CENTERLINE OF NORTH WAY, NORTH 00°06'11" WEST, 131.42 FEET TO THE SOUTH RIGHT-OF-WAY OF NE LARCH DRIVE (PLATTED AS LARCH WAY PER SAID FIRST ADDITION TO BEND PARK); THENCE LEAVING SAID CENTERLINE OF NORTH WAY, ALONG SAID SOUTH RIGHT-OF-WAY OF NE LARCH DRIVE AND THE NORTH BOUNDARY OF SAID BLOCK 127, NORTH 89°54'51" EAST, 149.88 FEET TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE LEAVING SAID SOUTH RIGHT-OF-WAY OF NE LARCH DRIVE AND THE NORTH BOUNDARY OF BLOCK 127, ALONG THE EAST BOUNDARY OF SAID LOT 3, SOUTH 00°05'04" EAST, 132.32 FEET TO THE **POINT OF BEGINNING**.

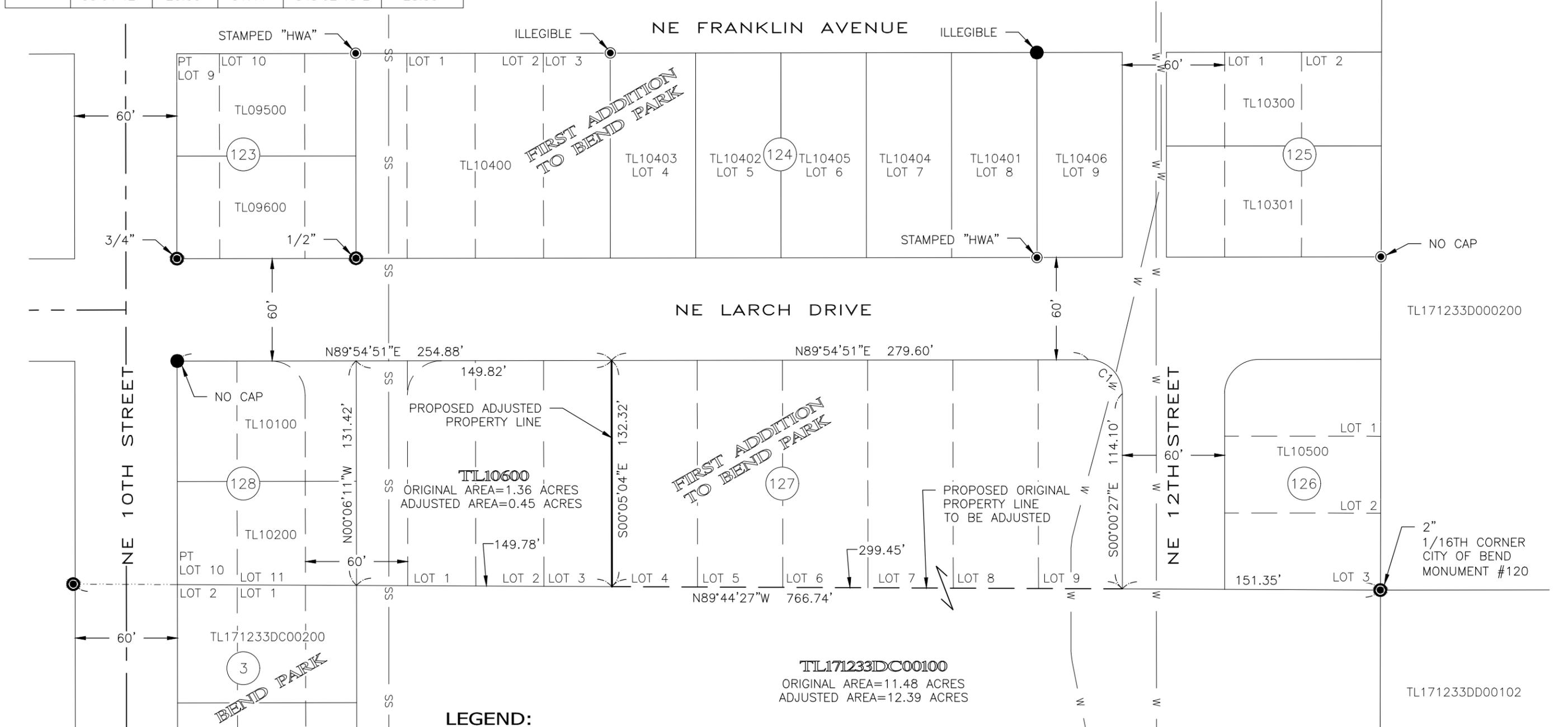
THIS DESCRIPTION CONTAINS 0.45 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD.

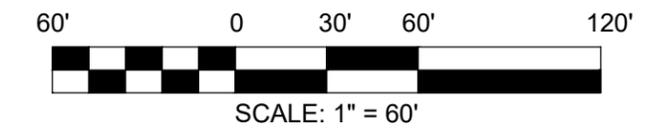
BEARINGS BASED ON CENTRAL OREGON COORDINATE SYSTEM (COCS).

CURVE TABLE					
CURVE #	DELTA	RADIUS	LENGTH	CHORD	CHORD LEN
C1	90°04'42"	20.00'	31.44'	S45°02'48"E	28.30'

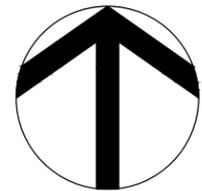
**EXHIBIT SKETCH  
PROPOSED PROPERTY LINE ADJUSTMENT  
BETWEEN TAX LOTS 171233DC00100 & 171233DB10600  
NW1/4 SE1/4 OF SECTION 33, TOWNSHIP 17 SOUTH, RANGE 12 EAST, W.M.**



- LEGEND:**
- FOUND IRON PIPE, AS NOTED
  - FOUND 5/8" REBAR WITH YELLOW PLASTIC CAP, AS NOTED, UNLESS OTHERWISE NOTED
  - FOUND 1/2" REBAR WITH YELLOW PLASTIC CAP, AS NOTED, UNLESS OTHERWISE NOTED
  - w — EXISTING CITY OF BEND WATERLINE, DIGITIZED FROM GIS
  - ss — EXISTING CITY OF BEND SANITARY SEWER LINE, DIGITIZED FROM GIS



Date: 8/2/2023  
 Proj No: 23-157-10  
 901 NW CARLON AVE., STE 3  
 BEND, OR 97703  
 (541) 797-0954  
 www.sflands.com  
 info@sflands.com



REGISTERED PROFESSIONAL LAND SURVEYOR  
**DRAFT**  
 OREGON  
 MAY 11, 2021  
 BRAD R. RHOADES  
 91917PLS  
 RENEWS: 12/31/2024