

REQUEST FOR QUALIFICATIONS

for the

Design and Development of an 100% Affordable Multifamily
Rental Housing Development

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City of Salinas

May 6, 2022



Request for Qualifications

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I. **Summary of Request**

The City of Salinas (City) and the Monterey County (County) are seeking a highly qualified developer (non-profit and/or for-profit) to design and develop an 100% Affordable Multifamily Rental Housing Development Project (the “Project”) on County-owned property that provides the maximum number of affordable housing units feasible within the proposed site. The project shall be geared towards very low- and low-income families with a minimum of 50 rental units. The selected developer of the proposed project shall be required to enter into a lease agreement with the County and City. The Lease Agreement shall include a 55-year term, 55-year affordable housing restriction, and additional terms regarding the developers on-site professional management and maintenance responsibilities, among other provisions to implement the affordable multi-family rental housing development project. Proposed projects that provide greater affordability will be awarded higher points in the selection process.

The ideal developer should have extensive experience in designing and building for-rent housing for very low- and low-income individuals/households, be financially resourceful, have the ability to manage housing units for an extended period and have a proven track record of securing State Tax Credit Financing. Respondents should also demonstrate their experience in working cooperatively with local municipalities to secure Federal, State, County, and local affordable housing funds.

The City and County will work with the selected developer to refine the initial concept into a final design and the selected developer will be responsible for securing sources of financing and operating subsidies. The City and County will be partners in discussions with other agencies that offer permanent financing and operating subsidies towards affordable housing developments. In addition, the City and County may participate financially by providing gap financing by using local, State, and Federal housing funds available to assist in meeting the project’s development costs.

II. **Property Information**

A. **Site Description / Location / Surrounding Uses**

The Project site, 855 E. Laurel Street, is on the east corner of the intersection at East Laurel Drive and Veterans Way and it is part of a larger parcel owned by the County of Monterey. The 86.5-acre parcel is partially developed and contains several County facilities as described in the below paragraph. The proposed Project area is approximately 9.4 acres, of which approximately 5 acres are developable due to the topography of the site as a section of the site slopes down. See Figures 1 and 2 in the following page along with Attachment B (Property Report) for further details.

To the northwest of the Project site is the newly constructed 100 bed permanent shelter known as the SHARE Center, as well as the Monterey County Vietnam Veterans Memorial, Salinas Regional Soccer Complex, and the Natividad Medical Center. To the northeast of the site is the Royal Oaks County Park Reservations, County Corporation Yard, Mission Trails

Regional Occupation Program, First Tee Monterey County and Virginia Rocca Barton Elementary School. To the southeast of the site is the Upper Carr Lake and several residential neighborhoods. There are several large agricultural parcels to the southwest and immediately adjacent to the site. Additionally, the County envisions a Pump Track and Skate Park adjacent to the project site as is notated in Figure 2.



Figure 1. Project Parcel, Site & Developable Land

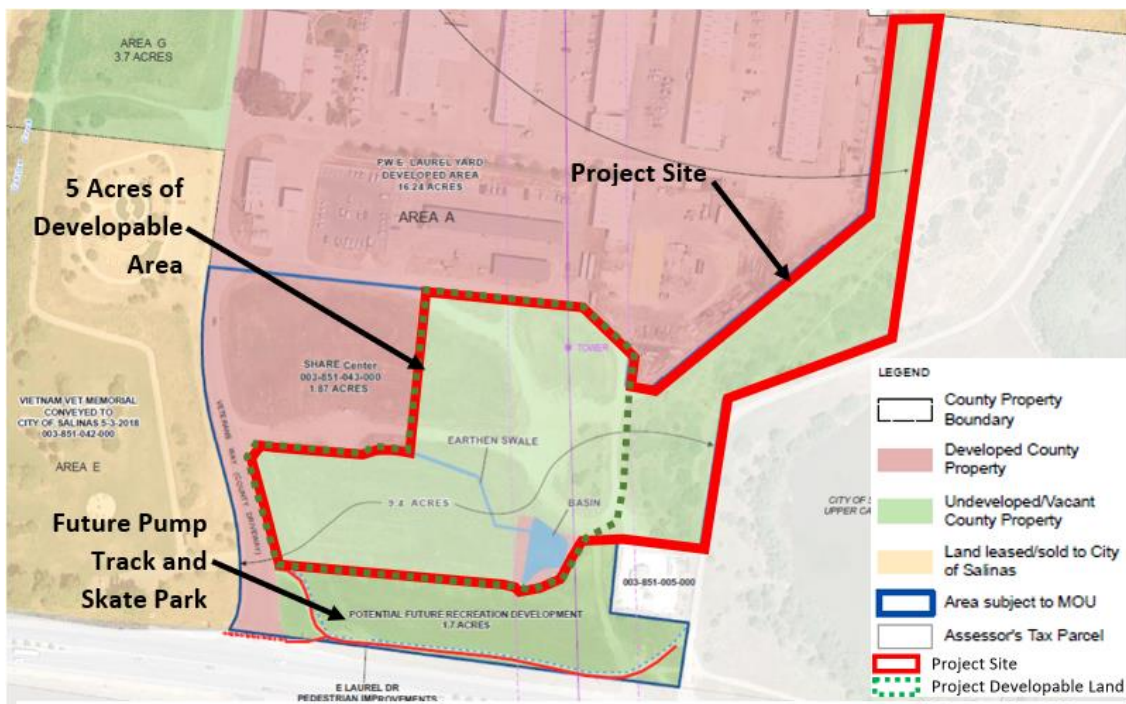


Figure 2. Project Parcel & Developable Land

Table 1 and Figure 3 (Zoning Map) below show the uses and zoning designations of the subject parcel and adjacent properties.

Table 1 – Surrounding Land Uses and Zoning Designations

Direction	Current Land Uses	Current Zoning Designations
Project Site	Partially Developed / Navigation Center	Public/Semi-Public/ Open Space
North	County Yard / Regional Hospital / Residential / Regional Park	Public / Semi-Public / Commercial Retail / Low Density Residential / Medium Density Residential / Open Space
South	Sewer Lift Station / Carr Lake / Residential	Public / Semi-Public / Low Density Residential / Park
East	Regional Park / Residential	Public / Semi-Public / Medium Density Residential / Low Density residential
West	Agricultural Land / Carr Lake	Parks / Agricultural / Public / Semi-Public / Open Space



Figure 3. Zoning Map

B. Site Infrastructure and Constraints

Site connections to basic infrastructure including sewer, water, or other utilities are available from E. Laurel Drive and to the southeast of the site. The topography map and location of the onsite utilities are notated in Attachment C. The future development will also need to address the existing drainage earthen swale and stormwater basin on the site as well as develop a drainage plan. Onsite, there is also an electrical tower carrying high voltage lines across the site. The future development will need to be designed around this constraint and meet applicable setback requirements. See Figure 4 on the following page and Attachment C for further details on the current site constraints and existing infrastructure.

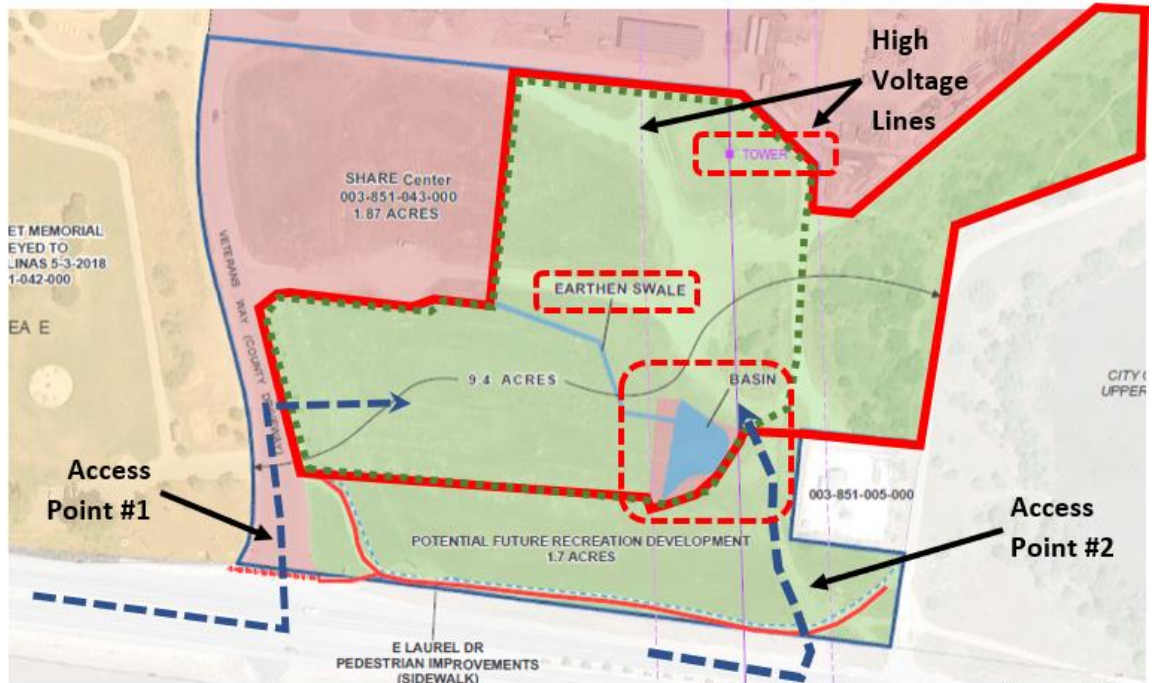


Figure 4. Site Constraints and Access Points

The other site constraint to consider is the fact that portions of the larger 86.5 acres parcel are partially located within FEMA Floodplain (Special Flood Hazard Area, Zone AE), yet the 9.4 acres of the project site are completely out of the Special Flood Hazard Area as shown in Figure 5. Careful analysis of the site elevation points will be needed to ensure that the future Project will be completely out of Zone AE.



Figure 5. FEMA Floodplain Map

C. Site Access

The City and County would like for the developer to consider and evaluate the potential access points to the Project site. The first potential access point is along Veterans Way off of E. Laurel Drive. Veterans Way is an existing private road providing access to the County of Monterey Corporation Yard, SHARE Center, and Mission Trails Regional Occupational Program (ROP). The second potential access point is off of E. Laurel Drive at the southeastern portion of the parcel and would be a new access point that would

need to be designed and developed. See above Figure 4 for the exact location of both proposed access points.

III. Expected Terms, Conditions, and Agreements

The selected developer will enter into an Exclusive Negotiation Agreement and/or an Affordable Housing Agreement with the City and County for the design and development of the Project.

A. Affordability Standards

The proposed development should be restricted as an affordable housing project for a minimum of 55 years. Rent amounts should be restricted in accordance with the most restrictive funding source, as approved under the Affordable Housing Agreement(s) executed by the City and County and should be adjusted annually. Proposed projects that provide greater affordability will be awarded higher points in the selection process.

B. Affordability Agreement

The selected Developer will be required to enter into an Affordable Housing Agreement (Agreement) with the City and County, depending on funding sources requirements. The terms of the Agreement(s) will include the number of affordable units in the project, the standards for determining affordable rents, a term of at least 55 years, a description of the incentives provided, a parking plan, on-site professional management and maintenance requirements, occupancy restrictions, and other provisions to implement the project.

C. Potential Gap Funding Sources – City/County Funding Sources

The selected developer will be responsible for securing sources of financing and operating subsidies. The City and County will be partners in discussions with other agencies that offer permanent financing and operating subsidies towards affordable housing developments. In addition, the City and County may participate financially by providing gap financing by using local, State, and Federal housing funds available to assist in meeting the project's development costs.

In the upcoming Fiscal Years, the City of Salinas has access to approximately \$7 million dollars in funds to support the production of affordable housing. Should funding be available, the following funding sources could potentially include: 1) State Permanent Local Housing Allocation (PLHA), 2) HOME Investment Partnerships Program (HOME), 3) Community Development Block Grant (CDBG), 4) Housing Successor Agency (HSA) funds, and 5) Federal American Rescue Plan Act of 2021 (ARPA) funds. Please note that the previous mentioned funding sources are competitive and are usually allocated to shovel ready projects.

The County is the landowner and plans to encumber its land to support an affordable housing project. In the upcoming fiscal years, the County may identify additional funding

sources to support the development of affordable housing. In addition to the potential funding sources identified in this section of the RFQ, the future developer should identify additional gap financing sources that they could apply and/or pursue for the development of this Project.

IV. Responses

To expedite and maintain consistency in the evaluation process, each response to this RFQ is to be organized in accordance with this section. All submissions should contain thorough description and analysis of the following information and in the order presented below:

A. Cover Letter

The cover letter should include the following information:

1. Developer name, office location(s), telephone numbers, and email addresses of the main contact(s) including all principals.
2. Primary contact person for the submitted RFQ.
3. Number of years the developer has performed requested design, development and property management services.
4. Type of organization: individual, partnership, corporation, nonprofit, other (please specify).
5. Indicate if the developer has any conflicts of interest related to working for the City and County and your other current contracts.

B. Qualifications

Developer should provide the below information and qualifications:

1. Provide a complete list of the services you can provide to the City and County under this RFQ as a developer.
2. State why you are qualified to provide the specified design, development, and property management services.
3. Describe how your team will design, deliver, and manage the project.
4. Present resumes for key project team members who will participate in this project.
5. Include an organization chart.
6. Describe how the project team will be managed.
7. Describe the developers' quality assurance efforts.

C. Experience

Developer should provide the below experience information:

1. Present relevant experience with public agencies contracts similar to the City/County's Project. Submittals should include relevant experience with at least three different public agencies where design, construction, and management services were provided in the last five years.
2. Provide the major aspects of the scope and contract amount, the name of the public agency these services (design, construction, and management) were provided for,

and full contact information (address, phone, and email address) for the public agency's project manager.

3. List proposed key personnel along with their expertise, professional experience, training, certifications, office location and role they will play on the design, development property management of the Project.
4. A description of recent affordable multi-family rental development and property management experience (last 10 years); and provide four to five samples of a similar development projects completed within the last five years as well as four to five related projects where property management services were provided.

V. Proposed Project Description

Provide a proposed project description addressing all the following criteria:

1. Development proposed unit count (minimum proposal unit count should be 50 rental units) and affordable unit composition by income categories.
2. Type of structures, square footage, number and size of units, bedroom and bathroom composition, community rooms and recreational areas.
3. The proposed development should be designed and developed to pursue the California Tax Credit Allocation Committee (CTCAC) Funding and have a 55-year affordability period.

VI. Proposed Project Conceptual Site Plan

The conceptual site plan for the development must include project statistics/tabulations including the number of units/bedrooms, open space/community rooms, outdoor amenities and recreation facilities, total parking spaces (garages, covered and open), stormwater drainage, access, and proposed setbacks and conceptual landscape.

VII. Proposed Project Financing

A. Identify Major Potential Funding Sources

Identify potential major funding sources to be pursued for the development, construction, and operations of the proposed Project.

B. Proposed Project Financing Structure

Provide the proposed Project's financing structure, including specific sources and uses of funds, including identified need for "gap" financing.

VIII. Estimated Project Schedule

Provide a proposed project schedule that outlines the order that development is intended to occur as well as the potential timing for the development. Incorporate any project phasing into the proposed Project schedule.

IX. RFQ Evaluation Criteria and Selection Process

A. Evaluation Criteria

Selection will be made based on the following 100-point criteria:

Criteria	Points
Proposed Conceptual Development	20 points
Recent Relevant Experience of Affordable Housing Projects	20 points
Financial Capacity, Ability to Deliver on Time and on Budget	30 points
Relevant Experience with Public/Private Partnerships	20 points
Completeness of Responses to RFQ Request for Information	5 points
Quality of submittal	5 points
Total	100 Points

B. Process and Schedule

As noted previously, the purpose of this RFQ is to select a development team to design, develop and manage the proposed affordable rental housing project at 855 E. Laurel Drive in Salinas. The City and County will work with the selected developer to refine the concept into the final design. The selection of the developer will be made utilizing the following process/timeline:

Date	Task
May 6, 2022	Release of the RFQ
May 13, 2022	Deadline for interested developers to submit written questions and requests for clarification to City's point of contact listed below.
May 20, 2022	Required Project Site Visit
May 23, 2022	City and County to email an Addendum including a written response to all parties on the distribution list and/or who submitted a written inquiry.
June 6, 2022	Deadline to submit a response to this RFQ.
June 30, 2022	City and County to review and evaluate proposals. Upon completion of review, the City and County may, at its discretion, elect to request further information or clarification from respondents.
July 2022	Upon the completion of this process, City and County will determine whether or not it will conduct virtual interviews or choose to commence negotiations with its preferred developer.
July-August 2022	Selected developer recommendation to City Council and County Board of Supervisors.
August 2022 – TBD	The City and County will work with the selected developer to refine the concept into the final design.

X. Point of Contact

All submittal materials and questions regarding this RFQ should be directed and e-mailed to:

City of Salinas

Rod Powell, Housing Division Planning Manager

Community Development Department

City of Salinas

831-758-7334

rodp@ci.salinas.ca.us

County of Monterey

Melanie Beretti, Principal Planner – Advanced Planning

Housing and Community Development Department

831-755-5285

berettim@co.monterey.ca.us

XI. Submittal Date and Process

Completed RFQ proposals are to be submitted electronically by either e-mail, Dropbox link and/or OneDrive link to Rod Powell, Housing Division Planning Manager at rodp@ci.salinas.ca.us and Melanie Beretti, Principal Planner at berettim@co.monterey.ca.us by **5:00 P.M. PST, on Monday, June 6, 2022**. If the previously stated submittal options do not work for you or your organization, please coordinate with Rod Powell and Melanie Beretti on the preferred method of submission. Proposals received after the due date will not be considered. There will be no “bid opening.”

The pre-qualification of respondents is not required, yet all interested developers responding to the RFQ are required to comply with the provisions of the laws of the State of California, the City of Salinas, and County of Monterey Municipal Codes. In addition, proposers are required to take affirmative action to ensure non-discrimination in employment practices and must warrant and declare that they do not currently have any potential or perceived conflict of interest (personal and/or property interest in the subject scope of work). See Attachment A for the Conflict-of-Interest Statement form.

XII. Disclaimers

A. General Conditions

The City and County reserve the right to: 1) reject any or all responses, 2) postpone award of the contract for a period not to exceed sixty (60) days from the date replies are due, 3) waive informalities in the responses, and 4) take whatever action or make whatever decision it determines to be in the best interest of the City and County. All proposals will remain in effect and legally binding for at least sixty (60) days from the date of submission. A contract agreement should not be binding or valid with the City and County

unless and until it is executed by authorized representatives of the City, County, and the selected developer.

The City and County reserve the right to request additional information from any and all prospective firms as deemed necessary by the City and County in order to evaluate the proposals. This process may not be used, however, as an opportunity to submit missing documentation or to make substantive revisions to the original proposal. A prospective firm may withdraw their proposal at any time prior to the date and the time which is set forth herein as the deadline for submittal of proposals.

B. Public Nature of Proposal Materials

All proposals and related correspondence, reports, schedules, attachments, and other documentation submitted with the proposal will become the property of the City and County and a matter of public record. All documents submitted in response to this RFQ will be subject to disclosure if requested by a member of the public. There are a very limited number of narrow exceptions to these disclosure requirements. Any information that a prospective developer considers confidential, the disclosure of which would be an unwarranted invasion of personal privacy, should be marked “Confidential,” or “Proprietary”.

During the selection process, the City and County will keep such information confidential and will not disclose it except as may be required under applicable law, including the California Public Records Act. This means that, depending on the nature or timing of the request, or future court decisions, that information may not remain private and may be publicly disclosed. Proposals submitted by developers should not be considered confidential or proprietary and may be subject to disclosure.

XIII. Attachments

The below attachments are included as part of this RFQ:

- Attachment A – Conflict of Interest Statement Form
- Attachment B – Property Report
- Attachment C – Property Topographic Map and Utilities
- Attachment D – Zoning Map
- Attachment E – Project Aerial Map
- Attachment F – Phase I Environmental Site Assessment
- Attachment G – Geotechnical Engineering Services Report

Attachment A – Conflict of Interest Statement Form

Conflict of Interest. Respondent warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial, or otherwise, in any manner or degree which will render their proposal a violation of any applicable local, state, or federal law. Respondent further declares that, if selected, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereinafter arise, Respondent shall promptly notify City of the existence of such conflict of interest so that City may determine whether to reject proposal.

Printed Name and Title

Signature and Date

Attachment B – Property Report

Attachment C – Property Topographic Map and Utilities

Attachment D – Zoning Map

Attachment E – Project Aerial Map

Attachment F – Phase I Environmental Site Assessment

Attachment G – Geotechnical Engineering Services Report