



City of Emeryville

INCORPORATED 1896

1333 Park Avenue

Emeryville, California 94608-3517

Tel: (510) 596-4300 | Fax: (510) 596-4389

REQUEST FOR PROPOSALS (RFP) FOR THE DESIGN AND DEVELOPMENT OF AN AFFORDABLE HOUSING DEVELOPMENT

3602 Adeline and 1132 36th Street, Emeryville, California

Release Date	Wednesday, July 20, 2022
Mandatory Preproposal Conference	Tuesday, August 2, 2022 at 10:00 AM
Submittal Deadline:	Monday, August 22, 2022 at 12:00 PM

I. PURPOSE OF RFP:

The City of Emeryville is seeking a qualified and experienced development team to design, construct, own and manage an affordable shared housing development with furnished multiple bedrooms to rent to extremely low- and very low-income individuals. The ideal development will incorporate thoughtful design to maximize the number of private bedrooms and bathrooms, create a safe and secure shared indoor and outdoor living environment, while maintaining the neighborhood character.

The selected developer of the proposed project shall be required to enter into a lease agreement with the City. The lease agreement and affordable housing restriction agreement shall include additional terms regarding the developers on-site professional management and maintenance responsibilities, among other provisions to implement the affordable rental housing development project.

Preproposal Conference

A mandatory preproposal conference will be held on Tuesday, August 2, 2022 at 10:00 AM via zoom at the following link:

<https://emeryville-org.zoom.us/j/83243470543>

Meeting ID: 832 4347 0543

One tap mobile

+16699006833,,83243470543# US (San Jose) 16694449171,,83243470543# US

Dial by your location

+1 669 900 6833 US (San Jose)

+1 669 444 9171 US

- +1 346 248 7799 US (Houston)
- +1 253 215 8782 US (Tacoma)
- +1 929 205 6099 US (New York)
- +1 301 715 8592 US (Washington DC)
- +1 312 626 6799 US (Chicago)
- +1 386 347 5053 US
- +1 564 217 2000 US
- +1 646 931 3860 US

Meeting ID: 832 4347 0543

Find your local number: <https://emeryville-org.zoom.us/j/kdNJ0moiZ6>

A. Development Goals:

The City has established the following primary development goals for the Adeline Sites:

- To select a developer (non-profit or for-profit) that is qualified, experienced, and has the capacity to undertake the design, construction, and management of an affordable shared living rental housing project
- Maximize the number of bedrooms to be developed on the site.
- Provide affordable housing opportunities to extremely low, and very low-income individuals who are able to live independently and are a part of a special needs group, such as formerly incarcerated individuals, developmentally disabled individuals or transitional aged youth.
- To incorporate an Accessory Dwelling Unit (ADU) or Junior Accessory Dwelling Unit(s) (JADU) on the site for rent.
- To ensure the financial sustainability of the project by selecting a developer able to demonstrate its capacity to sustain the operation of the development project.

II. SITE AND PARCEL INFORMATION:

A. Property Description

The City owns three contiguous parcels at 3602 Adeline Street, (APN: 005-0480-001-01, 0.029 acres), 1122 36th Street (APN: 005-0480-004, 0.012 acres), and 1122 36th Street, (APN: 005-0480-003, 0.009 acres), together, known as “the Adeline Sites”. See **Attachment 1** for the parcel maps for the Property. The property is bounded by single-family properties to the north, a multi-family and single-family property to the west, Interstate 580 and 36th Street to the south, and a commercial property occupied by Rising Sun Center for Opportunity to the east. Together the Adeline Sites comprise 0.050 acres. A map of Emeryville along with photographs of the property may be found in **Attachment 2** and the ALTA Study in **Attachment 3**.

The property will be conveyed on an “as-is” basis.

B. General Plan and Zoning

Land Use Classifications: The City’s General Plan and zoning classifies the Emeryville parcel (APN: 005-0480-003) as Mixed Use with Residential, which is described as allowing “One or more of a variety of residential and non-residential uses, including but not limited to offices, retail and hotels.” The City of Oakland’s General Plan classifies the Oakland parcels (APN: 005-0480-001-01 and APN: 005-0480-004) as Mixed Housing Type Residential.

Zoning Districts: The zoning designation for the Emeryville parcel (APN: 005-0480-003) is Mixed Use with Residential South (MURS), which requires a mix of uses, one of which must be residential, on sites of over one acre, but which does allow development with a single use on parcels less than one acre. The parcel is also within the Transit Hub Overlay zone, which reduces parking maximums by 50%. The Oakland zoning designation (APN: 005-0480-001-01 and APN: 005-0480-004) is RM-4 Mixed Housing Type Residential Zone, which states that the intent of the RM-4 zone is to “create, maintain, and enhance residential areas typically located on or near the City’s major arterials and characterized by a mix of single family homes, townhouses, small multi-unit buildings at somewhat higher densities than RM-3 and neighborhood businesses, where appropriate.” This zoning designation does limit residential care, service enriched permanent housing, transitional housing or emergency residential activity to be no closer than 300 feet from any other such activity. The parcels are also located within a Transit Accessible Area, and the West Oakland Priority Development Area.

Development Standards: The development standards for the Adeline Sites are illustrated below in Table 1.

Table 1: Development Standards

Parcel	1	2	3
APN	005-0480-001-01	005-0480-004	005-0480-003
Jurisdiction Authority	Oakland	Oakland	Emeryville
Parcel Size	.029 acres	.012 acres	.009 acres
Permitted Density	1 unit on lots < 4,000 sq ft	1 unit on lots < 4,000 sq ft	1 unit
Maximum Height	35 ft	35 ft	40 ft
FAR	NA	NA	1.5
Maximum Lot Coverage	40%	40%	NA
Min. Front Setback	Same as adjacent developed lot if < 20 ft, otherwise 20 ft.	Same as adjacent developed lot if < 20 ft, otherwise 20 ft.	None
Minimum Interior Setback	3 ft	3 ft	None
Min. Street Side Setback	3 ft	3 ft	None
Min. Rear Setback	15 ft	15 ft	None
Minimum Parking	1	1	None
Additional Parking for Secondary Unit	1	1	None

Transportation Access: The site is served by AC Transit Route 36, which provides service south to the West Oakland BART Station via Adeline Street, and north to Downtown Berkeley and University of California Berkeley via 7th Street and Dwight Way. The site is approximately ¼ mile from AC Transit Route F, which provides express service via 40th Street to the San Francisco Market Transbay, and approximately a ¼ mile from a free local bus service provided by Emery Go-Round's Shellmound/Powell route, which connects to the Macarthur BART Station via 40th Street.

Utility Service: Electric service to the site is provided by PG&E. The City is part of East Bay Community Energy (EBCE) through community choice aggregation which allows for the selection of "greener" electricity. Water and sewer service are provided by East Bay Municipal Utility District.

III. DESIGN AND DEVELOPMENT CONSIDERATIONS:

A. Design Considerations

Design Guidelines: The Emeryville Design Guidelines (**Attachment 4**) provide guidance for achieving high quality design. Applicants should note the specific recommendations and requirements for the Transit Hub, Neighborhood Retail and Pedestrian Priority Zone Overlays, as well as the residential design guidelines.

Unit Requirements: All units must have at least one 3-piece bathroom per 2 bedrooms, and if there are no bedrooms on the main floor, the unit must include a half-bath on the main floor. A laundry area with washer and dryer shall be provided. Main floor must include a living area with overhead lighting that at a minimum shall include lounge seating to accommodate at least 4 adults and a dining table and chairs; and a kitchen with a stove, exhaust hood, built-in microwave oven, refrigerator, garbage disposal and dishwasher. All appliances should be energy-star and unit(s) shall include wi-fi broadband access. Major interior components should be durable, sustainable and easy-to-clean finishes with a minimum of a 15-year life span. Systems shall be all electric. Improvements shall allow residents to age at home through the incorporation of Universal Design features. All materials, equipment and finishes shall be installed in accordance with the manufacturer's written instructions and construction industry standards. Units must be built in conformance with all applicable building codes and ordinances. Contractor assumes responsibility to ensure compliance.

Bedroom Requirements: All bedrooms must include at a minimum built-in overhead lighting, twin size bed frame and mattress, built-in desk, desk chair, storage shelf, closet, and access to broadband wi-fi.

B. Development Considerations

Affordable Housing: The City intends to declare the Adeline Sites exempt from Surplus

Lands Act requirements pursuant to Section 103(b)(3)(a) of the Surplus Land Act Guidelines, which identifies that developments of affordable housing with restrictions as described in Government Code 37364 and outlined below are deemed exempt. These standards should be considered a minimum affordability requirement and the City will favorably consider proposals that maximize the number of affordable units and the depth of income targeting.

- Not less than 80 percent of the area of any parcel of property shall be used for development of housing;
- Not less than 40 percent of the total number of housing units developed shall be affordable to households whose incomes are equal to, or less than, 75 percent of the maximum income of lower income households, and at least half of which shall be affordable to very low-income households;
- Dwelling units produced for persons and families of low or moderate income under this section shall be restricted by regulatory agreement to remain continually affordable to those persons and families for the longest feasible time, but not less than 30 years.

Target Population: Developers are invited to submit proposals that respond to the target tenant population of extremely low- and very low-income individuals who are able to live independently and are a part of a special needs group, such as formerly incarcerated individuals, developmentally disabled individuals, or transitional aged youth. Proposals that target formerly incarcerated individuals are preferred, however developers should submit proposals for the product that best matches the developer's experience and capabilities. Developers are expected to provide detailed proposals on any specific services or programs that will be offered to the target population and how these services or programs will be funded.

Operator's Role: The City anticipates that the Operator will be fully, actively, and monetarily responsible for all Property operations including maintaining a balanced budget and forward-looking projections; all property management activities including lease-up, administering a preference for Emeryville residents, working with Alameda County referral agencies, collection of rent, enforcement of house rules and tenant lease requirements, accounting, bookkeeping, and reporting as applicable; all maintenance and upkeep of the Property; and provision of resident and supportive services appropriate for extremely low income and very low individuals which shall include coordination with residents, County service agencies, and contracted nonprofit service providers to ensure residents are provided access to the services they need to live independently at the Property with dignity and in compliance with tenant lease terms and the Operator's rules for residency. The Operator will be expected to indemnify, defend, and hold the City harmless from and against any and all liabilities, losses, costs, claims, judgments, settlements, damages, liens, fines, penalties and expenses in a manner typical of arrangements for affordable housing development and operation.

Regulatory Agreement: The selected Developer will be required to enter into an Affordable Housing Agreement with the City. The terms of the Agreement will include the

number of affordable beds in the project, the standards for determining affordable rents, a term of at least 30 years, on-site professional management and maintenance requirements, occupancy restrictions, and other provisions to implement the project.

C. Financial Considerations

Previous Local Investment: The Adeline Sites were acquired using Low and Moderate-Income Housing Funds (LMIHF) by the former Emeryville Redevelopment Agency. On April 10, 2012 these properties, along with all the other housing assets of the former Redevelopment Agency, were approved by the Emeryville Oversight Board for transfer to the City of Emeryville in its capacity as Housing Successor. Additionally, on August 1, 2012, pursuant to Health and Safety Code Section 34176 (a), the City submitted a housing assets transfer form to the California Department of Finance (“DOF”), which included the Adeline Sites as housing assets transferred to the City. On August 31, 2012 the DOF indicated it was “not objecting” to the items on the form.

Due to the Adeline Sites’ status as a former redevelopment “housing asset”, California Health and Safety Code (“HSC”) Section 33334.16 applies. This law requires activities to develop the properties for affordable housing to be initiated within five years from the date of transfer to the Housing Successor, otherwise the properties must be sold and the proceeds deposited in the City’s Low-Moderate Income Housing Fund. This five- year time limit may be extended one time only by five years if the legislative body, by resolution, affirms its intent that the properties be used for the development of affordable housing.

For the Adeline Sites, the time periods described in HSC Section 33334.16 commenced on the date that the California Department of Finance approved the property as a housing asset, or August 31, 2012. On July 25, 2017 the Emeryville City Council adopted Resolution No. 17-130, which extended the time period to initiate development by five years, to September 1, 2022.

City Subsidy: The City intends to lease the land to the developer for a minimum of 30 years. The City will financially support the project by providing gap financing by using local housing funds available to assist in meeting the project’s development needs.

Leveraging: The City wishes to ensure that its assistance is leveraged to the greatest extent possible. The selected developer will be required to seek and obtain additional funding from other funding programs (private, state, and/or federal) to leverage any City assistance and improve the financial feasibility of the project.

IV. PROPOSAL:

A. Cover Letter:

Provide a cover letter identifying proposed development team members, describing interest in the site and summarizing the major points contained in the development proposal.

B. Experience, Qualifications & Capacity

Describe each team member's experience, qualifications and track record related to their role on projects similar in scope and type to proposed project, including projects with a public/private development relationship and the development, financing, construction, and operation of affordable housing. Identify if any team member has a conflict of interest with the City. For each member of the development team (including developer entities, architect, contractor and property manager), a minimum of three examples of similar projects completed within the past seven years. Include the following information for each project: name, address, number of units, description of the project and name, role, phone number and email address of reference. Provide a resume for the person assigned to work on this project from each entity.

1. Development Entity: Include the total project cost, type of financing and financing source for each similar project. Provide a copy of the most recent financial statement of the development entity.
2. Architect: Provide the total project cost, elevation and floorplans for each similar project. Include copies of any professional certifications or licenses.
3. Contractor: Provide total construction cost and the timeline from permit application, to permit issuance, to first building inspection, to certificate of occupancy for each similar project. Provide copies of any professional licenses and a copy of your most recent financial statement.
4. Property Management Entity: Describe your experience and skill operating, managing, and maintaining properties with extremely low-income household residents including individuals who have experienced homelessness, are at risk of homelessness, and/or other vulnerable populations, and providing resident and supportive services to the residents. Provide copies of any professional certifications or licenses.

C. Development Concept

Conceptual Site Plan: Describe and illustrate the proposed development concept including the number of units, bedrooms, bathrooms, common area space(s), square footage of each room, proposed setbacks, open space, and conceptual landscape. Identify any special features or amenities within the property to make your proposal stand out.

Target Population & Tenant Screening: Describe the target population and affordability level of each potential lease. Describe your plan for screening tenants for occupancy at the Property.

Support Services, Property Management & Maintenance: Describe the types of on- or off-site services that will be offered to the residents. Describe your process for handling violations of lease requirements and house rules and how you would apply them at the Property. Describe the tenants' responsibilities and how the property will be maintained.

D. Financing Proposal

Describe your financing plan. Identify each financing source and terms for the development phase and operational phase utilizing **Attachment 5** of this RFP. All proposers must fully complete and submit the financial pro forma template included in **Attachment 6** of this RFP.

E. Schedule of Performance

Provide a preliminary schedule for predevelopment, entitlement, design, financing, construction and lease-up of the project.

V. EVALUATION CRITERIA AND SELECTION PROCESS

A. Evaluation Criteria

The Staff Review Committee, comprised of City staff, will carefully review all responses submitted for completeness and compliance with the requirements contained in the RFP and rank the qualified applicants against the following scoring criteria:

CRITERIA	POINTS
Proposed Conceptual Development	20
Qualifications, Experience & Capacity	30
Financial Feasibility & Proposed Financing Plan	35
Quality & Completeness of Response	10
Preference for Formerly Incarcerated Population	5
Total	100

Staff may elect to request additional information on or refinement of an applicant's proposal during the evaluation process.

B. Selection Process & Schedule

Upon completion of the evaluation process, staff will make recommendations to the City Council for development team selection and authorization to enter into an Exclusive Right to Negotiate Agreement ("ERN"). The City will work with the selected developer to refine the concept into the final design. The term of the ERN will be 90 days, with two extensions for a total of 180 days. Within the term of the ERN, the City intends to first negotiate a term sheet with the selected developer, followed by a Lease Disposition and Development Agreement.

Item	Date
Release of RFP	July 20, 2022

Mandatory preproposal conference	August 2, 2022, 10:00AM
Deadline for interested developers to submit written questions and requests for clarifications	July 29, 2022, 5:00PM
City to email an Addendum including written responses to all parties on distribution list and/or who submitted a written inquiry	August 3, 2022
Deadline to Submit Response to RFP	August 22, 2022, 12:00PM
Review and evaluation Proposals. City may at its discretion, elect to request further information or clarification from respondents	August 25, 2022
City Council Selection of Developer	September 20, 2022

*The above time frames are estimates only and subject to change.

VI. APPLICATION DEADLINE

Questions about the RFP shall be submitted electronically to vbernardo@emeryville.org no later than Friday, July 29, 2022 at 5pm.

The deadline for proposal submittal is **12:00 p.m., Monday, August 22, 2022.** Submissions should be delivered electronically to vbernardo@emeryville.org.

Late and/or Faxed Proposals will not be accepted.

The RFP is not a contract or a commitment of any kind by the City and does not commit the City to award an exclusive development option. No reimbursement will be made by the City for any cost incurred by developers in preparation of the response to this RFP.

VII. GENERAL TERMS & CONDITIONS:

All materials submitted become the property of the City of Emeryville and will not be returned. Any information submitted or generated is subject to public disclosure requirements.

The City reserves the right, at its sole discretion, to

- Waive minor irregularities in submittal requirements,
- Request additional information,
- Request modifications of the proposal,
- Accept or reject any or all proposals received,
- Extend the due date of the RFP,
- Interview any or all developers,
- Reject, in whole or in part, any or all proposals,
- Obtain additional proposals beyond the due date if the proposals received are unsatisfactory,

- Negotiate with any qualified source,
- Cancel all or part of this RFP at any time prior to developer selection.
- To require the developer to name the project based on City Council direction.

ATTACHMENTS: Available on the City of Emeryville website:

- 1) Parcel Map
- 2) Photographs of Property and Aerial Site Photo
- 3) ALTA Study
- 4) City of Emeryville Design Guidelines
- 5) Sources and Uses Budget Template
- 6) 30 Year Cash Flow Pro Forma Template