



**City of
Santa Clara**
The Center of What's Possible

Housing & Community Services Division
1500 Warburton Avenue,
Santa Clara, CA 95050
(408) 615-2490

REQUEST FOR PROPOSALS

For
3575 De La Cruz Boulevard
June 13, 2018

**PROPOSALS DUE:
August 6, 2018 4:00 PM**

**Attn: Jonathan Veach
Division Manager
City of Santa Clara
Housing & Community Services Division
1500 Warburton Avenue
Santa Clara, CA 95050
(408) 615-2490
jveach@santaclaraca.gov**



A. INVITATION

The City of Santa Clara is seeking proposals from qualified housing developers to create a transformative project (“Project”) that facilitates the construction of a minimum of 15 affordable housing units on a vacant parcel of City-owned land. The site for this Project, known as the former fire station at De La Cruz Boulevard (“Site”), is owned by the City and is located at 3575 De La Cruz Boulevard across from Montague Park in Santa Clara. The City of Santa Clara’s Housing and Community Services Division is inviting all qualified developers (“Respondents”) to submit complete responses (“Submissions”) to this RFP for the development of the Project.

The development proposal should assume a long-term ground lease of the entire site of approximately .69 acres. Respondents may submit an alternative funding proposal with a fee title transfer; however, Respondents should make clear what advantages a fee title transfer brings to the project and what value is returned to the City under such a structure. The Project must produce high-quality affordable housing across a range of incomes and transform, while providing adequate open space and parking at a density appropriate for the surrounding neighborhood.

B. PROJECT OVERVIEW

Site Summary

Location: 3575 De La Cruz Boulevard

APN: 101-15-049

Property: Approximately 0.69 acres or 30,013 square feet

Existing Use: Vacant

Current Zoning: Public /Quasi-Public (B)

Site Description

The site is a City-owned parcel, adjoined to the north by three single family homes and a single family residential neighborhood beyond. The site is adjoined to the east by an 80’ PG&E easement containing high-voltage transmission lines supported on top of 100’ tall PG&E lattice towers, and the site is adjoined to the south by light industrial buildings and a light industrial zone district.

Governmental Approvals Needed

Redevelopment of the site for new housing will require City Council and/or Planning Commission approvals of a General Plan Amendment, Rezoning, CEQA and potentially NEPA review, and Architectural Review.

Land Use / Zoning

The currently vacant site is zoned Public /Quasi-Public (B), and has a Very Low Density Residential General Plan Designation supporting a residential density of up to 10 dwelling units per gross acre. The City’s General Plan includes a policy to implement the State’s density bonus law for projects that exceed the City’s standard 15% inclusionary requirement and a policy that allows development at any residential density for projects with more than 50% affordable units. The project was previously developed with a City Fire Station, which was demolished in 2010.

After redevelopment agencies (RDA) dissolved on February 1, 2012, the City, as Housing Successor to the dissolved RDA, was designated to assume all housing assets (including land) of the former redevelopment agency and these assets were placed into a Housing Successor Fund. The Housing Successor must initiate development activities on any land that it obtained from the former redevelopment agency within five years after the Department of Finance confirmed the property as a housing asset and consistent with the intent to provide housing that is 100% affordable to persons and families of low and moderate income. This site was confirmed as a housing asset by the Department of Finance on July 13, 2013, and the City’s evaluation and selection of a developer properly initiates development activities within the appropriate time period.

C. SITE MAP OF 3575 De La Cruz Boulevard



D. ATTACHMENTS, EXHIBITS AND OTHER RELEVANT DOCUMENTS

The attachments below are included with this Request for Proposals (“RFP”). The items identified with an asterisk (*) must be completed, signed by the appropriate representative of the company, and returned with the submittal.

- Attachment A – Respondent’s Information Form*
- Attachment B – Certification of Non-Discrimination*
- Exhibit 1 – Parcel Map
- Exhibit 2 – Community Visioning Report

Other relevant documents available upon request:
Grant Deed

E. SUBMISSION OF PROPOSALS

The Respondent shall submit four (4) copies, with a USB flash drive of its proposal in a sealed envelope addressed as noted below, bearing the Respondent’s name and address clearly marked, “RFP for 2330 Monroe Street.”

**Jonathan Veach, Division Manager
Housing and Community Services Division
1500 Warburton Avenue
Santa Clara, CA 95050**

To be considered, proposals must be received at the address in the above paragraph by 4 p.m. on Monday, August 6, 2018. Late proposals will not be considered.

F. INSTRUCTIONS TO RESPONDENTS

1. Question and Answer Period

There will be a Question and Answer period open until June 25, 2018. Any questions by the Respondent regarding this RFP or the project must be submitted in writing and received by the City no later than June 25, 2018 at 5 p.m.

Correspondence shall be addressed to:
Jonathan Veach, Division Manager – Housing and Community Services
1500 Warburton Avenue
Santa Clara, CA 95050
jveach@santaclaraca.gov

The City shall not be responsible for nor be bound by any oral instructions, interpretations or explanations issued by the City or its representatives.

Responses from the City to questions by any Respondent will be published on the City's website on Thursday July 5, 2018 and shall be deemed as addenda to this RFP. Questions received after the date and time stated above will not be accepted.

2. Examination of Proposal Documents

The proposal submission shall be deemed a representation and certification that the Respondent:

- Has carefully read and fully understand the information that was provided by the City to serve as the basis for submission of this proposal;
- Has the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted;
- Represents all information contained in the proposal is true and correct;
- Did not, in any way, collude, conspire to agree, directly or indirectly, with any person, firm, corporation or other in regard to any terms or conditions of this proposal; and
- Acknowledges that the City has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by Respondent, and Respondent hereby grants the City permission to make these inquiries, and to provide any and all related documentation in a timely manner.

No request for modification of the proposal shall be considered after its submission on grounds that Respondent was not fully informed of any fact or condition.

3. Addenda

Any addenda issued by City shall be in writing, shall become a part of this RFP, and shall be acknowledged and responded to by Respondent.

4. Withdrawal of Proposals

A Respondent may withdraw its proposal at any time before the expiration of the time for submission of proposals as provided in the RFP by delivering a written request for withdrawal signed by, or on behalf of, the Respondent.

G. BACKGROUND

Section 8.12-7.1 of the Housing Element in the General Plan identifies the City's goals for neighborhood conservation, housing production, and housing opportunities.

These goals include the following:

- Create and maintain high-quality, livable, and unique residential neighborhoods and preserve established single-family neighborhoods.
- Manage growth in the City by designating suitable vacant or underutilized sites for new residential development and ensuring compatibility with community goals and existing neighborhoods.
- Provide housing within the community for persons of all economic levels, regardless of religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability.
- Provide an adequate variety of individual choices of housing tenure, type and location, including higher density where possible, especially for low and moderate income and special needs households.

In 2006, the City transferred ownership of the site to the Redevelopment Agency for the purpose of developing and increasing the City's affordable housing supply.

H. COMMUNITY VISION

On January 29th, 2018, the City's Housing and Community Services Division held a Community Engagement Meeting at the Northside Library to discuss plans for the future development of the Site. Approximately 25 community members heard a presentation from City staff and participated in guided workshops covering the following topics:

- Affordability
- Site Layout and Density
- Housing Preferences
- Amenities
- General Feedback

Presentation materials can be found on the City's [website](#). Using past development initiatives of the Site as a guidepost, this approach recognizes the importance of community engagement and transparency, while allowing the City to obtain the innovative development proposals that will meet both City and community goals, while leveraging a very valuable City asset.

The outreach process consisted of community visioning and planning workshops that facilitated meaningful community engagement, identified community priorities, and gathered ideas from those who live and work in the projects areas. These individuals have an intimate understanding of neighborhood conditions and needs, which will inform responsive and sensitive development proposals. Exhibit 2 – Community Visioning Report summarizes the results of the workshops and shares additional feedback received through email, questionnaires, and other meetings. Respondents will be evaluated on how well their project responds to community priorities and concerns as outlined in Exhibit 2.

I. RIGHTS OF THE CITY OF SANTA CLARA

This RFP does not commit the City to enter into a contract, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract. The City reserves the right to:

- Make the selection based on its sole discretion;
- Reject any and all proposals;
- Issue subsequent Requests for Proposals;
- Postpone opening proposals for its own convenience;
- Remedy errors in the Request for Proposals process;
- Approve or disapprove the use of particular sub-consultants;
- Negotiate with any, all or none of the Respondents;
- Accept other than the highest offer;
- Waive informalities and irregularities in the Proposals; and/or
- Enter into an agreement with another Respondent in the event the originally selected Respondent defaults or fails to execute an agreement with the City.

An agreement shall not be binding or valid with the City unless and until it is approved by the City Council, if so required, and executed by authorized representatives of the City and of the Respondent.

J. TIMELINE

Upon the proposal deadline on August 6, 2018, proposals will be evaluated and interviews set for the most qualified developers. The time from the close of RFP selection of the most qualified team to preparation of an Exclusive Negotiation Agreement (ENA) for City Council consideration is anticipated to last four (4) to six (6) weeks. Upon Council approval of a contract, the development team and staff will begin strategy sessions immediately within 3-6 weeks. The anticipated deadline to commence development of the project is to begin no later than January 6, 2020. Below dates are subject to change at the City's discretion.

RFP Available	June 13, 2018
Question and Answer Period	June 25, 2018 (Responses published July 5, 2018)
Proposals due	August 6, 2018
Evaluation	August, 2018
Selection of Developer	September, 2018
Target Start of Construction	January 6, 2020

K. PROPOSAL CONTENT

The proposal shall include the following information:

1. Executive summary including written description of project objectives, proposed uses, densities and building configurations;
2. Respondent's complete name, business address, and telephone number and the name, mailing address, and telephone number of person the City should contact regarding the proposal;
3. A description of the Respondent's organization, including names of principals, number of employees, examples of comparable developments including development value, affordable housing client base (if any), and any other pertinent information in such a manner that proposal evaluators may reasonably formulate an opinion about the stability and financial strength of the developer;
4. An organizational chart along with names, qualifications, and experience of the Respondent and its development team;
5. Financing strategy, including detailed financial plan to fund at least 15 unit affordable housing units, gap funding/subsidy requirement, and/or financial offer if feasible; Respondents should provide an excel based pro-forma that includes sources and uses, development budget, rents and income, operating budget, and cash flow analysis that demonstrates project feasibility for a term of 30 years.
6. Community engagement strategy and narrative;
7. Land Use Plan for entire site;
8. Architectural and design narrative, including at least 1 rendering;
9. A development schedule of significant milestones for completion of the project from project award to project completion;
10. Three references from which Respondent has performed developments of similar scope within the past three years; preferably within the Bay Area or in a locale that shares similar characteristics to City of Santa Clara. Include the organization name and address, the name and telephone number of a contact person, and a brief description of the development performed by the developer, and type(s) of funding sources used;
11. The signature(s) of the company officer(s) empowered to bind the firm, with the title of each (e.g. president, general partner);
12. A complete disclosure of any prior or ongoing incidents as to which it is alleged that Respondent has defaulted or failed to perform which has led the other party to terminate the contract. Identify the parties involved and the circumstances of the default or termination. Also describe any civil or criminal litigation or investigation pending which involves Respondent or in which Respondent has been judged guilty or liable;
13. Most recent independent audit, if available.

L. PROJECT GOALS

Respondent shall develop a proposal that incorporates a minimum of 15 affordable housing units with open space and parking, and utilizes financing strategies, including a project pro-forma that maximizes potential economic benefit to the City. Development scenarios and building heights for any development on the site shall be compatible and considerate of existing nearby development in the vicinity. Please refer to Exhibit 2 – Community Visioning Report for guidance on sight layout and density considerations. Project shall be compliant with all City codes and development standards.

Development Team Experience and Capacity

- Procure a Development Team that brings the resources, understanding, and experience to implement the proposed Project, which includes high-quality affordable housing across a range of incomes to transform a currently vacant site, while providing adequate open space and parking at a density that is appropriate for the surrounding neighborhood.
- Procure a Development Team that has experience successfully executing similar projects and is capable of fulfilling the vision set forth in its development proposal in a timely manner.

Financing and Affordability

- Ensure that the Project is 100% affordable to households at or below 120% AMI (Moderate Income). Preference will be given to proposals that provide residential units across a range of affordable incomes.
- Respondents should provide a cash flow analysis that demonstrates project feasibility for a term of 30 years and the project will be expected to remain affordable for a minimum of 55 years.
- Respondents may submit an alternative financing proposal with 100% of the units at 120% AMI provided that a competitive ground lease payment can be offered to the City on an annual basis.
- All proposals should establish a sound financial capital and operating budget that addresses the various elements of the development program.

Development Program and Community Development

- Implement a development program that clearly addresses the Site and neighborhood context, as well as the priorities and needs outlined in Exhibit 2 – Community Visioning Report.
- The Respondent should incorporate strong community outreach efforts to ensure impacted residents are heard. The Project should ensure privacy barriers are implemented to minimize adverse impact on adjacent property owners and surrounding neighborhood.
- The Project should also provide a thoughtful and adequate parking strategy that prevents overflow parking to the surrounding community and identify any potential traffic issues, while optimizing the site's access points.

Design and Performance

- Design and develop a high-quality affordable building that is financially feasible and consistent with the surrounding built environment and addresses community needs and priorities as outlined in Exhibit 2 – Community Visioning Report.
- Incorporate an active publicly-accessible open space that interacts with the variety of uses on the Site; articulate buildings to relate and transition to surrounding context.
- The Project should adhere to the City's design guidelines and seek to implement environmentally conscious design principals where appropriate.

M. EVALUATION OF PROPOSALS

Competitive Criteria Weight

- Development Team Experience and Capacity 20%
- Financing and Affordability 30%
- Development Program and Community Development 30%
- Design and Performance 20%

Threshold Criteria

- Completeness and adherence to the requirements of this Request for Proposals;
- Respondent's experience, including the experience of staff to be assigned to the project, with engagements of similar scope and complexity;
- Depth of developer's experience and its relevance to the project described in this Request for Proposals;
- Respondent's ability to provide equity, access to project financing, and Project feasibility
- Respondent's financial stability and length of time in business;
- Responsiveness to Exhibit 2 – Community Visioning Report;
- Respondent's ability to perform the work within the time specified;
- Respondent's record of performance with City of Santa Clara or other public agencies;
- Respondent's compliance with applicable laws, regulations, policies (including city council policies), guidelines and orders governing prior or existing contracts performed by the contractor.

The City will evaluate proposals on the basis of each Respondent's written submittal. The top-rated Respondents will be invited to the City for panel interviews.

N. SELECTION PROCESS

The City's Housing and Community Services Division under the direction of the City Manager will recommend to the Santa Clara City Council an award of contract based on the proposal that provides the best value to the City. The City's selection and evaluation timeline is as follows:

Proposals due	August 6, 2018
Interviews	August, 2018
Selection of Developer	September, 2018

O. NEGOTIATION PROCESS

The purpose of this RFP is to describe the affordable housing development opportunity and to solicit proposals from developers that are qualified and capable of developing a high-quality affordable housing product. The City intends to compile a shortlist of developers, conduct a series of interviews, and ultimately select a preferred developer(s). The selected developer and proposal will be brought before City Council as a staff recommendation for approval. The Respondent will enter into an Exclusive Negotiation Agreement (ENA) with the City while negotiating the terms of a Disposition and Development Agreement (DDA). The Respondent will also be required to conduct at least two community engagement meetings as part of the design process to solicit feedback and community input.

P. PUBLIC NATURE OF PROPOSAL MATERIAL

Responses to this RFP become the exclusive property of the City of Santa Clara. At such time as the City awards a contract, all proposals received in response to this RFP become a matter of public record and shall be regarded as public records, with the exception of those elements in each proposal which are defined by the Respondent as business or trade secrets and plainly marked as "Confidential," "Trade Secret," or "Proprietary." The City shall not in any way be liable or responsible for the disclosure of any such proposal or portions thereof, if they are not plainly marked as "Confidential," "Trade Secret," or "Proprietary," or if disclosure, in the City's sole discretion, is required under the California Public Records Act as addressed below. Any proposal which contains language purporting to render all or significant portions of the proposal "Confidential," "Trade Secret," or "Proprietary" shall be regarded as non-responsive.

Although the California Public Records Act recognizes that certain confidential trade secret information may be protected from disclosure, the City of Santa Clara may determine, in its sole discretion that the information that a Respondent submits is not a trade secret. If a request is made for information marked "Confidential," "Trade Secret," or "Proprietary," the City shall provide the Respondent who submitted the information reasonable notice to allow the Respondent to seek protection from disclosure by a court of competent jurisdiction, at the Respondent's sole expense.

Q. COLLUSION

By submitting a proposal, each Respondent represents and warrants that its proposal is genuine and made in the interest of or on behalf of any person not named therein; that the Respondent has not directly induced or solicited any other person to submit a sham proposal or any other person to refrain from submitting a proposal; and that the Respondent has not in any manner sought collusion to secure any improper advantage over any other person submitting a proposal.

R. DISQUALIFICATION

Factors, such as, but not limited to, any of the following, may disqualify a proposal without further consideration:

- Evidence of collusion, directly or indirectly, among Respondents in regard to the amount, terms or conditions of this proposal;
- Any attempt to improperly influence any member of the evaluation team;
- Existence of any lawsuit, unresolved contractual claim or dispute between Respondent and the City;
- Evidence of incorrect information submitted as part of the proposal;
- Evidence of Respondent's inability to successfully complete the responsibilities and obligations of the proposal; and
- Respondent's default under any previous agreement with the City.

S. NON-CONFORMING PROPOSAL

A proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a proposal may be sufficient grounds for non-acceptance of the proposal, at the sole discretion of the City.

ATTACHMENT A
Respondent's Information Form

RESPONDENT (please print): _____

Name: _____

Address: _____

Telephone: _____

FAX: _____

Contact person, title, telephone number, email address and fax number:

Respondent, if selected, intends to carry on the business as (check one)

Individual

Joint Venture

Partnership

Corporation

When incorporated? _____

In what state? _____

When authorized to do business in California? _____

Other (explain): _____

ADDENDA

To assure that all Respondents have received each addendum, check the appropriate box(es) below. Failure to acknowledge receipt of an addendum/addenda may be considered an irregularity in the Proposal:

Addendum number(s) received:

1

2

3

4

5

6

Or,

_____ No Addendum/Addenda Were Received (check and initial).

RESPONDENT'S SIGNATURE

No proposal shall be accepted which has not been signed in ink in the appropriate space below:

By signing below, the submission of a proposal shall be deemed a representation and certification by the Respondent that they have investigated all aspects of the RFP, that they are aware of the applicable facts pertaining to the RFP process, its procedures and requirements, and they have read and understand the RFP. No request for modification of the proposal shall be considered after its submission on the grounds that the Respondent was not fully informed as to any fact or condition.

**1. If Respondent is *INDIVIDUAL*,
sign here:**

Date: _____

Respondent's Signature

Respondent's Name and Title (type or print)

**2. If Respondent is *PARTNERSHIP*
or *JOINT VENTURE*, at least two
(2) Partners or each of the Joint
Venturers shall sign here:**

Partnership or Joint Venture Name (type or print)

Date: _____

Member of the Partnership or Joint Venture Signature

Respondent's Name (type or print)

Date: _____

Member of the Partnership or Joint Venture Signature

Respondent's Name (type or print)

3. If Respondent is a CORPORATION, the duly authorized officer(s) shall sign as follows:

The undersigned certify that they are respectively:

_____ (Title) and

_____ (Title)

of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

Corporation Name (type or print)

By: _____

Title: _____

Dated: _____

By: _____

Title: _____

Dated: _____

ATTACHMENT B
Certification of Nondiscrimination

As suppliers of goods or services to the City of Santa Clara, the firm and individuals listed below certify that they do not discriminate in employment of any person because of race, color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, or familial status; and that they are in compliance with all Federal, State and local laws, directives and executive orders regarding nondiscrimination in employment.

**1. If Respondent is *INDIVIDUAL*,
sign here:**

Date: _____

Respondent's Signature

Respondent's Name and Title (type or print)

**2. If Respondent is *PARTNERSHIP*
or *JOINT VENTURE*, at least two
(2) Partners or each of the Joint
Venturers shall sign here:**

Partnership or Joint Venture Name (type or print)

Date: _____

Member of the Partnership or Joint Venture Signature

Respondent's Name (type or print)

Date: _____

Member of the Partnership or Joint Venture Signature

Respondent's Name (type or print)

3. If Respondent is a CORPORATION, the duly authorized officer(s) shall sign as follows:

The undersigned certify that they are respectively:

_____ (Title) and

_____ (Title)

of the corporation named below; that they are designated to sign the Proposal Cost Form by resolution (attach a certified copy, with corporate seal, if applicable, notarized as to its authenticity or Secretary's certificate of authorization) for and on behalf of the below named CORPORATION, and that they are authorized to execute same for and on behalf of said CORPORATION.

Corporation Name (type or print)

By: _____

Title: _____

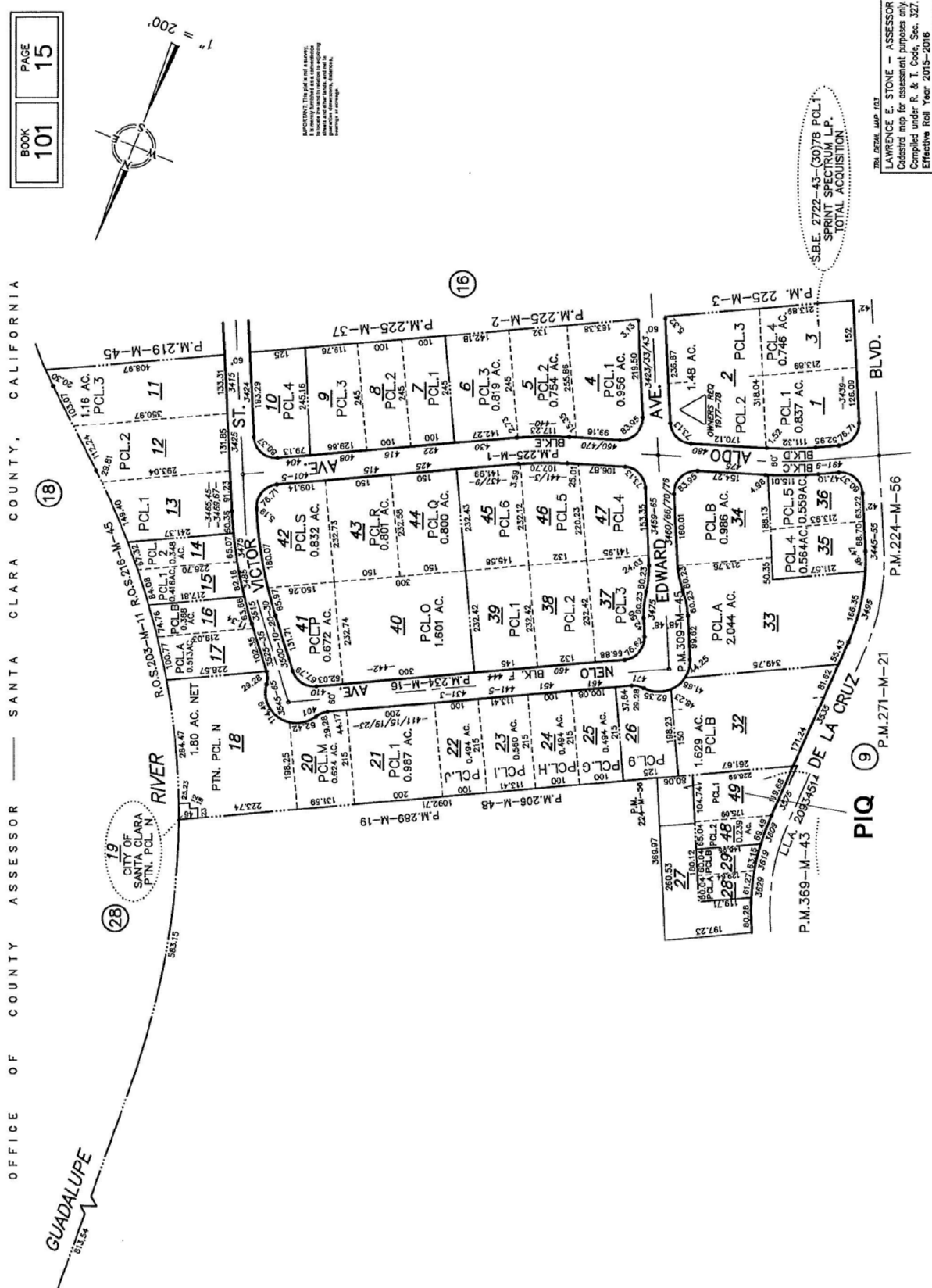
Dated: _____

By: _____

Title: _____

Dated: _____

Exhibit 1





**City of
Santa Clara**
The Center of What's Possible

City of Santa Clara
Housing & Community Services Division
1500 Warburton Avenue
Santa Clara, CA 95050