

CITY OF BEND, OREGON



Request for Proposals
for
Systems Development Charge Exemptions

Program Year 2016

Additional copies are available from:

**City of Bend
Administrative Services
710 NW Wall Street
P.O. Box 431
Bend, OR 97709
Phone: 541-388-5505 ♦ TDD: 541-389-2245
Fax: 541-388-5519**

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1. Application Schedule and Deadlines

The following schedule applies to the funding proposal process for the City of Bend's 2015 SDC EXEMPTIONS Program Year.

<i>March 28, 2016</i>	Request for Proposals available to the public
<i>May 30, 2016</i>	Proposals for funding due at City Hall by 5:00pm
<i>May 30 to June 8, 2016</i>	Staff and the Advisory Committee members review proposals; Advisory Committee develops exemption recommendations
<i>June 8, 2016</i>	Oral presentations by applicants to the Advisory Committee
<i>June 8, 2016 (possibly June 15 if necessary)</i>	Advisory Committee exemption recommendations
<i>June 15, 2016 (possibly) or July 6, 2016</i>	City Council makes final decision on exemptions

More detailed information about the application and selection process is contained in the following section.

2. Selection Process

The following process will be used in the City's review and selection of funding proposals for the City's System Development Charge Exemption 2016 Program Year. Approximately \$407,000 in exemptions will be available for qualified projects dependent upon City Council approval.

1. City staff will review each proposal to determine:
 - **Whether the proposal is complete, based on the requirements of this Request for Proposals (RFP),**
 - **Whether the project is eligible for Exemptions under City of Bend's Systems Development Charge Exemption Program requirements, and**
 - **Whether the project is consistent with the goals and funding priorities outlined in the City of Bend Consolidated Plan.**

Detailed information regarding the above requirements is contained in this RFP.

2. Proposals will then be reviewed and evaluated by the City of Bend Affordable Housing Advisory Committee. The evaluation criteria that will be used by the Committee in reviewing proposals are contained in Section 5.

The Advisory Committee will score project proposals according to the following formula:

- Project proposals will receive up to 10 points for each of the general criteria outlined in Section 5.2. The maximum score any proposal may receive in this section is 110 points.
- Projects may receive additional points if they meet one of the funding priorities identified in Section 5.3.
 - Projects addressing one of the needs identified as "high priority" will receive an additional 50 points; and
 - Projects addressing one of the needs identified as "low priority" will receive an additional 30 points.

Projects meeting none of the priority needs will receive no additional points. Projects may fall into only *one* of the above categories.

- Based on the formula outlined above, the maximum number of points any project proposal may receive is 160 points.

During the application review period, applicants will be invited to deliver an oral presentation on their project proposal to the Advisory Committee. Applicants will be allowed approximately 5 minutes to present their proposals, followed by a 5 minute question and answer session.

City staff will have an opportunity to make a formal recommendation to the Advisory Committee regarding project funding before the Advisory Committee finalizes its funding recommendations.

City staff will have an opportunity to make a formal recommendation to the Advisory Committee regarding project funding eligibility before the Advisory Committee finalizes its funding recommendations.

3. The Advisory Committee's recommendations will be forwarded to the City Council for final approval.

3. System Development Charge Exemption Program Overview

This section provides general information regarding the System Development Charge Program and the types of activities that are eligible for funding. For more detailed information on the System Development Charge Exemption Program and eligible activities, please contact the City's Affordable Housing Manager.

3.1 Objectives

System Development Charge Exemptions shall only be granted for affordable housing projects evaluated pursuant to the priorities established through the City of Bend Consolidated Plan.

3.2 Eligible Activities

All funding from this source must be targeted for housing opportunities for residents at or below 60% of area median income for Rental Projects and 80% of Area Median Income for Homeownership Projects.

Basic Eligible Activities

Eligible System Development Charge Exemption activities include a variety of uses such as homeownership activities, rental housing activities and special needs housing. All projects must meet the following affordability periods:

Rental Projects: Through deed restrictions or other instruments approved by the City, the project receiving SDC exemptions must remain affordable for a period of 60 years (consistent with the requirement of the Low Income Housing Tax Credit – LIHTC – as established by the Tax Reform Act of 1986)

Homeownership Projects: System Development Charges will be deferred for as long as the home is owned and occupied by the original purchaser in the form of a deferred payment loan. When that property changes hands the entire amount will be due and payable unless the purchaser qualifies as low-income (80% AMI) in which case the loan may be assumed.

3.3 Ineligible Activities

In general, activities that are not specifically identified as eligible are considered to be ineligible. The following activities are specifically identified as activities that are not eligible for System Development Charge Exemptions. Please contact the City's Affordable Housing Manager for more information on ineligible activities.

- Rental projects targeted to populations over 60% of Area Median Income (AMI)
- Homeownership projects targeted to purchasers over 80% of AMI.
- Portions of mixed use projects not attributed to the affordable housing units
- Commercial or retail projects (that do not have an affordable housing component)

3.4 Eligible Applicants

Applications 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.

3.5 Income Limits

- Initial tenants of assisted units must have an annual household income which does not exceed 60% of the median income for the City of Bend (adjusted for family size) for rental projects and 80% of the median income for homeownership projects.

Income threshold	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Area Median Income (AMI)	\$41,600	\$47,600	\$53,500	\$59,400	\$64,200	\$69,400	\$73,700	\$78,500
Low Income (80% AMI)	\$33,250	\$38,000	\$42,750	\$47,500	\$51,300	\$55,100	\$58,900	\$62,700
Very Low Income (50% AMI)	\$20,800	\$23,800	\$26,750	\$29,700	\$32,100	\$34,500	\$36,850	\$39,250
Extremely Low Income (30% AMI)**	\$12,150	\$15,390	\$20,090	\$24,250	\$28,410	\$32,570	\$36,730	\$39,250

3.6 Rent Limits

Oregon Housing and Community Services Low-Income Housing Tax Credit Rent Limits

Based on HUD's published Section 8 Income Limits

Using 1 person for 0 bedroom and 1.5 persons per bedroom for 1-4 bedroom units

Deduct utility allowances from these rents to get gross allowable rents

Affordable rents are defined as 30% of income, including tenant paid utilities

Rents based on Actual Income Limits 2015

% MFI	0 Bdrm	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm	5 Bdrm
30%	\$312	\$334	\$401	\$463	\$517	\$570
35%	\$364	\$390	\$468	\$540	\$603	\$665
40%	\$416	\$446	\$535	\$618	\$690	\$761
45%	\$468	\$501	\$601	\$695	\$776	\$856
50%	\$546	\$585	\$702	\$811	\$905	\$998
55%	\$600	\$644	\$772	\$892	\$995	\$1,098
60%	\$655	\$702	\$843	\$973	\$1,086	\$1,198

4. City of Bend System Development Charge Exemption Program Goals and Objectives

Any System Development Charge exemption must be consistent with the program goals outlined in the City of Bend Consolidated Plan. The Consolidated Plan is a five-year housing and community development strategy.

4.1 City of Bend Consolidated Plan Goals

All activities receiving exemptions must be consistent with Goal One of the City of Bend's 2014-2019 Consolidated Plan:

Goal #1: Affordable Housing Production and Preservation

Exemptions will be directed toward activities that produce both renter- and owner-occupied affordable housing. Consideration will be given to projects that accomplish at least one of the following:

- Create new Rental Units
- Home Ownership

5. Evaluation Criteria and Funding Priorities

The evaluation criteria outlined in this section have been developed to be consistent with priorities of the City of Bend 2014 -- 2019 Consolidated Plan, and City's System Development Charge Exemption priorities. All proposals will be reviewed using these criteria.

5.1 Consolidated Plan Goals and Objectives

Only those projects addressing Goal #1 identified in the Consolidated Plan (listed in Section 4.1) and at least one of the objectives associated with these goals will be considered for exemptions. Please review the Consolidated Plan goals and objectives to ensure that your project is consistent with these goals and objectives before submitting a project proposal.

5.2 General Criteria

In reviewing and evaluating proposals consideration/priority will be given to the following:

- Projects that successfully maximize utilization of outside funds and services (including cash contributions, in-kind contributions, and volunteers).
- Projects that effectively utilize/maximize partnerships with other organizations and agencies.
- Projects that are sponsored by organizations or agencies that can demonstrate that they have the staff capability and capacity to successfully implement the proposed project.
- Projects that are clearly defined and realistic in scope, location, need, budget, and goals.
- Projects that demonstrate a clear and effectual plan for evaluating the progress of the project toward addressing the identified need or problem.
- Projects that utilize a proven effective strategy to improve conditions or solve an identified problem.
- Projects that can demonstrate readiness to be implemented in a timely manner once the System Development Charge exemptions are awarded.
- Projects that have strong neighborhood/community support, with sufficient evidence illustrating this support.

- Projects that will have a sustainable long-term impact, secured by deed restrictions, land trusts or other mechanisms.
- Projects that do not result in the permanent displacement or relocation of current occupants from their homes or rental units in order to create additional affordable housing.
- Projects that are constructed adjacent to transit corridors and have provisions to increase public transit and other alternative commuter options

5.3 City of Bend Funding Priorities

To assist with the allocation of resources in meeting the above goals, the City has established the following funding priorities. While the City recognizes that all of the objectives identified in the Consolidated Plan are critical issues for the City to address over the 5-year Consolidated Plan period, project proposals addressing higher priority needs will score higher.

High Priority

- Increase the supply of affordable rental housing that is available to moderate low (60% median)-, very low (50% median)- and extremely low (30% median) income.
- Increase homeownership opportunities for moderate low (80% median)- and very low (50% median) income.
- Homeless Shelter Development
- Transitional Housing

Low Priority

- Permanent Supportive Housing for Homeless

6. Rules and Requirements for Recipients

Applicants awarded System Development Charge exemption by the City (also referred to as “recipients”) will be required to comply with all regulations and record-keeping requirements governing the use of System Development Charge exemptions. Applicable regulations and requirements are summarized below.

City staff will be available to provide technical assistance in determining which regulations apply to each project and interpreting the relevant regulations. However, recipients will be responsible for satisfying these requirements, documenting how the requirements are being satisfied, and reporting to the City on how these requirements are being satisfied.

6.1 Written agreements

Each recipient will be required to enter into a written agreement with the City that requires compliance with all System Development Charge exemption terms applicable to the project, and with the RFP, the proposal, and any modifications and conditions imposed by the City. This contract must be signed and executed prior to the disbursement of any funds. Every effort will be made by the City to have contracts developed and ready for execution prior to the date that exemptions are made available.

6.2 Record-Keeping and Reporting Requirements

Recipients will be required to maintain accurate records documenting that the targeted populations are being served by the project, and to provide quarterly (if deemed necessary by staff) reports to the City demonstrating that this requirement is being satisfied.

The following summarizes the types of records that must be maintained to show that the targeted populations/areas are being served. A complete listing of record-keeping requirements is available from City staff and will be included in the grant agreement between the City and the applicant. The City will provide forms to recipients to assist them in satisfying this requirement.

Benefit to Low- and Moderate-Income Persons

For all projects, recipients will be required to maintain records and documentation including, but not limited to:

- Documentation showing the income characteristics of persons in the project,
- Information on the total number of dwelling units in multi-family structures that are occupied by low- and moderate-income households.

6.3 Other Requirements

In addition to the record-keeping and reporting requirements outlined above, System Development Charge exemption projects may also be subject to other requirements. The following is a brief summary of additional requirements that may apply to each project. The descriptions are very brief and do not provide all of the information that recipients will need in order to satisfy the requirements. Recipients shall be solely responsible for complying with these and any other applicable requirements, and shall be responsible for obtaining all of the information necessary to satisfy these requirements.

Fair Housing and Equal Opportunity: Discrimination on the basis of race, color, national origin, religion, or sex is prohibited.

Handicapped Accessibility: Generally, assisted buildings and facilities must be accessible.

Employment and Contracting: Grantees may not discriminate in employment.

Flood Insurance: System Development Charge exemption may not be provided in a Federal Emergency Management Agency (FEMA) designated special flood area unless specific precautions are undertaken.

Debarred, suspended, and ineligible contractors and recipients: System Development Charge exemption cannot be provided to projects utilizing debarred, suspended, or ineligible contractors, subcontractors or recipients.

Conflict of Interest: System Development Charge exemption recipients must comply with applicable conflict-of-interest provisions.

7. Required Application Contents

Proposals for System Development Charge exemption must contain the following information in the order presented below. Proposals are expected to provide the requested information in a clear and concise manner. The City reserves the right to reject any proposals that do not contain all of the information outlined below or are otherwise non-responsive to this RFP.

If your organization is seeking System Development Charge exemptions for more than one project, a separate project proposal must be submitted for each project. If your organization is submitting more than one project proposal, please indicate your project funding priorities in each proposal.

1. Completed Table of Contents (Form A)

2. Completed Project Summary Form (Form B)

3. Project Description

Please provide a brief description of the following:

- The need or problem your project will address.
- How your project will address the identified need or problem, including project background, project objectives, services to be provided by the project, and the populations to be served.
- The ways in which your project will have a long-term impact on the need or problem being addressed. Please indicate the time period that the project will remain affordable and how your agency plans to ensure that the project remains affordable for the specified time period.
- Your agency's plan for evaluating the progress of the project toward addressing the identified need or problem.

4. Property and Project Information

Please attach a map showing the project's location. Include details about the site, such as the size of the site, the expected floor area, the number and size of the residential units, and the project amenities.

5. Work Program

Please provide a detailed work program and timeline, including the anticipated start date and completion date for the project, and a list of tasks with estimated start and completion dates for each task.

6. Project Benefit

Please provide a brief description of the following:

- Estimates of the total number of persons to be served by the project and the number of low- and moderate-income persons to be served by the project.
- How the project will ensure that moderate-income persons do not benefit to the exclusion of low-income persons.
- The methods used to determine the project benefit and documentation of the sources used.

7. Agency Information

Please provide the following information about your agency:

- The agency's background, mission, and service history.
- A brief description of the agency's financial stability as it pertains to the agency's capacity to successfully complete the project, including a brief financial history and primary funding sources. The City may request copies of the agency's financial audit or review for the last two years.
- A list of key personnel that will be assigned to this project and their job titles and qualifications. Include the FTE hours each person will dedicate to the project.

8. Financial Information

Please also provide the following financial information:

- A detailed development and operating pro forma in a format approved by City. Consult with City Staff for acceptable Pro Forma information or for assistance in developing Pro Forma.
- A completed Budget Form (Form C) showing secured and potential sources of funding, including other federal and state grants and loans, monetary donations, in-kind contributions, volunteer labor, and donation of materials and supplies (attach additional sheets if necessary). Volunteer labor should be included under 'Private Funds'. Attach letters of funding commitment from sources, if available.
- A description of the assumptions used to determine the total project cost and the operating budget, including the sources consulted and how costs were determined.
- A statement regarding your agency's ability to proceed with the project without your requested System Development Charge exemption, or with a System Development Charge exemption less than your requested amount.

9. Project Feasibility and Readiness

Please provide the following information regarding project feasibility and readiness:

- A description of the agency's administrative capacity to complete the project, including its experience in implementing and managing activities similar to the proposed project. If capacity is achieved through partnerships with or utilization of other organizations or agencies, describe the nature and status of these partnerships.
- A description of neighborhood and/or community support for the project. Attach letters of support or other evidence of neighborhood/community support.
- A description of the agency's readiness to proceed with the project. For example, if the purchase of property is involved, is the property currently available for purchase? Is staff currently available to work on the project, or is the agency ready to proceed with hiring staff?
- A description of any land use processes (such as a zone change or a conditional use permit) the project will require and what steps, if any, have been taken to address these issues.

10. Other information

Please attach any other statistical data, applicable experience of the applicant, or other material you believe will assist the City in its review of your proposal.

8. Other Information

Please review the following points for important information about the City's System Development Charge Exemption Program, including the rights and responsibilities of City of Bend and the recipients with regard to the application and selection process.

- The City reserves the following rights with regard to the application and review process:
 - Proposals that do not contain all of the information required by this RFP or are otherwise non-responsive to the RFP may be rejected immediately.
 - The City reserves the right to provide System Development Charge exemptions for projects at a level that is less than the amount requested.
 - The City reserves the right to waive irregularities or deficiencies in a proposal if the City determines that such a waiver is in the best interest of the City.
 - The City may request an interview with or supplemental written information from an applicant concerning any deficiencies or ambiguities in a proposal. If an applicant fails to provide supplemental information within the time stated in the request, the City may refuse to consider the applicant's proposal.
 - The City reserves the right to make such investigation if deems appropriate to determine whether an applicant is qualified to provide the services. If an applicant fails to cooperate with an investigation, or if an applicant provides false, misleading, or incomplete information, the City may refuse to consider the applicant's proposal.
 - In cases of doubt or differences of opinion concerning the interpretation of this RFP, the City reserves the exclusive right to determine and interpret the intent, purpose and meaning of any provision in this RFP, which determination and/or interpretation shall be binding to the applicant.
- Applicants are cautioned not to make any assumptions as to the implied meaning or intent of any part of the RFP. Applicants should request clarification if needed. Every request for information or clarification must be submitted in writing to Jim Long at least 10 days prior to proposal submission deadline.
- Any prospective applicant who contends that the provisions of this RFP or any aspect of the procurement process will encourage favoritism in the award of a contract for services, or substantially diminish competition, must file a written protest to the RFP at least 10 days prior to the date set for the opening of proposals. Failure to file a protest will be deemed as a waiver of any claim by an applicant that the procurement process violates any provision of ORS Chapter 279 and the City's procedures for screening and selection of personal service contractors.
- The provisions of this RFP cannot be modified by oral interpretations or statements. If inquiries or comments by applicants raise issues that require clarification by the City, or the City decides to revise any part of this RFP, addenda will be provided by all persons who receive the RFP. Receipt of an addendum must be acknowledged by signing and returning it with the proposal.
- Applicants selected for System Development Charge exemptions will be required to obtain adequate insurance covering workman's compensation, bodily injury, property damage, or automobile liability, depending on the nature of the project. Selected applicants will also be responsible for obtaining any necessary licenses and for complying with all applicable federal, state and municipal laws, codes and regulations.

- Proposals selected for System Development Charge exemptions will become part of the contract between the City of Bend and the recipients. Each recipient will be required to carry out the specified activity in the manner described in the funding proposal, and to meet all of the obligations contained therein. Any modifications to the project or the way in which the activity is carried out will require prior approval from the City and a modification to the grant contract.
- Projects must be under way and funds expended toward the completion of the project within *two years* from the time the System Development Charge Exemptions are made available. The City reserves the right to withdraw the award of exemptions in the event that an applicant fails to meet this requirement.
- In the event of non-compliance with any applicable federal, state or local laws, codes, or regulations, the City's grant agreement with the recipient may be terminated or suspended in whole or in part.
- **Any applicant (including any entity that has or had family or business ties or obtains an ownership interest in the project or property) who is in default on any funding agreement or reporting requirements for any loans or grants with the City of Bend, or is not in compliance with any zoning, planning or building division requirements, regardless of site will not be eligible for funding through this program.**

9. Proposal Submission Instructions

- Mail or deliver proposals to:

Jim Long
Affordable Housing Manager
City of Bend
P.O. Box 431
710 NW Wall Street
Bend, OR 97709

- Proposals must be received at the City Administration Office at City Hall by **5:00pm**, May 30, 2016.
 - One official signed application must be submitted in addition to electronic submission of application in a **non-write protected format**.

Questions?

If you have any questions about the RFP or the application process, please contact Jim Long at 541-312-4915 or jlong@ci.bend.or.us.

FORM A

City of Bend System Development Charge Exemption Program Request for Proposals



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Please indicate the page number on which each of the following issues is addressed:

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8. Financial Information	Page____
9. Project Feasibility and Readiness	Page____
10. Other Information (please specify):	Page____
_____	Page____
_____	Page____
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_____	Page____

Attachments

Map	Page____
Detailed line item budget	Page____
Letters of funding commitment	Page____
Completed Budget Form (Form C)	Page____
Pro forma (for construction projects only)	Page____
Evidence of community support	Page____
Other (please specify):	
_____	Page____
_____	Page____
_____	Page____
_____	Page____

FORM B

**City of Bend
System Development Charge Exemption Program
Request for Proposals**



PROJECT SUMMARY FORM

FORM C

Project Name: _____

Project Location: _____

Project Description: _____

**Exemption
Requested:** \$ _____

**Applicant
(Organization,
Gov't Agency:** _____

Address: _____

City, State & Zip: _____

Contact Person: _____

Phone Number: _____

Fax Number: _____

Email Address: _____

City of Bend
System Development Charge Exemption Program
Request for Proposals



BUDGET FORM

PROJECT BUDGET:

Sources of Funds					
Project Activities	State Funds	Other Public Funds*	Private Funds**	Match	Project Total
TOTAL					

***OTHER PUBLIC FUNDS:**

Source	Amount of Funding			Use of Funds
	Secured	Committed	Applied For	
TOTAL				

****PRIVATE FUNDS:**

Source	Amount of Funding			Use of Funds
	Secured	Committed	Applied For	
TOTAL				