

Request for Proposals

For Development of New Affordable Housing



RFP ISSUED: 12/8/2023
RESPONSE DEADLINE: 1/24/2024 at 5:00 pm Pacific Time

Electronic submittals are required. The City of San Rafael will designate the time of receipt recorded by our email housing@cityofsanrafael.org as the official time of receipt. This clock will be used as the official time of receipt of all parts of electronic bid submittals.

All questions should be addressed to:
Economic Development Department
City of San Rafael
1400 5th Ave
San Rafael, CA 94901 415.485.3134
housing@cityofsanrafael.org

The City of San Rafael does not discriminate on the basis of sex, race, color, religion, age, sexual orientation, disability, marital status, or national origin in employment or in its educational programs and activities. Auxiliary aids and services are available upon request to individuals with disabilities. Alternative formats will be made available upon request.

Request for Proposals

For Development of New Affordable Housing



Introduction

The City of San Rafael (City) is soliciting proposals for the development of affordable housing on a city-owned property located at 519 4th Street. This site is in a prime location, within San Rafael's vibrant and walkable downtown, two blocks from San Rafael's Transit Center, and near multiple grocery stores and education facilities.

Project proposals should include the construction of permanently affordable housing serving one or more priority populations such as seniors, families, individuals, or people with special needs, including individuals and families formerly experiencing homelessness.

Vision & Goals for the RFP

San Rafael is known for its natural beauty, mild climate, and proximity to employment centers within the San Francisco Bay Area, offering scenic views, outdoor recreation, and urban amenities. It is also a hub of innovation and creativity, celebrating its multicultural heritage and community spirit with events and community assets such as the Marin County Fair, Dia De Los Muertos festivities, the Downtown San Rafael Arts District, and the Falkirk Cultural Center.

The City of San Rafael is committed to meeting the housing needs of all its residents, including those with lower incomes or special housing needs. Housing & Homelessness is one of the [San Rafael City Council's four policy focus areas](#), including creating new housing and using a "Housing First" model. Sites such as this on publicly-owned land present some of the best opportunities in the city for deeply affordable units.

Successful proposals will increase the stock of affordable homes in San Rafael within this Regional Housing Needs Allocation (RHNA) cycle (2023-2031). The project should elevate the street frontage of the property through high quality design, reflecting a downtown neighborhood scale and standards set forth for T4 Neighborhoods in the [Downtown San Rafael Precise Plan](#).

The City of San Rafael is soliciting proposals from developers with this Request for Proposals (RFP). The City intends to use this competitive process to evaluate and select the best development vision and project at 519 4th Street that will benefit the City and its community members. The selected development partner will work in good faith with the City to enter into an Exclusive Negotiating Agreement (ENA) with the City that is expected to result in a Disposition and Development Agreement (DDA).

Selection Timeline

Announcement	December 8, 2023
Virtual Developer Workshop	December 20, 2023, 3:00-4:00 PM
Deadline for emailed questions for City response	January 8, 2024; City responses by January 12, 2024
Responses Due	January 24, 2024 by 5:00 PM
Evaluation	January 25 - 31, 2024
Developer Team Interview(s) (if applicable)	February 6 - 13, 2024
Selection by the City Council	March 2024

This timeline is subject to change.

The City will hold a virtual developer workshop on December 20th from 3 to 4pm to review the RFP. Please email housing@cityofsanrafael.org for registration and with questions prior to the Workshop date. Additional questions will be accepted through January 8 via email, with responses posted to the City’s website by January 12, 2024.

Responses to this RFP must be received by Wednesday 1/24/2024 at 5:00pm. Finalists may be invited to a Developer Team Interview, then recommended for selection to the San Rafael City Council.

Background

The subject property is located on a rectangular parcel addressed as 519 4th Street, Marin County APN 014-123-06, in San Rafael, California. The property parcel comprises 0.304 acres (13,278 square feet) on the south side of 4th Street, between Irwin Street to the west and Grand Avenue to the east. The subject property, acquired by the San Rafael Redevelopment Agency in 1983, is developed with an L-shaped commercial building and parking lot occupied by the City of San Rafael for police and fire department storage.

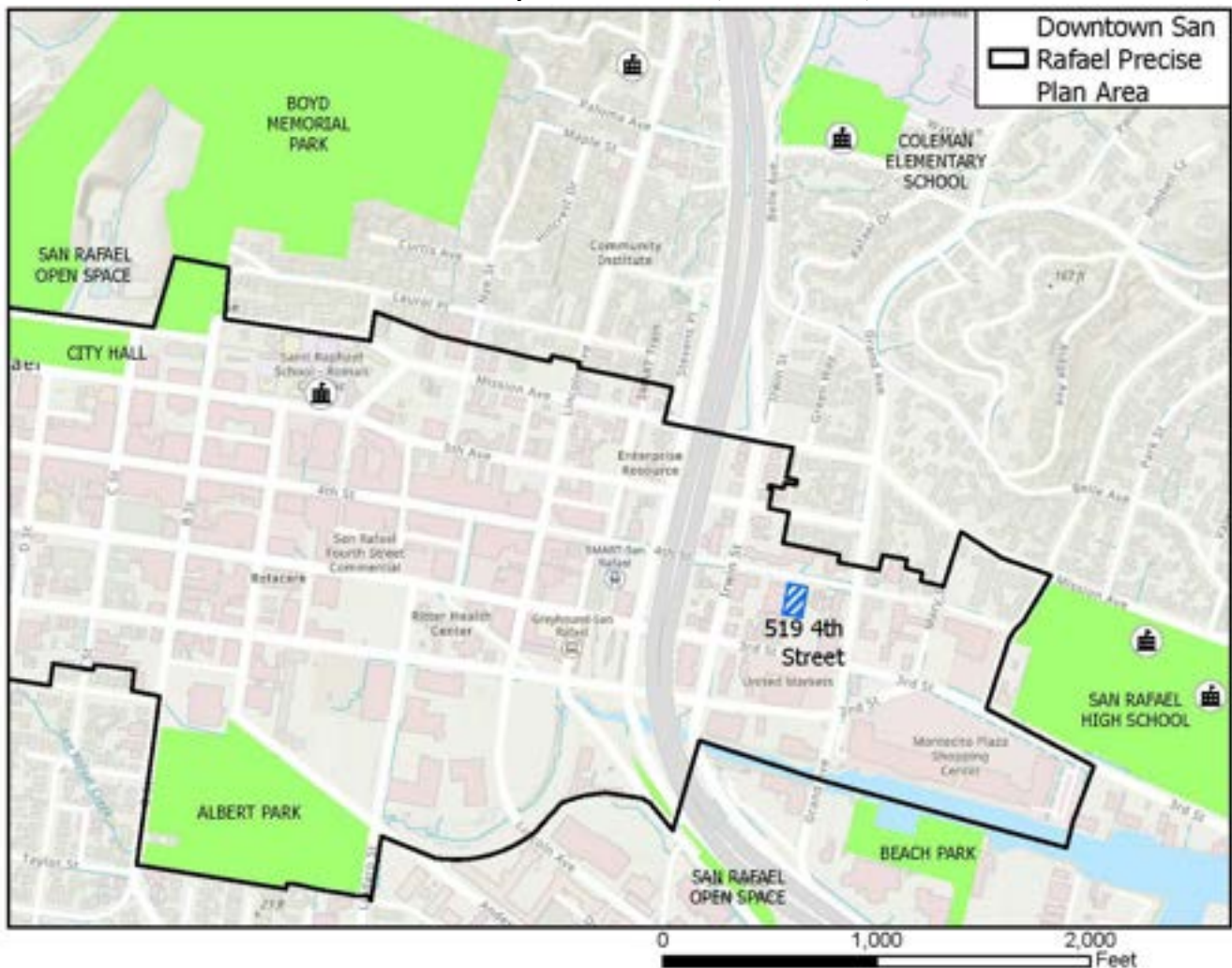
The property perimeters are defined by mixed-use commercial buildings to the south and west, a residential property to the east and Marin Shakespeare Company to the north. The subject property is located as shown on the Site Location Map below.

The property is subject to the [Downtown San Rafael Precise Plan](#), with a zone designation of T4N 40/50. This zone is defined as a walkable neighborhood environment of small-to-medium footprint, moderate-intensity mixed-use buildings and housing choices, supporting and within short walking distance of neighborhood-serving retail and services. This zone provides a transition in scale between the Downtown and adjacent residential neighborhoods, with a height base of 40 feet up and up to 50 feet per the Regulating Plan.

This is an opportunity to develop on a city property via an exemption under section 54221(f)(1)(A) of the California Surplus Land Act (Government Code sections 54220-54234). To be eligible for potential selection, a respondent must commit to (i) utilize at least 80% of the land area of the site for development of housing; (ii) cause not less than 40% of the units to be developed to be affordable to households whose incomes are equal to, or less than, 60% of the area median income for Marin County, adjusted for family size (AMI); and (iii) cause at least half of the units described in clause (ii) to be affordable to households whose incomes are equal to, or less than, 50% of AMI.

The site is being evaluated along with other sites as a potential temporary shelter for people experiencing homelessness. If development timelines permit, the City may seek an interim use as a temporary shelter for unhoused residents.

Site Location Map – 519 4th Street, San Rafael, CA



Proposal Requirements

Successful proposals will include specific information regarding the developer's vision for the site, experience with the development of this type, and sufficient information to demonstrate the financial viability of the proposal.

All submissions should be concise and relevant to the RFP, and include the following information and documents:

1. Project Proposal

- 1.1. Cover letter. Introduce the development team, outline the developer's intent and project objectives. Clearly state the target population(s) to be served (e.g. seniors, families, individuals, or people with special needs, including individuals and families formerly experiencing homelessness).
- 1.2. Project overview and vision. All proposals should include a written description of the proposed development concept, including layout, size, key design elements and materials, scale of development (number and type of residential units and amount of area devoted open space), and information describing the proposed character and quality of the development. Applicants are encouraged to discuss how Green Building elements will be incorporated in the proposed project.
- 1.3. Site design concept & proposed construction type. Articulate the design concept through at least three visual examples of comparable project designs.
- 1.4. Affordability levels and a description of how the program meets City goals of long-term affordability. The developer must agree to enter into a deed restrictive covenant on the affordable housing units.
- 1.5. Accessibility features specific to the needs of the target population. For example, detail the number of units to be mobility accessible or adaptable.
- 1.6. Services plan. If the project profile includes permanent supportive housing or housing for people with special needs, respondents must include descriptions of any relevant design and operational or service components in the submittal. Include information on proposed service partnerships.
- 1.7. Projected project development timeline and milestones. A timetable should be provided, showing projected start-dates and completion-dates for developer due diligence and all major design and site planning activities, including use and design approvals, completion of construction drawings and building permits, property acquisition, and start and completion of construction. The developer is strongly encouraged to submit a planning application within 15 months of proposal selection.
- 1.8. Any other information that would help the selection team understand and evaluate the development proposal.

2. Developer Team Qualifications

- 2.1. A brief description of each entity in the Developer team and tax filing status, including any planned non-profit partnerships.
- 2.2. Qualifications and experience of entities involved in the project and roles of each entity, including company profiles and staff leads.
- 2.3. Information on staff working on the project, including experience with similar projects.
- 2.4. List of previous similar work including client, property location, number of units, and type of financing (Federal, State, and local).

- 2.5. Three client references for past development projects. References should include the following information:
- Client contact person's name, title, organization, physical and email address, telephone number, and the project(s) that were completed under the client's direction.
 - Brief project description, including number of units and populations served.

3. Financials

- 3.1. Project pro-forma. The proposals must include a preliminary financing plan, an estimate of total project development costs, and a preliminary pro-forma analysis of gross and net income expected. The anticipated rental cost range for residential units, or sales price range, if applicable, should be included.
- 3.2. Operating budget projection. For rental projects, provide a 20-year operating budget.
- 3.3. Property acquisition offer. Proposals should contain the developer team's proposed purchase or ground lease structure and pricing for acquisition of the site from the City.
- 3.4. Disposition of the completed development. Proposals should indicate whether the developer intends to sell portions or all of the completed improvements or retain ownership. If the developer intends to retain ownership, please provide information on experience leasing and managing properties similar to the proposed development.

4. Financial Capacity of Developer

All respondents, regardless of their status as public or privately held companies must provide evidence of sufficient financial strength to undertake and successfully complete a project of the scale proposed, and certain disclosures including all of the following categories. Respondents may choose to provide some or all of their responses to these items as "Confidential Information" and submit them as provided at the end of this section.

- 4.1. Financial statements of the most recent calendar or fiscal year, for the development entity or for each of the principal parties (in the case of a company formed specifically for the project).
- 4.2. Letters from the developer's lenders attesting to the developer's capacity to undertake this project, including the available capacity of lines of credit.
- 4.3. List and explain any litigation or disputes that the development entity, or any named individual in the proposed project, is involved in that could result in a financial settlement having a materially adverse effect on the ability to execute this project.
- 4.4. List of all projects that the development entity is currently involved in, and highlight those that are located within the site's market area.
- 4.5. State whether the development entity, or any of the named individuals in the proposed project, ever filed for bankruptcy or had projects that have been foreclosed. If yes, please list the dates and circumstances.

Confidentiality

The City recognizes the sensitive nature of certain financial information requested in this section. Any financial information that the respondent wishes to be confidential should be submitted under separate cover with the response to this RFP, marked "Confidential" and submitted in hard copy, sent via overnight courier service with signature required to Gerald J. Ramiza, Partner; Burke, Williams & Sorensen, LLP; 1999 Harrison Street, Suite 1650; Oakland, CA 94612-3520. During the RFP review process, the City may request to receive additional information regarding the pro forma in a Microsoft Excel table format to

facilitate review.

Scoring Criteria

City staff will utilize the following scoring criteria in making its recommendations to the City Council.

Scoring Summary

Written RFP	
1. Project Proposal	40 possible points
2. Developer Team/Personnel	30 possible points
3. Financials	30 possible points
Oral Interview (selected written proposals)	
4. Interview performance	Rank choice scoring

Scoring Considerations

Respondents are to provide complete and detailed responses to all items in the Proposal Requirements section above. Submittals that are incomplete may be rejected as being non-responsive. The written submittals should be prepared in sequential order as outlined above. The City reserves the right to request clarification of any aspect of a submittal or request additional information that might be required to properly evaluate the submittal.

Unless the City establishes a different timeline, proposers will be required to provide responses to any request clarification within three (3) business days. Requests for clarification or additional information shall be made at the sole discretion of the City. The City's retention of this right shall in no way diminish a respondent's responsibility to submit a proposal that is current, clear, complete, and accurate.

Relevant Resources

The City of San Rafael has adopted a [Downtown Precise Plan](#). Chapter 9 of that Plan contains a [Form Based Code](#) that provides information on context and development standards. The site is also governed by the City's [General Plan 2040](#).

A [Phase 1 Environmental Site Assessment](#), commissioned by the City, was completed on August 23, 2023 by The ECA Group Environmental Consultants and is available for review.

A Condition of Title report has been commissioned by the City and will be made available to respondents to the RFP.

The City of San Rafael intends to support project development at this site with technical assistance and will consider requests for funding within the City's standard processes for available resources. Any City funding for this and other potential affordable housing developments throughout the City will be awarded through a competitive process. The City's affordable housing resources are outlined on the Community Development Department's website: <https://www.cityofsanrafael.org/funding-for-housing-projects/>.

Questions

All questions should be directed to the contact listed below:

Economic Development Department

City of San Rafael

1400 5th Ave

San Rafael, CA 94901 415.485.3134

housing@cityofsanrafael.org

Disclaimers / Acceptance / Rejection of Submittals

The City reserves the right to suspend, amend or modify the provisions of this RFP; extend the submission deadline; reject all proposals; select a respondent who does not achieve the highest points score; and negotiate modifications of proposals, project terms and/or features. The final decision on selection of a preferred developer, if any, for the site will be made by the City Council.

While the dates and schedule stated in this RFP represent the City's preferred timetable, it shall not be considered binding on the City. The submission of a response to this RFP shall not be binding upon the City nor construed as a contract with or a commitment by the City. The City reserves the right to make decisions as to which proposal, if any, it deems in the City's best interest.

The City will not pay any costs incurred in the preparation of a response to this RFP. The respondent assumes the sole risk and responsibility for all expenses connected with the preparation of its response.

Minimum City Contracting Requirements

Any DDA or other similar agreement that the City enters into with a successful respondent will require the organization to maintain insurance coverage for the organization and its employees and for the property controlled by the City. The City of San Rafael will require each organization to carry the following minimum insurance:

- Commercial general liability insurance policy in the amount of \$2,000,000 (\$5,000,000 aggregate). The City of San Rafael shall be named as an additional insured on the commercial general liability policy.
- Commercial automobile liability policy including non-owned and hired automobile, in the amount of \$1,000,000 and Workers Compensation as required by state law. The City of San Rafael shall be named as an additional insured on the automobile liability policy.
- All the above policies shall be payable on a per occurrence basis.
- Contractors may also be required to carry errors & omissions, professional liability, and/or builders risk insurance.