



## REQUEST FOR PROPOSALS

FOR

**AFFORDABLE HOUSING DEVELOPMENT  
87 EAST EVELYN AVENUE  
MOUNTAIN VIEW, CALIFORNIA, 94041  
RFP NO. R230921-A**



**RFP Published:** Friday, January 27, 2023

**RFP Preproposal Conference:** Monday, February 27 2023, 10:00 a.m. to 11:00 a.m. PST

**RFP Submittal Deadline:** Thursday, April 27, 2023, 5:00 p.m. PST

**FOR QUESTIONS REGARDING THIS REQUEST FOR PROPOSALS, PLEASE CONTACT:**

Deanna Talavera, Senior Housing Officer  
Email: [Deanna.Talavera@mountainview.gov](mailto:Deanna.Talavera@mountainview.gov)  
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**CITY OF MOUNTAIN VIEW**  
**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Attention: Housing and Neighborhood Services**  
**500 Castro Street, P.O. Box 7540**  
**Mountain View, CA 94039-7540**

<b>RFP: Residential/Mixed-Use Development Opportunity</b>	<b>REQUEST FOR PROPOSALS (RFP) COVER PAGE</b>	<b>Response Deadline by: April 27, 2023, 5:00 p.m., Pacific Standard Time (PST)</b>
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**Subject:** 87 East Evelyn Avenue Request for Proposals (RFP)

Company: \_\_\_\_\_

Name: \_\_\_\_\_  
(PRINT OR TYPE)

Federal Tax I.D. No. \_\_\_\_\_

Signature of Development Team Representative\*:

Street Address: \_\_\_\_\_

\_\_\_\_\_

City: \_\_\_\_\_

Title: \_\_\_\_\_

State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Date: \_\_\_\_\_

Tel. No. \_\_\_\_\_ Fax No. \_\_\_\_\_

*\*Authorized Signature: The signer declares under penalty of perjury that the signer is authorized to sign this document and bind the company or organization to the terms of this Proposal.*

Email: \_\_\_\_\_

ONLY RESPONSES WITH AN ORIGINAL SIGNATURE WILL BE ACCEPTED.

**This cover page must be completed and submitted as part of your response.**

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## TABLE OF CONTENTS

I.	INTRODUCTION .....	1
II.	PROJECT OBJECTIVES .....	2
III.	DEVELOPMENT AND DESIGN DIRECTION .....	3
	A. LAND USE/DESIGN CONSIDERATIONS .....	3
	B. DEVELOPMENT PRIORITIES .....	4
	C. FINANCIAL CONSIDERATIONS .....	7
	D. ADDITIONAL DESIGN CRITERIA/CONSIDERATIONS .....	8
IV.	CITY-INITIATED ACTIONS.....	9
	A. ENVIRONMENTAL SITE ASSESSMENT .....	9
	B. ALTA SURVEY.....	10
V.	RFP TIMELINE AND DEVELOPMENT SCHEDULE .....	10
VI.	RFP SUBMITTAL REQUIREMENTS .....	12
	A. COVER SHEET, TRANSMITTAL LETTER, AND ACCEPTANCE OF RFP KEY BUSINESS TERMS .....	12
	B. PROPOSED DEVELOPMENT CONCEPT (25 PAGES MAXIMUM) .....	13
	D. FINANCIAL DISCLOSURES .....	16
	E. SUPPLEMENTAL INFORMATION REGARDING APPLICANT’S RESPONSE TO RFQ.....	16
VII.	EVALUATION CRITERIA.....	17
VIII.	DEADLINE AND DELIVERY OF RFP SUBMITTAL .....	17
	A. INSTRUCTIONS FOR ELECTRONIC SUBMITTAL.....	17
IX.	GENERAL TERMS AND CONDITIONS .....	18

## I. INTRODUCTION

The City of Mountain View (City), incorporated in 1902, is a full-service charter city with a City Council/City Manager form of government and over 640 regular positions representing 13 departments. It is a municipal corporation of the State, located in Santa Clara County, California. The City is just over 12 square miles with a population of approximately 82,000 and has a General Operating Fund budget for Fiscal Year 2021-22 of approximately \$150.6 million.

The City is pleased to issue this Request for Proposals (RFP) to developers interested in leasing and developing the site at 87 East Evelyn Avenue (referred to as “City site” or “site” in this RFP) for permanent affordable housing with a significant portion of units serving the unhoused or those at risk of homelessness.

The site is approximately 2.1 acres in size and is bordered by Pioneer Way, East Evelyn Avenue, and commercial and industrial uses at the adjacent site, 57-67 East Evelyn Avenue, and 82 Pioneer Way. Across East Evelyn Avenue are the Caltrain railroad tracks, and State Route 85 is just beyond the adjacent property at 57-67 East Evelyn Avenue. The City site is approximately 0.5 mile from the Mountain View Downtown Transit Center and 0.2 mile from an entrance to the Stevens Creek Trail.

The Valley Transportation Authority (VTA) originally purchased the property with a grant from the Federal Transit Administration (FTA). The City has entered a ground lease with a purchase option with VTA. The City intends to exercise its purchase option to own the site at the beginning of 2023. Because the FTA maintains a continuing interest in the land, even under City ownership, the FTA has formally reviewed and approved the VTA-City ground lease, which includes the following use restrictions for development of the site as affordable housing: (1) the site must be developed at a density of at least 75 units per acre; and (2) subject to compliance with State and Federal fair housing law, if there is a tenant selection or marketing preference for persons who live or work in Mountain View, the City must also include VTA employees in this preference if legally permissible.

The site currently has a General Plan Land Use Designation of High-Intensity Office and is zoned General Industrial (MM). The City Council has directed staff to rezone the site to High-Density Residential (R4) as part of the City’s 2023-31 Housing Element. The rezonings are scheduled for City Council public hearings in early 2023. The site is currently being used as an interim safe parking location as allowed by the lease agreement. The site is available for redevelopment on a long-term ground lease from the City to a highly qualified development team for an affordable housing project. Development of the site will advance the City’s goals of increasing housing opportunities; being a diverse, equitable, and inclusive city; and realizing high-quality infill/transit-oriented development that enhances the built environment.

The ideal developer should have extensive experience in designing, building, and operating rental housing that is restricted for occupancy by extremely low-, very low-, and low-income individuals/households, be financially strong and resourceful, have the ability to manage the units either directly or through a third-party management company, and have a proven track record of securing low-income housing tax credit financing. Applicants should also demonstrate their experience in working collaboratively and effectively to secure Federal, State, County, and local affordable housing funds as well as developments that serve special-needs populations.

Responses to this RFP must be received by the City by Wednesday, April 6, 2023, 5:00 p.m., Pacific Time. At the conclusion of the RFP process, the City Council will select the preferred developer. The City reserves the right to reject any and all proposals in the City's sole discretion.

## **II. PROJECT OBJECTIVES**

The process for marketing the 87 East Evelyn Avenue property for development began with a Request for Qualifications (RFQ). On January 27, 2023, the City invited the RFQ applicants to submit formal proposals in response to this RFP. The City Council provided input on final RFQ/RFP Project Principles and Development Priorities at a Study Session held on May 10, 2022. Based on this input, the following primary project objectives were identified for incorporation in this RFP and shall be addressed in any formal proposal submitted in response to this RFP:

- Select a developer (nonprofit or for-profit) that is qualified, experienced, and has the capacity to undertake the design, development, and operation of an affordable rental housing project that maximizes the number of affordable, family, and special-needs housing units.
- Implement a balanced approach that allows for maximizing the number of units while realizing high-quality design, services, and community space, placemaking, and community-building elements. Applicants are encouraged to propose a range of amenities that would appropriately serve the resident population mix, such as child-care space, playground space, and space to provide mobile food distributions or health services.
- Achieve an affordable housing development with a density of at least 75 dwelling units per acre (du/acre) that provides 30% or more of the total units with affordability restrictions for extremely low-income households (i.e., incomes up to 30% of the Santa Clara County Area Median Income (AMI)). These units should include multi-bedroom units to support larger families as well as supportive units for families or individuals who are unhoused or at risk of becoming unhoused.

- Minimize, to the greatest extent possible, the City's financial assistance for the project and maximize resources from outside sources, such as private, State, and Federal programs.
- Create a healthy living environment and an environmentally friendly development, which incorporates green building practices and materials and minimizes environmental footprint.
- Promote development along transit corridors and transportation demand management practices.

### III. DEVELOPMENT AND DESIGN DIRECTION

#### A. LAND USE/DESIGN CONSIDERATIONS

**General Plan and Zoning:** The site currently has a General Plan Land Use Designation of High-Intensity Office and is located in the MM (General Industrial) Zoning District. The site is included in the City's Draft Housing Element Update sites inventory, and the City is planning to amend the site's General Plan Land Use Designation and zoning to allow a high-density residential land use (up to 80 du/acre) to assist in meeting the City's 2023-31 Regional Housing Needs Allocation (RHNA).

**Height and Density:** The City anticipates a project density between 80 du/acre and 110 du/acre, although RFP applicants may propose a project greater than 110 du/acre. In addition, the City Council expressed a desire to see a project height of approximately seven to eight stories but encouraged developers to submit proposals with greater heights if the applicant can demonstrate the proposed project height and density are financially feasible, an appropriate level of community amenities can be accommodated, and the developer has the necessary experience in building and operating similar high-density residential projects. The developer will be required to demonstrate excellent design and appropriate transitions with adjacent uses and development.

**Parking:** The City requests that RFP proposals include a parking plan that balances the proposed parking ratio with other project features and thoughtfully addresses parking access for different populations/uses served by the project. If the applicant proposes a parking ratio that is lower than the typical City parking standard for projects of similar size or lower than what would be allowed under the State Density Bonus Law (if the applicant proposes a density bonus project), the applicant shall include a rationale supported by a proposed Transportation Demand Management (TDM) plan and acknowledgement that a parking study may be required during the project entitlement phase.

**Pedestrian Pathways:** The City would like RFP applicants to explore the feasibility of widening public sidewalks around the proposed development to improve pedestrian access, connectivity, and placemaking.

**Amenities:** RFP applicants shall propose appropriate and accessible amenities for future residents and the public, including open space (featuring separate areas serving different populations, such as families with children or single adults), community rooms, and other programming and support services space. These amenities shall be well-designed and incorporated cohesively into the building and overall site plan, with appropriate circulation, utilities, and life/safety considerations.

**Community-Building Elements:** RFP applicants shall propose placemaking and community-building elements. The City encourages RFP applicants to consider a range of amenities that would appropriately serve the resident population mix and the broader community, such as child-care space, playground space, and space to provide mobile food distributions or health services.

**Sustainability:** The City recognizes that efficient use of energy, water, and other resources helps to reduce the overall impact of the built environment on human health and the natural environment. In addition to compliance with applicable Green Building/REACH codes, the City encourages developers to consider opportunities to holistically incorporate sustainability and green building measures to achieve a healthy living environment and minimize the environmental footprint of the project.

B. **DEVELOPMENT PRIORITIES**

**Continuing Federal Interest/Retained Rights:** As described earlier, the VTA originally purchased the property with a grant from the FTA, and the FTA will continue to maintain an interest in the land. The City-VTA ground lease and, if applicable, the grant deed that would be used to convey the property to the City refer to the continuing FTA interest in the land. The FTA has reviewed and approved the City-VTA ground lease and related documents which fully describe the above-mentioned use restrictions for development of the site as affordable housing.

**Unit Mix:** Applicants are highly encouraged to propose a total unit mix of at least 50% two-bedroom and three-bedroom units. The Draft 2023-31 Housing Element Update and the City's current 2015-23 Housing Element identify units for larger families as a City priority, and the City's Below-Market-Rate (BMR) housing tenant selection process continues to show high demand for larger units.

**Target Population:** The City Council has expressed a desire to see a diverse range of income levels served. The City is interested in projects that provide units that address the needs faced by Mountain View households who are experiencing homelessness or at risk of becoming homeless.

Units should include set-asides for the following populations:

- Maximum household income may be up to 80% AMI, but the project must achieve a weighted average below 50% AMI. Project units should target households with a mix of incomes meant to fill a diversity of needs and allow for a range of rents to support the long-term feasibility of the project.
- At least 30% of the total units developed at the site for households of extremely low-income, typically earning 30% AMI or below. These units should include supportive units for families or individuals who are unhoused or at-risk of becoming unhoused.
- A significant number of units should be provided as rapid rehousing and/or permanent supportive housing units. The City will prioritize proposals that have a greater percentage and number of both types of units while maximizing the diversity of the development and appropriate unit mixes. In general, the developer should propose a mix of supportive housing units that is likely to serve the current unhoused population living in Mountain View. The City is not currently pursuing housing that includes a specific preference for seniors but welcomes projects that accommodates small households, such as seniors, in the proposals.

**Preferences:** The City has a live and/or work preference for the City's affordable housing projects where legally feasible. The City is also interested in exploring housing opportunities for displaced households, such as the existing safe parking participants. The applicant must provide a narrative in the RFP submittal which suggests pathways for safe parking participants or Mountain View households who have been or may be displaced from their homes to lease housing units in the proposed development, subject to compliance with applicable State and Federal fair-housing laws. If selected through the RFP process, the applicant will be required to develop an affirmative-marketing plan.

**Management Experience:** The City requires that selected developers, investment partner(s), or a proposed property manager, if contracting with a third party, have a proven track record with regard to the management and maintenance of multi-family affordable rental properties with experience in managing properties serving special-needs populations. Proposals must include a description of the proposed management program for the project and/or demonstrated success with working with a third-party property manager.

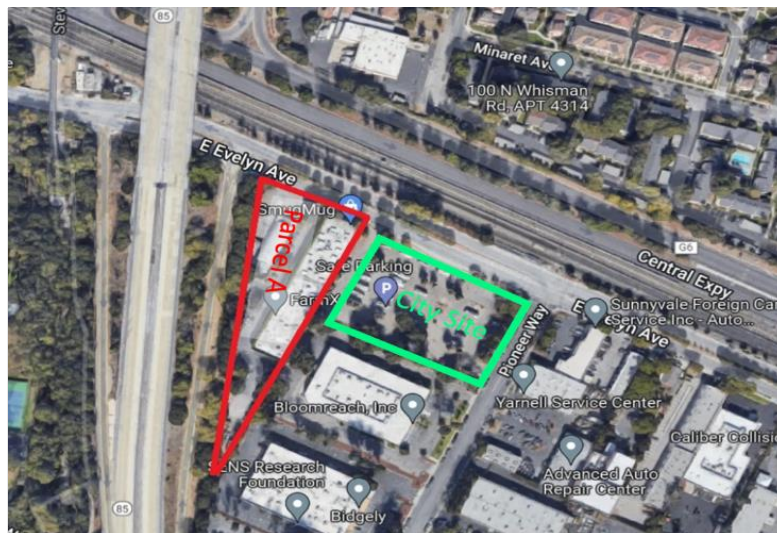
**Not a Revenue-Generating Project/Ground Lease:** Like other City-owned sites for affordable housing, revenue generation is not a priority for the Evelyn Avenue site.



The developer will provide a nominal ground lease payment, which may be based upon residual receipts, and the City will retain ownership of the land.

**Two-Phase Project Allowed:** The low-income housing tax credit program is typically the largest source of funding for an affordable housing project. However, due to the requirements and nature of the tax credit program, most 100% affordable housing developments funded with tax credits have a project size of 60 to 120 units. Given the size of the Evelyn Avenue site, and the likely density range of 80 du/acre to 110 du/acre, this may lead to a total of over 200 units. As a result, the project may need to be divided into phases to qualify for maximum tax credits to enable the financial feasibility of the entire project. Therefore, the RFP will allow the applicants to propose a phased project for the City site if necessary for project feasibility with an accompanying phasing plan and schedule.

**Complementary Design and Collaboration with Adjacent Affordable Housing Development:** Charities Housing has purchased the neighboring property, shown as Parcel A in Figure 1 below, at 67 East Evelyn Avenue. Charities Housing is seeking entitlements to provide 160 units of affordable housing on the 2.3-acre site. Master planning the two sites in a coordinated effort could yield a development that is greater than the sum of their parts. The sites could be developed more efficiently due to shared infrastructure, utilities, open space, amenities, parking, and other design elements. As described in the RFP requirements below, applicants shall describe how their schedule will incorporate a timeline for evaluating a master planned project as well as criteria for determining how they, as the selected developer, would determine whether a master planned project will be pursued. The submittal should summarize the potential benefits of a master planned project.



**Figure 1: Charities Housing-Owned Site (Identified in Red as Parcel A)**

C. FINANCIAL CONSIDERATIONS

**City Subsidy:** City funds for affordable housing will be allocated at the City's discretion based on available funds at the time of execution of a Disposition and Development Agreement. Applicants should maximize the use of external funding sources and minimize overall City subsidies for the total project.

**Leveraging:** The City's underwriting guidelines include a 4:1 City-subsidy ratio, meaning that for every dollar of City subsidy, at least \$4 shall come from external funding sources. In other words, the City would provide a maximum subsidy of approximately 20% of the gap funding needs for the development, requiring the developer to leverage and secure significant external funding. The selected developer will be required to seek and obtain additional funding from other funding programs (private, State, and/or Federal) and project-based vouchers to leverage any City assistance and improve the financial feasibility of the project. The City is not assuming that County Measure A funds will be available by the time this project is entitled, nor should the applicant. The value of the land (assumed at the City's purchase price from the VTA of approximately \$13 million) will be considered as part of the City's contribution. Both the land value contribution and the direct subsidy will be counted together when calculating the total as well as the ratio of the City's contribution to the project. Proposals that can show a feasible funding model which minimizes the City contribution will be more competitive with all other factors being equal.

**Financing Structure:** Applicants must strive for maximum clarity regarding both the overall project financing structure and the development cost/revenue assumptions for the project. For each assumed external funding source listed in the submittal's sources and uses, include a brief description of the project's eligibility and competitiveness for the proposed funding based on reasonable due diligence conducted by the applicant to assess the viability of being successfully awarded. Typical City loan terms in the past have been a 3% residual receipt loan for 55 years for the period of the rent restriction. No operating subsidies will be provided by the City.

**Tax Credit:** *Base Scenario (Required):* All applicants shall submit complete financing documents that assume a 4% tax credit execution.

*Alternative Scenario (Optional):* Applicants have the option to submit an alternative financing scenario modeling a 9% or hybrid (4% and 9%) execution. If applicants choose to submit an Alternative Scenario for the financing, they must also include an alternative set of complete financial documents in addition to the Base Scenario.

**Ground Lease:** Ground lease for a minimum of 59 years with up to four 10-year renewals (with the initial ground lease incorporating a reasonable period for predevelopment and construction).

**Prevailing Wage:** Payment of prevailing wages and adherence to other requirements of potential Federal, State, and regional funding sources.

D. **ADDITIONAL DESIGN CRITERIA/CONSIDERATIONS**

Applicants should be aware that detailed plans will be expected as part of the formal planning application by the selected development team, and the entitlement process will include development review that incorporates, but is not limited to, the components below. The schematic plans provided as part of RFP proposals must account for these additional parameters even if more detailed plans are not required until later in the process.

**Circulation/Right-of-Way Improvements:** Circulation plans should account for vehicle, pedestrian, and bicycle circulation needs and safety along all project frontages. On-street parking may need to be removed and/or additional setbacks provided to facilitate intersection improvements (e.g., turning lanes) and comfortable public sidewalks to achieve an excellent pedestrian experience. This includes right-of-way configuration regarding public sidewalk widths and intersection improvements.

**Driveway Location(s):** Driveways into the proposed project should account for conflicts with existing driveways of adjacent development, proximity to intersections, and minimizing/avoiding conflicts with vehicle movement (e.g., personal vehicles, VTA bus service, etc.) and bicycle improvements on Evelyn Avenue. The City has conducted preliminary analysis, which shows that Pioneer Way would be able to best meet the circulation and pedestrian safety considerations. Any submittals that include driveways off of Evelyn Avenue must demonstrate that it will adequately support circulation, safety, and good design principles/priorities/considerations.

**Multi-Modal Transportation Analysis:** A Multi-Modal Transportation Analysis (MTA) shall be required and conducted by the City as part of the entitlement process. Given the potential impact of the development on existing conditions, the intersection at East Evelyn Avenue and Pioneer Way will require close study. This includes circulation and safety of vehicles, pedestrians, and bicyclists. Results of the MTA may yield needed infrastructure improvements/upgrades as part of the proposed project.

**Trash/Recycling/Compost:** The City has a dual-stream residential recycling program, which requires a three-chute system if chutes are used. Collection vehicles and workers will not enter an underground garage to provide service. An at-grade staging area accessible to the hauler and not in the public right-of-way or easement (e.g., street, sidewalk, etc.) will be required. Provide proper clearances for any on-site circulation for collection vehicles. Collection vehicles will not back more than 150’.

**Utility Study:** A utility study shall be required and conducted by the City. Results of the utility study may yield needed infrastructure improvements/upgrades as part of the proposed project at 87 East Evelyn Avenue.

**Adopted Building and REACH Codes:** The project shall comply with adopted City codes, including newly adopted Building and REACH codes. Please refer to revisions as adopted by Council on November 1, 2022 ([Item 6.1](#)). These revisions reflect the 2022 Triennial State Model Code adoption cycle and amendments tailored for local conditions. They include, but are not limited to, local amendments for REACH codes related to the electrification of building appliances and electric vehicle charging to help meet the City's Greenhouse Gas reduction goals.

**Construction Management Plan:** The selected development team will need to develop a construction management plan during the planning entitlement process to address how the project will be constructed, given the time and spatial limitations in downtown. The plan should address the following:

- Truck route for construction and delivery trucks;
- Construction phasing;
- On-site locations for staging, storing construction vehicles, equipment area, construction trailer, sanitation facilities, and worker parking;
- Parking management plan to address the loss of on-street and parking lot spaces during construction; and
- Public streets will need to remain open during construction and should not be used for any construction-related activities, including parking for workers and storage of vehicles.

#### **IV. CITY-INITIATED ACTIONS**

The City has conducted some preliminary site assessment for the Evelyn Avenue Site, including an environmental site assessment and ALTA Survey.

##### **A. ENVIRONMENTAL SITE ASSESSMENT**

The City has obtained Phase I and Phase II environmental site assessments for the site. The documents may be found on the project webpage at: [www.mountainview.gov/87Evelyn](http://www.mountainview.gov/87Evelyn). The entitlement process may still require environmental review subject to the California Environmental Quality Act (CEQA) as well as review under the National Environmental Policy Act (NEPA), if applicable. Any environmental conditions identified through the process that require a response or

remediation will be incorporated as part of the entitlement process, building permit process, and/or construction, as appropriate.

**B. ALTA SURVEY**

The City has obtained an American Land Title Association (ALTA) Survey, which will be made available on the project webpage. The ALTA Survey identifies all existing topographic features of the property and all matters of record.

Information on the preliminary site assessments can be accessed online at: [www.mountainview.gov/87Evelyn](http://www.mountainview.gov/87Evelyn).

*This site will be updated periodically, and it is the sole responsibility of interested applicants to check this website frequently to ensure that they have the latest information.*

**V. RFP TIMELINE AND DEVELOPMENT SCHEDULE**

Responses to this RFP shall be received by the City by 5:00 p.m. PST on Thursday, April 27, 2023. The submittals shall be evaluated according to the criteria described in the next section, and the most highly qualified applicant will be selected. The City of Mountain View may amend this schedule at its discretion with written notice to all invited applicants.

- A. The table below also provides the projected schedule for the RFP process, which is subject to change.

Date	Activities
January 27, 2023	Issuance of RFP.
February 27, 2023	10:00 a.m. to 11:00 a.m.: Mandatory RFP preproposal conference. Via Zoom: <a href="https://mountainview.zoom.us/j/82972526427">https://mountainview.zoom.us/j/82972526427</a>
March 17, 2023	Last date for questions and request for clarification on RFP.
March 31, 2023	City responds to questions.
April 27, 2023	RFP responses due by 5:00 p.m., PST.
May 2023	Developer interviews.
June 2023	RFP proposal selection date.
Summer 2023	Begin Exclusive Right to Negotiation resulting in DDA and ground lease.

**B. DEVELOPMENT SCHEDULE**

The selected development team, following the receipt and evaluation of formal proposals submitted in response to the RFP, is expected to enter into an Exclusive Right to Negotiate Agreement (ENA) with the City in summer 2023, which will form

the foundation for the required lease disposition, development, and loan agreement (LDDLA), and ground lease. The City has included copies of the ENA and LDDLA for a prior transaction on the project website for reference.

Upon execution of the LDDLA and ground lease, the selected development team is expected to submit a formal development application, including detailed development plans and other application submittal requirements to and commence the entitlement phase. Below is a schedule of the anticipated process through the completion of the 87 East Evelyn Avenue project.

**2023:**

- Third Quarter 2023: The City and selected developer commence negotiations regarding ENA, which will form the foundation for the LDDLA and ground lease.
- Fourth Quarter 2023: The City and selected developer enter into ENA.

**2024:**

- Second Quarter 2024: The City and developer execute a ground lease and LDDLA.
- Third Quarter 2024: The developer submits development plans and a formal planning permit application.

**2025:**

- First Quarter 2025: Entitlements and environmental review complete.
- Third Quarter 2025: Submit construction drawings and apply for Building permit.
- Fourth Quarter 2025: Building plan approval.

**2026:**

- First Quarter 2026: Construction begins.

**2028:**

- First Quarter 2028: Project complete/issuance of final Certificate of Occupancy.

## VI. RFP SUBMITTAL REQUIREMENTS

The process for determining a development partner for 87 East Evelyn Avenue began with an RFQ. This RFP will require the submittal of more detailed information about the proposed development, business terms, financing of the project, evidence of likely financing, a comprehensive project pro forma, performance milestones and benchmarks, and fulfillment of the City's development objectives. The City has ultimate authority for the selection process with the assistance of the City's consultants as needed. The City reserves the right to reject any and all proposals submitted in response to the RFP.

The submittal shall:

1. Use standard 8.5"x11" letter size paper, 1" margins all around, and minimum font size of 12 points in either Times New Roman or Arial;
2. Clearly label and respond to each component and subcomponent below; and
3. Provide succinct and clear responses to each component. The City may request clarifying information for responses to any of the submittal requirements. See Section D for additional information and requirements on delivery of RFP submittal.

### A. COVER SHEET, TRANSMITTAL LETTER, AND ACCEPTANCE OF RFP KEY BUSINESS TERMS

Applicants must include with their submittal the following documents signed by the person authorized to negotiate on behalf of the development team:

- (1) RFP Cover Sheet, which is included at the beginning of this RFP.
- (2) Exhibit A—Minimum Business Terms, which is included at the end of this RFP. Applicants may propose modifications to Exhibit A (preferably shown as a redline to Exhibit A) if they provide an explanation in the Transmittal Letter as to why modifications may be needed and describe alternatives to address the issues.
- (3) Transmittal Letter, which shall include the following:
  - i. Summary description of the proposed development for the City site at 87 East Evelyn Avenue.
  - ii. Brief description of the development team, indicating who will serve as the day-to-day project manager and the person authorized to negotiate on behalf of the development team.

- iii. State the team's agreement to the Minimum Business Terms presented in Exhibit A attached to this solicitation or present any proposed modifications to them.
- iv. Confirm that the development team understands that prior information submitted in response to the RFQ will be utilized by the City during the proposal evaluation process along with supplemental information that is provided in the proposal response to this RFP.

B. PROPOSED DEVELOPMENT CONCEPT (25 PAGES MAXIMUM)

Building on what was submitted in response to the RFQ, provide the following supplemental information to describe the proposed development concept and how it is responsive to the City's development priorities for the site, including:

- 1. Supplemental description of architectural style, design, development quality, and sustainability features/ratings, including a description of height and massing, and how the project would address transitions/buffers from its neighbors using setbacks, step-backs, or other design elements.
- 2. Description of major residential and nonresidential development components for each phase of development, including common spaces, such as laundry facilities, community rooms, recreation areas, and designated case management areas, as well as ground-floor commercial spaces that serve residents or the neighborhood, such as a day care or other services that may serve the residents of the project, with the understanding that specific programming will be determined through a comprehensive community outreach process to determine the desired use and feasibility. (NOTE: Commercial spaces are not required and will not be financially supported by any City contribution.) Descriptions should include estimated square footage and any compliance with outside requirements, such as State standards for child-care facilities.
- 3. Site analysis diagram which includes a description of how the project would address surrounding streets and proposed transitions/buffers to the adjacent residential and industrial neighborhoods.
- 4. Narrative explaining the potential for collaboration and master-planning with the owners of the adjacent site at 57-67 East Evelyn Avenue. To the extent master planning with the adjacent site affects the applicant's proposed design on the City site, the proposal should describe assumptions made regarding the adjacent site (including parking, open space, amenities, massing, and unit yields) as part of the larger proposal to meet the City's needs across both sites. The



applicant should detail any increased efficiencies or assumption made affecting site design on the City-owned site.

5. Conceptual-level design drawings that illustrate the proposed development massing, ground-floor plan(s) indicating key residential and nonresidential uses, and project elevations from Evelyn Avenue and Pioneer Way, which are supplemented by photographs or illustrations from similar developments by the development team or images of projects that demonstrate the applicant's proposed vision.
6. Narrative relating to expected residents, including expected AMI levels, supportive units, and supportive and/or rapid rehousing units. This narrative should also include plans for implementing City preferences as well as implementing the City's interest in serving displaced residents, including safe parking residents, specifically.
7. Enhanced description/detail of circulation and streetscape improvements, including on-site public pedestrian, bicycle pathways, other circulation improvements, and utility improvements as well as transportation demand strategies to facilitate pedestrian- and transit-oriented development and mode-shift away from auto-oriented travel.
8. Other design or notable features of key importance to development success.
9. Proposed management approach, including any supportive services to be offered in connection with a special-needs populations, if applicable, and experience with serving this population.
10. Submit a community outreach plan of no more than three (3) pages that describes the applicant's overall philosophy and strategy for informing and engaging the community during the development process. Explain why this strategy is likely to be successful and, in particular, why it is likely to be successful for gaining community acceptance of the proposed program, massing, and unit count.
11. Completion of tables that are included in relevant sections of the Microsoft Excel spreadsheet template attached to this RFP as Exhibit B, which indicate quantitative information on the proposed resident population, residential unit mix, nonresidential and parking uses (e.g., distribution of housing units, square feet, and parking spaces) by phase.

C. FINANCIAL PROPOSAL (10 PAGES MAXIMUM)

The applicant should demonstrate that the development entity has the financial experience, knowledge, and capacity to secure the necessary funding to carry out the proposed project and shall include the following information in its financial proposal:

1. Description of the applicant's overall vision and creative approach to funding fully affordable housing development(s). For competitive funding sources, describe in the RFP response how the project will be positioned to be successful in receiving funding based on reasonable due diligence conducted by the applicant to assess the viability of a successful award.
2. Proposed project schedule that outlines how development is intended to proceed, including a table and summary description of the likely schedule for entitlement, postentitlement, funding awards, construction, occupancy, etc., by year and quarterly increments.
3. Completion of tables that are included in relevant sections of the Microsoft Excel spreadsheet template attached to this RFP as Exhibit B, which present a development budget of project costs, projected sources of debt and equity financing and their terms, projected rents, rent roll, and a 15-year operating cash flow that includes services and general operating expenses for the building(s). Please provide and describe all key modeling assumptions used. Project pro forma and operating cash flow assumptions will be evaluated for reasonableness as related to other affordable housing projects of similar scope and size in the area. The applicant will provide justification to support their assumptions as reasonable.
4. Provide a separate submittal (marked "CONFIDENTIAL FINANCIAL INFORMATION") of one (1) set of audited financial statements for the past two (2) fiscal years of each legal entity that will be engaged in developing the property.
5. Any confidential financial information shall be submitted and labeled "CONFIDENTIAL FINANCIAL INFORMATION." This information will be provided to the City's economic consultant for review and evaluation. The City will employ reasonable efforts to maintain the confidentiality of such information, subject to compliance with applicable law.

D. FINANCIAL DISCLOSURES

Please provide supplemental answers to the following questions and indicate if the prior information submitted as part of the RFQ is still accurate and complete:

**Litigation or Disputes:** Is the respondent, proposed guarantor, or any named individual in the RFP involved in any litigation, administrative proceeding, investigations, or disputes (actual or pending, or which have occurred in the last five (5) years) that could result in a financial settlement having a materially adverse effect on the ability to execute a project? If yes, please explain.

**Bankruptcy or Foreclosure:** Has the respondent, proposed guarantor, or any named individual in the RFP ever filed for bankruptcy or has any named individual ever filed for bankruptcy or had projects that have been foreclosed or transferred to a creditor in lieu of foreclosure? Has the respondent, proposed guarantor, or any named individual renegotiated or refinanced permanent project related debt which resulted in a relaxation of either financial or other covenant or other terms and conditions of existing debt on the project? If yes, please list the dates and circumstances.

**Suspension:** Indicate whether the respondent or individuals within the proposed development entity have been suspended from performing work for any governmental agency within the past five (5) years. If so, please explain the nature of the suspension.

If the answer is yes to any of these questions, the City may require additional information from the respondent.

E. SUPPLEMENTAL INFORMATION REGARDING APPLICANT'S RESPONSE TO RFQ

Provide the following supplemental information regarding what was submitted in response to the RFQ (RFQ Response):

1. Summarize any updates to the RFQ response that need to be made in order to maintain conformance with information submitted in response to this RFP regarding the proposed development concepts (RFQ Section B.4) and financial capability (RFQ Section B.5), if any.
2. Summarize any proposed changes or additions to the proposed development team (RFQ Section B.2) and provide supplemental information regarding their relevant development experience (RFQ Section B.3) or references (RFQ Section B.7).

3. Indicate that no other substantive updates need to be made to the RFQ response. (As noted below, information from the RFQ Response will be used in the evaluation process to select a developer.)

## **VII. EVALUATION CRITERIA**

All responses to this RFP that are received on or before the stated deadline will be evaluated by an evaluation committee according to the criteria listed below.

Points will be assigned to each of the criteria listed below. The evaluation committee will make a recommendation on developer selection to the City Council. Final selection will be made by the City Council. The total number of points possible is 100.

A recommendation to the City Council of developer selection, if made, will recommend the applicant that receives the highest overall number of points in accordance with the stated evaluation criteria. The evaluation will rely solely on information submitted by the applicant as part of the RFQ and RFP responses.

<b>EVALUATION CRITERIA</b>	<b>MAXIMUM POINTS</b>
Development team description and qualifications.	10
Relevant development experience.	30
Proposed development concepts.	40
Financial capability.	20
<b>Total Points Possible</b>	<b>100</b>

## **VIII. DEADLINE AND DELIVERY OF RFP SUBMITTAL**

### **A. INSTRUCTIONS FOR ELECTRONIC SUBMITTAL**

The City will only accept electronic submissions via the City of Mountain View PlanetBid portal.

- Applicants must register as a vendor and submit electronic proposals at: <https://pbsystem.planetbids.com/portal/47527/bo/bo-search>.
- Electronic responses delivered to this RFP must be received by the City no later than 5:00 p.m. PST on Thursday, April 6, 2023.
- Electronic submittals will be held, unopened, until the time and date noted in the RFP documents or posted addenda.

- Submittals received after the due date and time, in another location, or by another delivery method will not qualify for this RFP.
- No additional information, whether written or oral, of any type will be accepted or considered after the submittal deadline for any reason unless requested by the City. It is the applicant's responsibility to ensure that submittal is complete, accurate, and clearly understandable in all respects.
- Delivery of the RFP submittal by the prescribed time and date is the sole responsibility of responders.

As noted above in the Project Schedule, the City will host a mandatory virtual preproposal conference on Monday, February 27, 2023, from 10:00 a.m. to 11:00 a.m.

**The virtual meeting will be held via zoom using the following Zoom link:**

<https://mountainview.zoom.us/j/82972526427>

Meeting ID: 829 7252 6427

## **IX. GENERAL TERMS AND CONDITIONS**

### **A. ADDITIONAL INFORMATION FROM APPLICANTS**

The City reserves the right to request information from any applicant to clarify information submitted.

### **B. CITY'S RIGHTS TO THIS SOLICITATION**

This RFP does not create any legal rights or obligations between the City and any applicant hereto nor any obligation to proceed with negotiations. It is intended that any and all legal rights and obligations between the City and an applicant will come into existence only if and when a definitive agreement is signed and delivered by both parties. The City accepts no financial responsibility for any cost incurred by the applicant during the solicitation process. Applicants to this RFP shall bear all expenses in connection with their submittals and responses. All submittals become the property of the City and may be used in any way deemed appropriate.

### **C. ADDENDA**

The City may issue addenda to this RFP as necessary. All addenda are incorporated into this RFP. Each applicant is responsible for determining whether the addenda were issued prior to a response submission.

D. PUBLIC RECORDS

By submitting a response, the applicant acknowledges that any information submitted in response to this RFP is a public record subject to disclosure unless the City determines that a specific exemption in the California Public Records Act (CPRA) applies. If the applicant submits information clearly marked confidential or proprietary, the City may protect such information and treat it with confidentiality to the extent permitted by law.

E. CITY'S RIGHT TO MODIFY AND WITHDRAW RFP AND REJECT ALL RESPONSES

The City reserves the rights to modify and withdraw the solicitation and to reject all RFP responses for any reason without indicating the reasons. The City makes no representation that any agreement will be awarded to any applicant. Additionally, the City expressly reserves the right to postpone opening responses to this solicitation and/or to waive any informality or irregularity in the responses received.

F. CONFIDENTIAL SOLICITATION

The City will not share details of individual responses to this solicitation with competing applicants during the selection process. Once a preferred developer is selected and prior to legislative action on any resulting agreement, all solicitations become public information (except portions otherwise deemed confidential as noted above). Additionally, the applicant shall not influence the decision process by lobbying or otherwise influencing decision makers, be it elected officials, City officials or staff, or any other member of the decision-making body. By submitting a response to this RFP, the applicant agrees to keep the applicant's response confidential and not engage in any activity to influence the decision outside of the process outlined in the RFP, as may be amended from time to time.

G. NONDISCRIMINATION

By responding to this RFP, the applicant represents that the applicant and the applicant's subsidiaries do not and will not discriminate against any employee or applicant for employment on the basis of race, religion, sex, color, national origin, sexual orientation, ancestry, marital status, physical condition, pregnancy or pregnancy-related conditions, political affiliations or opinion, age, or medical condition.

**EXHIBIT A**  
**MINIMUM BUSINESS TERMS**

The following section briefly describes minimum business terms. In their RFP response, prospective developers should indicate acceptance of these minimum business terms or identify areas of proposed modification with an explanation as to why they need to be modified and suggest alternative ways to address them.

- ☐ Development Requirements—The development must be developed at a density of at least 75 units per acre unless the City requests a revision to the density subject to VTA approval and shall be subject to compliance with State and Federal fair housing law. If there is a tenant selection or marketing preference for persons who live or work in the City of Mountain View, the City must also include VTA employees in this preference.
- ☐ Subordination—Pursuant to City policy, the City will not typically subordinate its Affordable Housing Regulatory Agreement or affordability restrictions set forth in the ground lease to private lenders. The City may consider subordination of the City Regulatory Agreement and City Deed of Trust to deeds of trust and regulatory agreements to be recorded for the benefit of other public agency lenders that provide the project financing greater in amount than any financing the City provides for the project. The City will consider subordination of the City Deed of Trust to conventional lenders provided that the subordination agreement provides adequate notice and cure rights to the City and does not unreasonably restrict or modify the City documents, including the ground lease.
- ☐ Lease Term—The initial ground lease term will be 65 years, which can be modified if demonstrably necessary to address financing conditions (e.g., if necessary to satisfy the “true debt test,” such as if project financing cannot reasonably be projected to be repayable or refinanceable at maturity given the ground lease restrictions). The maximum ground lease term with extensions is 99 years.
- ☐ Base Rent—Given the City’s goals for this property, the City does not consider the future development on this property to be a revenue generation project and will consider allowing a Below-Market-Rate ground rent payment and/or allowing annual payments to be paid from residual receipts in coordination with payments due on any City-provided residual receipts loan. However, submittals should clearly state the terms of the base rent that are being assumed in the RFP response.
- ☐ Possessory Interest Tax—The lessee will be required to pay all property taxes and assessments and any possessory interest tax applicable to the property or the improvements.
- ☐ Good-Faith Deposit—Prior to entering into an Exclusive Right to Negotiate Agreement (ERNA) with the City, the development firm selected for the project will be required to submit a good-faith deposit of \$50,000 (wire or cashier’s check payable to the City of Mountain View) to offset City costs associated with negotiation and preparation of a disposition and development agreement (DDA) and ground lease. The initial \$50,000 good-faith deposit will become immediately nonrefundable. If the ERNA process extends beyond 90 days, a 60-day extension may be considered, and an additional \$25,000 good-faith deposit would be required.
- ☐ Predevelopment Costs—The development team will be responsible for City consultant and legal fees, all customary City permit processing and other fees, and all private predevelopment costs, including the cost to prepare all required submittals to the City to receive land use and environmental approvals. The good faith deposit will be applied toward such costs; any balance will be payable by the developer.

- ☐ Assurances—The DDA will require the provision of performance and payment bonds or other assurances to ensure completion of the project. The general contractor must obtain performance and payment bonds with City named as co-obligee for the full amount of the construction contract from a surety source approved by the City that is licensed in California with an *A.M. Best's Rating* acceptable to the City. Under certain circumstances, the City may accept an alternative form of assurance of project completion.
- ☐ Insurance—The lessee will be required to maintain Commercial General Liability and Property (Hazard) insurance coverages of at least \$2 million throughout the term of the lease. Automobile insurance, Professional Liability, Workers' Compensation, and Employer's Liability coverage may also be required. The City of Mountain View and the City's officers, officials, employees, and volunteers are to be covered as an additional insured by an endorsement.
- ☐ Compliance with Federal, State, and City Requirements—The lessee must review all Federal, State, and City regulations applicable to funding, the California Environmental Quality Act, and land use streamlining tools utilized for the project. The lessee should seek counsel for legal advice in applying the exemptions and obligations to their projects. Applicants will be responsible for compliance with the applicable skilled and trained workforce requirements that may apply.
- ☐ Prevailing Wage—Reference is hereby made to copies of the general rate of per diem wages as determined by the Director of the California Department of Industrial Relations on file in the Public Works Department, City of Mountain View, City Hall, First Floor, which are available to any interested party. Attention is directed to the provisions in Sections 1770 to 1780 of the California Labor Code governing the payment of prevailing wage rates by the contractor or any subcontractor under the contractor.
- ☐ Business License—For any work done within the City of Mountain View, the selected sponsors/developers shall obtain, prior to issuance of a Purchase Order, and maintain a valid business license from the City. Business license applications are available online at or at City Hall, 500 Castro Street, Second Floor, Finance and Administrative Services Department Lobby.
- ☐ Assignment—The ground lease may not be assigned in whole or in part without prior City written approval. Subleases (other than for residential units) will require City's prior written approval.
- ☐ Real Estate Commissions—The City will not pay commissions to brokers in this transaction.
- ☐ Documents—The successful development team will be required to execute applicable documents as identified in this RFP.

By signing below, I hereby acknowledge that I have completely read and fully understand the City of Mountain View Minimum Business Terms.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_