



RFP# 23-C2969: AFFORDABLE HOUSING DEVELOPMENT PROPOSAL

REQUEST FOR PROPOSALS: The City of Kenmore is seeking a partner(s) to help build new affordable housing units in the heart of downtown Kenmore.

DEADLINE: No later than 5:00 PM Local Time on October 6, 2023

EXECUTIVE SUMMARY

The City of Kenmore is requesting affordable housing development proposals for a City-owned property (48,490 square feet) located at 7010 NE 181st St., Kenmore, Washington, 98028 King County tax parcel #011410-0590 (the "Holt Property"). The mixed-use building(s) to be designed in this proposal will consist of community/commercial ground floor space (one idea being proposed is a YMCA branch for the first two floors of the building; more on this later in this RFP) and a minimum of 150 housing units. The City is choosing not to prescribe an exact number of units at specific levels of affordability in order to allow respondents to be creative in their designs while also ensuring that there is serious consideration paid to the opportunity to provide condominium-style affordable ownership units at the site, if possible. The housing component could feature:

- condominium homeownership units (townhomes, apartments, or a mix of types) affordable at or below 120% Area Median Income (AMI-see Section VI) or
- a mixture of apartment-style rental units at or below 60% AMI and ownership units at or below 120% AMI or
- apartment-style rental units affordable at or below 60% AMI.

Proposals that include family-sized (two and three bedroom) units will be scored more favorably.

Proposals that include some market rate units will be considered only if they are proposed in combination with more affordable housing units and show a significant amount of community benefit; however, preference in the scoring will be to proposals that include 100% affordable units. The preference is that the proposal includes some ownership units, and proposals that include ownership units will be scored more favorably. This partnership will result in an equitable, cost-

efficient, visually appealing, and high-quality mixed-use building(s) to be built and ready for occupants to move in by the end of 2027.

Affordable housing is the Kenmore City Council's #2 priority for 2023 and will be the #1 priority for 2024.

Through its efforts on this property and another located at 6532 Bothell Way NE, the City is demonstrating its commitment to affordable housing and seeks partner(s) who are equally committed and share the City's vision of a project that will enhance the neighborhood around the City's downtown core. We invite creative and committed partners to submit a proposal and join the City of Kenmore as we work together to add affordable units in Kenmore and do our part to tackle our region's affordable housing crisis.

I. INTRODUCTION

With affordable housing among the City Council's top two priorities for the second consecutive biennium in 2023-24, the City of Kenmore is pleased to announce the offering of a 48,490 square foot parcel located at 7010 NE 181st St. in Kenmore, WA, for construction of a mixed-use affordable housing development. The City is choosing not to prescribe an exact number of units at specific levels of affordability to allow respondents to be creative in their designs while also ensuring that there is serious consideration paid to the opportunity to provide condominium ownership units at the site, if possible.

The City is providing the land, purchased for \$3.2 million in September of 2022, as part of the project. If possible, the City would like to either retain ownership of the land through a long-term (55 years or longer) ground lease or to sell the land and recoup a portion of the sale price to be deposited in the City's new Affordable Housing Fund for future affordable housing development in Kenmore. Utilization of a Community Land Trust that preserves long-term affordability is another possible avenue for development.

Community Overview

The City of Kenmore is located on the northern shores of Lake Washington in the north end of King County bordering Snohomish County. Kenmore was incorporated as a city in 1998 and covers 3,952 acres (6.2 square miles) of land. Local landmarks include Kenmore Air's seaplane headquarters on Lake Washington, Bastyr University, St. Edward State Park, The Lodge at St. Edward, and Inglewood Golf Club.

The 2022 population estimate for Kenmore is 24,090 with a median age of 40. Like most cities in the Puget Sound, it has been steadily growing for the past decade. Population has increased by 3,522 since 2010, reflecting an annual increase of 1.7%. Population is projected to increase by an additional 1,756 by 2026, reflecting a 1.4% annual population growth.

Kenmore had an estimated total of 3,977 jobs as of 2020. The largest employer is Bastyr University and the top three employment sectors in Kenmore are Manufacturing, Professional/Scientific/Technical Services, and Health Care/Social Assistance. The average household income within Kenmore is \$148,132 with a median household income of \$116,734. Over the next five years, median household income is expected to increase by 19.4%, or

\$4,536 per annum. A total of 60% of individuals over the age of 24 have a college degree with 24% having continued their education and also earned a graduate degree.

Property Overview

The property is located in the heart of Kenmore’s downtown and is surrounded by residential and commercial development as described in Section IV below. The City has invested in significant infrastructure projects close to the property including sidewalk, bikeway, and roadway improvements on the City’s main north-south route (Juanita Drive/68th Ave NE) and within downtown. In addition, the City has invested in sidewalk and bus lane improvements on the City’s east-west route (Bothell Way NE).

The property is located within walking distance of a future Bus Rapid Transit Station, with easy access to major transportation routes and several business centers including Seattle, Bellevue, and Kirkland. The property is located one block from the closest bus stop and two blocks from a regional park and ride facility. It is only one block from the main east-west route through Kenmore, locally known as Bothell Way NE or State Route 522 (SR-522), a major transit corridor and one of the most heavily travelled roads in King County. SR-522 connects to Interstate 5 (I-5) in Seattle at NE 145th Street and at Northgate Way and 80th Avenue NE, and with Interstate 405 (I-405) to the east in Bothell, where it continues on to Monroe and intersects with Highway 2.

The property has easy access to recreational opportunities such as the Burke Gilman Trail which traverses the City parallel to Bothell Way (SR-522). The property lies only three doors down from City Hall and is close in proximity to several parks and public spaces, including the Town Square downtown park, The Hangar community building, the Jack Crawford Skate Court, and Kenmore’s branch of the King County Library System. Log Boom Park, adjacent to the Burke Gilman Trail, and Rhododendron Park, home of the Kenmore Senior Center, are also located nearby on the south side of SR-522.

II. CITY GOALS AND PRIORITIES

The City recognizes the significant opportunity the parcel provides to create community benefit and a wide range of potential housing choices affordable to households with lower incomes, including but not limited to:

- Permanent supportive housing for individuals, families, and young adults
- Home ownership for moderate wage earners and/or rental housing for low to moderate income households
- Housing for seniors with lower income and/or multigenerational households.
- Workforce housing for lower wage workers
- A neighborhood community center, childcare center, community health clinic, or commercial space that will serve the community’s needs

The City invites development proposals that embrace the City’s philosophy to increase affordable housing at all levels of affordability. The City recognizes that providing housing units at this level of affordability presents unique funding challenges and will accept

proposals that include rental and sale units at higher income levels up to 120% AMI. The desired development outcome is an equitable, cost-efficient, and high-quality mixed-use building(s) that includes creative design elements such as rooftop and/or courtyard vegetation and/or recreation/community space. The inclusion of commercial space or community space that serves the public on the ground floor of the project is highly encouraged.

Specific City priorities include:

- A priority placed on condominium ownership units and/or rental units, to be designated for individuals and families at varying levels of AMI
- A minimum of 150 total housing units is desired, with a mix of units including some three-bedroom units for working families
- A willingness to consider taking advantage of available flexibility in the Development Agreement process to maximize height, density or vary from other standards (e.g., parking requirements) to achieve additional housing units, greater public benefit, and/or a quality, integrated design that complements the neighboring community. This includes a willingness to consider increasing the building height to 6, 7 or even 8 stories with completion of a development agreement.
- Proposals consistent with downtown design standards, including a north-south mid-block pedestrian connection through the property (from NE 181st Street to the northeast corner of the property).
- Proposals that include a commercial and/or community space on the ground floor that provides a public benefit serving the residents of the project and the broader Kenmore community. The City has discussed a possible partnership with the YMCA to provide a full-service YMCA facility on the first two floors in the community/commercial space. Such a partnership with the YMCA is considered a public benefit.
 - If a respondent is interested in partnering with the YMCA on their proposal, this would be encouraged by the City. Please contact Housing and Human Services Manager, Tambi Cork (tcork@kenmorewa.gov) and she will make the appropriate introductions.
- Proposals that address diversity, equity, inclusion, and accessibility (DEIA). Kenmore is a high-cost housing market with historically limited racial and ethnic diversity compared with the broader region; according to Redfin, the average value of a single-family home in Kenmore is \$1,127,500. One of the City's values is to be a welcoming community to all. As the City continues on its DEIA journey, it seeks opportunities to increase affordable housing and diversify its population to include residents of all races and socio-economic levels.

III. PROPERTY ZONING AND RECENT SALE PRICE

The subject property was acquired by the City of Kenmore from a private seller for \$3,200,000 in September 2022. The property is currently vacant and is zoned Downtown Commercial (DC). The property is within the Downtown Design Standards Area #1. The Kenmore downtown design standards are intended to implement the City's comprehensive plan and vision for the creation of "...a community with an attractive, vital, pedestrian-oriented City

center offering commercial, civic, cultural and park spaces, integrated with higher density housing..." and "...a community with clear design standards creating attractive, functional, and enduring buildings and places..."

IV. NEIGHBORHOOD INFORMATION

- A. Nearby Amenities. The subject property is located downtown, three doors east of City Hall and on the north side of NE 181st St. across from a shopping center that contains a Safeway supermarket and gas station, Rite Aid pharmacy, optometrist, UPS store, barbershop, pet store, restaurant and a Wells Fargo bank. It is within a three-block walking radius of The Hangar, Stoup Brewing, Diva Espresso, Zeeks Pizza, the Kenmore branch of the King County Public Library, a family dentistry office, Kenmore post office, and several other restaurants, small businesses, and specialty stores. Kenmore Air Harbor, featuring regional and international destinations, is also a short walk away.

- B. Schools. The subject property is located within the desirable Northshore School District (NSD), which services the educational needs of kindergarten through 12th grade students in Kenmore, Bothell, and Woodinville, and is currently within the service area boundaries of Kenmore Elementary School, Kenmore Middle School, and Inglemoor High School. Kenmore Elementary School is within easy walking distance of the property. The NSD has a strong reputation for providing high-quality education in the region. Kenmore is also home to Bastyr University, one of the nation's largest and most respected natural health medical universities. In addition, transit routes for Cascadia College, University of Washington (Bothell and Seattle campuses), and Shoreline Community College are a short walk from the property.

- C. Public Transit. The property is located roughly one block from a future Bus Rapid Transit station, which will provide high-capacity transit along Bothell Way NE and connect to the Shoreline Link light rail station in 2026. Multiple Metro and Sound Transit buses already travel along SR-522, the main thoroughfare through Kenmore. SR-522 connects with I-5 in Seattle at NE 145th Street and at Northgate Way and 80th Avenue NE and with I-405 to the east in Bothell where it continues on to Monroe to intersect with Highway 2.

Major road improvements were completed in three phases along SR-522 in recent years, adding sidewalks, bus lanes, and improved safety through the removal of a two-way turn lane. The property is located one block from the closest bus stop and two blocks from a regional park-and-ride facility.

- D. Parks and Open Space. Several parks are close to the property, including the Town Square downtown park, the Hangar community space and the Jack Crawford Skate Court at City Hall, all within one block of the property. Log Boom Park on Lake Washington, Rhododendron Park, which includes the Kenmore Senior Center, and ʕáʕwádis (Tl' awh-ah-dees) Park, are also located nearby on the south side of SR-522.

V. PROJECT REQUIREMENTS

The following items will be required of all proposals. Submissions that do not address them will not be considered:

- A. Willingness to Work with the City of Kenmore. Preparation of a site plan and supporting documentation in a timely manner that meets permit review requirements (potentially as modified by a Development Agreement) and requirements for submittal of funding requests. Basic site development issues such as access, infrastructure, drainage, sewer, water, and other utilities must be coordinated with the City. A timeline for funding, permit approval, and construction must be included in the proposal. In addition, a proposed public engagement process must be included in the proposal.
- B. Density Expectations. The goal of this project is to provide at least 150 residential units on the site.
- C. Development Agreement. The City anticipates that a Development Agreement between the developer(s) and the City will be part of this proposal. A key goal of this project is to provide the highest possible benefits to the community; this may best be achieved through a variety of means such as by maximizing the number of units in the building, increasing the allowable height, and/or reducing on-site parking below what current zoning requires. Zoning regulations, including parking, may be modified under the Development Agreement.
 - Zoning. The site is zoned Downtown Commercial (DC), which requires a minimum density of 60 units per acre for standalone multi-family developments and allows for a current maximum density of 150 units per acre. There is a maximum height of 65 feet. Projects requesting modifications to the current allowed height or other zoning standards may be considered under a Development Agreement process.
 - Parking. The project will have parking requirements whose goal is to provide enough parking to meet the needs of both residents and the customers and employees who will utilize the commercial or community space while also maximizing housing units and reducing parking space allotments where applicable or possible. Parking requirements will be negotiated as part of the Development Agreement and may include underground parking.

VI. ADDITIONAL CRITERIA BY WHICH PROJECTS WILL BE EVALUATED

In addition to the project requirements stated above, project submittals will be evaluated based on the degree to which developers address the following items. The City reserves the right to reject any or all proposals and to accept any proposal that it deems to be in its best interest and/or best fulfilling its criteria.

The following items are listed in order of importance:

- Affordability of the Units. The City's priority is to provide housing on the property for low-income households at varying levels of AMI up to 120% AMI. The City is looking for proposals with 100% condominium affordable ownership units and/or proposals with a

combination of affordable ownership and rental units. A home is considered affordable if the total housing costs (i.e., rent or mortgage and any homeowner's association dues), including utility allowance, do not exceed 30% of total household income for a presumed household size.

The King County/Seattle Metropolitan Statistical Area (MSA) AMI for 2023 is \$146,500 for a family of four. Appendix B contains a table indicating household income and rents/sale prices based on household size.

In evaluating proposals, affordability will be measured at several levels.

- The number of ownership units affordable to households earning at or below 30% AMI.
- The number of ownership units affordable to households earning at or below 60% AMI.
- The number of ownership units affordable to households earning at or below 80% AMI.
- The number of ownership units affordable to households earning at or below 120% AMI.
- The number of rental units affordable to households earning at or below 30% AMI.
- The number of rental units affordable to households earning at or below 60% AMI.
- The strength of the commitment the developer is willing to make to ensure long-term affordability.
- The length of the term (duration) of affordability (A minimum 50-year affordability period is required, with proposals providing affordability in perpetuity preferred).

All units regardless of household AMI must have substantially the same quality of equipment and amenities and be comparable in size in terms of number of rooms and square footage. While the City is choosing not to prescribe an exact number of units at specific levels of affordability to allow respondents to be creative in their designs, it is worth noting that many funding mechanisms do have these restrictions. Funding for affordable homeownership projects generally expect that proposals include 100% of the units be designated affordable at or below 120% AMI. Funding for affordable rental projects generally expect that 100% of the units be designated affordable at or below 60% AMI. Here is a link to the ARCH site with 2023 Rent Limits:

https://static1.squarespace.com/static/61687c3f7fbc096461d80234/t/648b5ac2c15964175867590f/1686854339136/ARCHTF_Rent_Income_Limits+6.15.2023.pdf

The City of Kenmore, through its association with ARCH, will administer affordability monitoring and compliance requirements for affordable rental housing. The proposal must include a chart or other description of the total units, level of affordability, unit size, and population proposed to be served.

- Quality of Design and Integration of the Project with Surrounding Uses. High quality and creative design are required. Projects must demonstrate functional and visual compatibility and incorporate creative design elements. Please refer to the City's Downtown Design Standards attached in the Appendices for additional detail. Submittal of a conceptual site layout and/or preliminary design concept is encouraged.
- Unit Mix. The City seeks projects which provide units for different household sizes. Projects will be evaluated based not only on the number of units proposed through each

submittal, but also on the number of bedrooms and bathrooms and the square footage of each unit. Proposals that include a mix of studio, one-, two- and three-bedroom units are most preferred, however a proposal that includes specific type(s) of units or populations served (for example, a workforce housing proposal that includes two and three-bedroom apartments) will also be considered.

- Number of Units. The City desires the greatest number of units, balanced with affordability, quality design, and diversity of unit sizes.
- Strength of the Development Team. Project submittals will be evaluated on the proven ability of the developer(s) and team members (including the architect, general contractor, other contractors, and additional key personnel) to successfully develop high-quality, high-density housing developments in an urban setting. Experience successfully working to build affordable housing in King County will be a plus. Evidence of this ability shall be demonstrated by the success and quality of previous comparable developments including design, timely completion of projects within budget, and ongoing property management (for rentals).

Factors such as the team's record of performance on similar development projects including quality of work, industrial safety records, cooperation, responsiveness, labor force management, and other managerial considerations will be taken into account in reviewing proposals. The organization of the project team and its ability to work with other contractors/developers/consultants in partnership to design and develop the site will also be considered. Submittals should demonstrate a sound approach for coordinating the site design with the City, including development and installation of infrastructure and utilities and compatibility of other adjacent sites.

Other areas to be considered in evaluating the strength of the development team include the depth of experience of the team members and the use, if feasible, of minority/women-owned businesses as part of the development team.

- Soundness of the Financial Proposal. Projects will be evaluated on the proposed purchase price of the property and the capability of the development team to secure financing and resources necessary to complete the proposed project in a timely manner and within budget. This will include an evaluation of the developer's ability to guide this project through the state and county funding cycles as well as the Low Income Tax Credit process and a track record of bringing investors and lenders to the table to help finance projects.

Construction and operating budgets shall be submitted with all proposals that demonstrate the feasibility of the proposed financing package and construction budgets to complete the proposed development and achieve the affordability levels. Project submittals shall also include documentation that the necessary financing would be available for the development, construction, completion, and management of the proposed project or certification from the chief financial officer or an independent accountant for the developer(s) stating that the developer(s) and the development team have adequate financial resources and project equity to develop, construct, complete, and manage the proposed project.

- Community or Commercial Space. The applicant's willingness to include community and/or commercial space on the ground floor of the project should be addressed in the RFP. The City anticipates that conceptual designs for the ground floor space will be coordinated with the housing to ensure appropriate links and combination of uses. The City has been in communication with the YMCA and encourages applicants to consider a possible partnership with the YMCA for the community/commercial space.
- Local Funding Assistance. The City of Kenmore purchased the land for \$3.2 million and is the current owner. Proposals that allow the city to recoup all or a substantial portion of what the City paid for the property, either through a purchase agreement or long-term ground lease, would be viewed favorably. Projects that rely on funds from a combination of sources, including King County, the Department of Commerce, and 501(c)(3) non-profit tax-exempt bonds are encouraged. Funds from the ARCH Trust Fund cannot be assumed to be available for this project at this time. However, the developer(s) is encouraged to apply for funding from the ARCH Housing Trust Fund.
- Timeliness of Construction. Projects that will be ready to start construction immediately following permit approval by the City are preferred. Construction may be phased, although, given the size and scope of the project, phasing is not anticipated. If the project is phased, the timing and sequence for each phase will be determined through negotiation and specific timelines that will be defined in the final agreement. The project should be completed and ready for occupancy by the end of 2027.
- Environmental Sustainability. Designs that incorporate environmentally sustainable materials and practices are highly encouraged. Creative ideas that fully utilize all of the spaces (including, for example, a green roof that incorporates public uses such as a garden and/or recreation space) are also encouraged. The design will need to meet the City's updated Energy Code as upcoming changes are adopted.

VII. RESPONSIBILITIES OF THE SELECTED DEVELOPER

The selected developer(s) will be required to meet the following requirements. Other issues may be identified through the city's permitting review process.

- A. Submittal of All Required Development Review Applications and Obtaining All Required Permits and Approvals. At a minimum, it is expected that the project will require submittal of a pre-application, Development Agreement application, Site Plan Application, SEPA checklist, utility applications, storm water reviews, engineering permits, and building permits. The applicant shall also obtain any other permits required by the City, State, or Federal Government.
- B. City Development Standards. Redevelopment of the property shall comply with all applicable City of Kenmore ordinances, and zoning and development regulations, provided that some code deviations may be allowed through a negotiated development agreement. The Kenmore zoning and development regulations are available on the City's website, www.Kenmorewa.gov.

The zoning standards for the Downtown Commercial (DC) zone may be found in Section

18.25.040 KMC, which includes densities, setbacks, allowable height, and maximum impervious surface areas. The Kenmore Development Services web page can be found at this link: <https://www.kenmorewa.gov/government/departments/development-services>. The Kenmore Municipal Code (KMC) can be found at this link: <https://www.codepublishing.com/WA/Kenmore/>.

The development agreement regulations may be found in Section 18.110 KMC, which includes general provisions, flexibility, and processing procedures; [Chapter 18.110: Development Agreements \(codepublishing.com\)](#).

- C. Installation of New Water and Sewer Lines. New water and sewer systems for the property must be provided by the developer(s) and coordinated with the City. Utility design specifications and requirements shall be obtained by the developer(s) from the Northshore Utility District (NUD). NUD's website is www.nud.net.
- D. Other Utility Improvements. The selected developer(s) will be responsible for all utility improvements on the property including, but not limited to electricity, cable, and natural gas (if applicable).
- E. Stormwater Management. The selected developer(s) will be required to install new stormwater systems on the property that comply with City requirements. At a minimum, stormwater facilities should be coordinated with the City. The property will need to provide water quality treatment measures. The developer(s) (or their successors) agrees to construct and maintain a privately-owned system. The City will not assume ownership and maintenance responsibilities for underground stormwater facilities at this site. Conveyance, detention, or retention and water quality facilities will all need to be designed and constructed to meet current City of Kenmore requirements. Design Specifications and requirements can be found in the 2016 King County Surface Water Design Manual as amended by the City. A copy can be found on the City's website at the following link: [Codes & Resources | City of Kenmore Washington](#).
- F. Site Access. The developer(s) is required to work directly with the City to develop coordinated site access and circulation plans.
- G. Washington State Environmental Policy Act (SEPA) Review. The selected developer(s) will be required to prepare a checklist and any other required documents pursuant to the Washington State Environmental Policy Act (SEPA).

The developer(s) will be responsible for complying with all necessary review and mitigation imposed under the SEPA provisions.

- H. Compliance with the City's Critical Areas Ordinance. There are no known sensitive areas on the property that would require special mitigation, buffers, or setbacks given the intended use of the property.
- I. Indemnification. If the developer(s) proposes to construct on-site improvements before the property is transferred from the City, the developer(s) will be required to hold the City

harmless and indemnify the City in the case of claims or financial loss relating to construction and development of the property. The developer(s) will be required to insure against such losses or provide guarantees that the City will be held harmless.

- J. Insurance Requirements: The selected agency(s) shall maintain insurance that is sufficient to protect the agency’s business against all applicable risks, as set forth in the City’s Standard contract (available upon request).
- K. Business Registration and Taxation: The agency(s) awarded the contract will be subject to City of Kenmore Business Registration and Business Taxation as presented in the Kenmore City Code.
- L. Federal Debarment: The selected developer will be required to certify they are not currently debarred or suspended by the Federal government and are not listed as having an “active exclusion” on the U.S. government’s “System for Award Management” (SAM) database (www.sam.gov). Any agency currently debarred or suspended by the Federal government or having an “active exclusion” will be automatically disqualified.

VIII. OTHER FINANCIAL CONSIDERATIONS

The selected developer(s) will be responsible for all applicable development expenses and fees, including planning and building permit fees, impact fees, utility connection charges, consulting costs, improvement and construction costs, etc., associated with development of the project. It is the responsibility of the developer(s) to confirm all applicable fees. The impact fees applicable to this site will include transportation, parks, and schools. The City may provide exemptions for low-income housing and other development activities with broad public purposes. Exemption requests for school impact fees under this subsection shall be subject to evaluation by the Northshore School District.

IX. SELECTION PROCESS

- A. Schedule. The selection process is expected to be completed in approximately 90-120 days. This time period does not include negotiation of the Draft Agreement(s). The schedule for the selection is as follows:

DATE	ACTION
July 27, 2023	City of Kenmore advertises the Request for Proposals
August 8, 2023	Applicant’s Briefing Session <i>A briefing session for potential applicants will be held virtually on Microsoft Teams from 12:00 – 1:00 PM</i>
August 8, 2023	Applicant Tour of Property <i>A tour of the property with Kenmore Deputy City Manager Stephanie Lucash will be held on-site from 3:00 – 4:00 PM</i>
September 6, 2023	Deadline to Submit Questions to bids@kenmorewa.gov

October 6, 2023 5:00 PM	RESPONSE TO RFP MUST BE RECEIVED BY THE CITY OF KENMORE CITY CLERK NO LATER THAN 5:00 PM LOCAL TIME Respondents must submit their proposals in PDF format by email no later than 5:00 PM Local Time to the City Clerk bids@kenmorewa.gov
October 16, 2023	Select "short list" of finalists.
Week of October 23, 2023	City to schedule interviews with finalists.
November 9, 2023	Tentative selection of developer(s) and proposal.
November 13, 2023	Announce selection to Kenmore City Council.
November 27, 2023	Present selected partner, proposal, and complete package to Kenmore City Council
Week of December 4, 2023	Preparation of Draft Agreement(s) with Selected Partner(s)
September 2024	Submit project to State and County funding cycle.

- B. Applicant’s Briefing Session. **There will be an Applicant’s Briefing Session on the project held virtually via Microsoft Teams on Tuesday, August 8, 2023 from 12-1 P.M.** Any party considering submittal of a proposal should strongly consider attending this meeting. Following a brief introduction, City and ARCH representatives will be available to answer questions about the development requirements.

In addition to the briefing session, development teams are encouraged to work with the City of Kenmore as questions arise by emailing bids@kenmorewa.gov. The deadline for questions in September 6, 2023. All questions and answers will be posted on: <https://www.kenmorewa.gov/government/departments/finance-administration/working-with-the-city/requests-for-proposals>.

- C. Submittal of All Required Materials. Emailed proposals must be received no later than October 6, 2023 at 5 P.M. by the Kenmore City Clerk at bids@kenmorewa.gov.
- D. City Review of RFP Submittals. The City of Kenmore will conduct its own review and selection of a developer for this project and ensure that all phases of the project adequately respond to the design considerations and other objectives stated in this RFP, including the selection criteria listed in Section VI of this RFP. An Affordable Housing Working Group consisting of City staff and representatives from ARCH will serve as the review committee and will review all of the applications. The group will determine which applicant(s) will be invited to individual interviews to provide more detailed information on their proposals. Following interviews, the review committee will make a recommendation to the City Council. The City Council will have final authority over the selection of the successful proposal.
- E. Purchase and Sale Agreement or Lease Agreement and Development Agreement. After approval by the City Council, the selected applicant(s) will work with City staff on drafting both a Purchase and Sale Agreement or Lease Agreement and a Development Agreement. The Agreements will include details such as development commitments and timelines for construction. The Development Agreement, which is authorized by RCW 36.70B.170, will be processed in accordance with Chapter 18.110 of the Kenmore Municipal Code. [Chapter 18.110 DEVELOPMENT AGREEMENTS \(codepublishing.com\)](#). The Development

Agreement will include any need for deviations from current zoning to allow for additional density, reduce the number of required parking spaces, and/or any other considerations needed for the project. The Development Agreement will be processed concurrently with the building and engineering permit(s).

The applicant will be required to obtain the necessary approvals and permits to construct the proposed development in a timely manner. These approvals include (but may not be limited to):

- i. Pre-application conference with City staff.
- ii. Submittal of building permit application and construction drawings for review and approval.
- iii. Submittal of a Site Plan Application, SEPA Checklist and any other required SEPA documents.
- iv. Submittal of engineering permit application and construction drawings for review and approval, including site access, frontage improvements, surface water design, and utility permit review.

As applicable, the above approvals may be processed concurrently with the Development Agreement.

X. REQUIRED SUBMITTALS

All proposals must include the following information and incomplete submittals may be rejected as non-responsive. Please use a legible sized font (11- or 12-point size). Applicants are encouraged to use the Combined Funders Application (CFA) Excel forms for submission of information, including development and operating budgets, project schedule, unit affordability, LIHTC basis and self-score, and development team information. If using the CFA forms, all tabs should be filled out other than forms 4 and 7B.

Interested developers or development teams shall submit one electronic copy of their proposal to the City of Kenmore City Clerk at bids@kenmorewa.gov. They should also submit one copy each of a completed and signed Form A and Form B, as provided in Appendix A, to bids@kenmorewa.gov. Budget forms shall be provided in Excel format.

The text of the submittal shall not exceed fifteen (15) pages in length, not including Form A, Form B, team qualifications, resumes, references, and other samples of development. The City of Kenmore reserves the right to request additional information following its review of the initial submission. In addition, the City may retain consultants to assist in the review of any aspects of the proposals.

Submit one original copy of the completed proposal to bids@kenmorewa.gov. Include a cover sheet on each copy naming the developer, including all known subconsultants and contractors proposed on the team. Each proposal shall contain the following:

1. Development Team Information. Identify the background and experience of all known team members, including the developer/owner and its lead staff person for this development,

architect/designer, landscape architect, and if available, general contractor or builder, engineering consultants, property manager, and lender. This information shall include a description of each team member's experience and qualifications in the development and construction of medium to high density urban housing projects, particularly projects of a similar size and density proposed for this development site. Include any experience with public/private partnerships and mixed-use projects. In addition, the proposal should provide a description of the applicant's financial position and recent track record securing financing for similar projects (see CFA forms 9A, 9B, 9C, and 9E).

2. Project Description. Please provide a general description of the project, including addressing factors such as:

- A description of how the proposal responds to the development program and other goals and objectives stated in this RFP, including consistency with the income targets identified by the City.
- Overall vision and description of the affordable housing, including unit mix and affordability and special population focus, if any.
- Overall vision and description of the nonresidential space.
- Estimated building square footage (see CFA Form 2B).
- Proposed program and coordination with other key project partners, if any.
- Design approach, including open space and parking integration and the project's connections with the broader Downtown Community.
- Description of anticipated development standards or other provisions that would be sought in a Development Agreement, such as parking ratios and maximum density.

3. Project Development Budget and Schedule and Operating Pro-Forma.

- a. Purchase Price, Estimate of Total Project Development Costs and a Financing Plan for the Proposed Project. Proposals must contain the developer(s) proposed purchase price for the land; and a preliminary development budget that includes all expected costs associated with the site and building development, including design, infrastructure, building construction, permits, marketing, financing, developer fee, contingency, etc. The proposal should also explain the basis/key assumptions for estimating project costs. If Low Income Housing Tax Credits are proposed, applicants should provide a LIHTC calculation and self-score. Proposed financing should include key terms for any bridge/construction and permanent financing, and the basis for such terms. (See CFA Forms 6A, 6B, 6C, 6D, 6E, 7A, and 10)
- b. Affordability. Proposals shall include a description of the types and size of units, their projected rents or purchase values, and the expected income level at which the units will be affordable. Describe the rent or sales structure and levels of affordability that will be achieved and any anticipated subsidies for the operations, rents, or services (see CFA Forms 8C, 8D, and 8E).
- c. Operating Pro-Forma. Proposals shall include estimated operating income, expenses, and cash flow for each of the first fifteen (15) years of operation. (See CFA Forms 8C, 8D, and 8E.)

- d. Project Schedule. Proposal shall include a schedule of key milestones to implement the project and the approximate dates by which they will be accomplished. (See CFA Form 5)
 - e. Management Plan. For projects intended for ownership and/or rental, describe the proposed property management of the development upon completion and occupancy. Identify who will manage the units and include their experience in property management.
 - f. Marketing Plan. Describe the anticipated process for marketing the units for sale or rent.
4. Preliminary project designs. The following design documents are required with the submittal. The City may entertain a request to waive some of these submittals, if the cost of the preliminary design presents a significant barrier to an applicant.
- a. Schematic site plans. Plans shall show all proposed building locations; automobile and pedestrian access and circulation; parking; landscaping (including preservation of existing trees); sewer and water utility mains; and stormwater facilities. Access and utility mains should be shown on portions of the property.
 - b. Typical building elevations showing materials.
 - c. Typical floor plans of each floor and unit type being proposed. Each plan shall include square footage calculations for each unit type shown.
 - d. Photographs of existing buildings that illustrate the architectural style intended by the developer for this site may be included.
 - e. Those applicants who are invited for an in-person interview may bring color presentations to the interview that illustrate their proposed development.

XI. OTHER REQUIREMENTS AND INFORMATION

- A. All facts and opinions stated within this RFP, and all supporting documents and data are based on information available from a variety of sources. No representation or warranty is made with respect thereto.
- B. The City of Kenmore reserves the right to modify the selection process or other aspects of this development offering at its sole discretion. All persons who have received the RFP from the City will be notified of modifications, as applicable.
- C. The City of Kenmore reserves the right to: i) accept proposals, even if the applicant has not submitted all information in response to this RFP; ii) waive any informalities or irregularities in proposals; iii) reject any or all submittals in response to this RFP for any reason and without cause; and/or iv) re-advertise for new proposals.

- D. At any time before the time and date set for submittal of proposals, a developer may withdraw or modify their proposal. Such a request for modification or withdrawal shall be made in writing by the person authorized to sign the proposal as set forth in the identifying information in Form A.
- E. In the event that it becomes necessary to revise any part of the RFP, addenda will be posted on the City of Kenmore's web page dedicated to this project. It is the responsibility of the respondents to regularly check the web page for updates. That page can be found at this link: <http://www.kenmorewa.gov/government/affordable-housing-development>

When, either before or after receipt of proposals, the City changes, revises, increases, or otherwise modifies its requirements, the City shall issue a written addendum to the RFP and post it on the web page as indicated above. In considering which persons to notify of any such change, the City will consider the state in the RFP process at which the change occurs, and the magnitude of the change as follows:

- a. If proposals are not yet due, the addendum will be posted on the web page. As noted above, it is the responsibility of the respondents to check the page regularly for updates.
 - b. If the deadline for submittals has passed, but the proposals have not yet been evaluated, the addendum will be sent only to those persons/firms that have responded to the RFP.
 - c. If the proposals have been evaluated and classified, only those proposals identified as being within the competitive range will be sent the addendum.
 - d. If a change is so substantial that it warrants substantial revision to the RFP, the City may cancel the original RFP and issue a new one, regardless of the state of the RFP process.
- F. The City of Kenmore reserves the right to cancel the RFP or extend the date and time for submitting proposals. Such determination by the City will be given by Addendum and posted on the City's web page as noted above. Notice will also be emailed to all persons who attended the Applicant Briefing.
 - G. In the event that only one proposal is received, the City of Kenmore reserves the right to conduct an analysis and evaluation of such proposal. The submitter of such proposal shall provide such information, data, and other documentation as deemed necessary by the City for analysis. The City reserves the right to reject the proposal with or without evaluation and analysis.
 - H. At any time following its initial review of all submittals, the City may request revisions of any of the proposals to make a "last best offer" in order to most closely meet the City's goals and requirements for the redevelopment of this property.
 - I. In the interest of a fair and equitable selection process, the City retains the sole

responsibility to determine the timing, arrangement, and method of proposal presentations throughout the developer selection process. Development teams are cautioned not to undertake any activities or actions to promote or advertise their proposal except in the course of City authorized presentations. Other than discussions with City staff, which are encouraged, developers and their representatives are not permitted to make any direct or indirect (through others) contact with members of the City of Kenmore City Council, Planning Commission, or selection committee (with the exception of City staff and ARCH representatives) concerning their proposal, except in the course of a City sponsored presentation. Violation of these rules may be grounds for disqualification from the selection process.

- J. The developer is encouraged, but not required, to use Minority, Women, and Emerging Small Business Enterprises.
- K. There will be no real estate commission paid by the City for the sale of this property.

XII. LIST OF CONTACT PERSONS

City of Kenmore Project Leads:

Tambi Cork, Housing and Human Services Manager

Email: tcork@kenmorewa.gov

Samantha Loyuk, Development Services Director

Email: sloyuk@kenmorewa.gov

Water and Sewer Utilities:

Northshore Utility District www.NUD.net

Aparna Khanal, akhanal@nud.net

Stormwater Facilities:

<https://www.kenmorewa.gov/government/departments/development-services/codes-resources>

City of Kenmore

Thomas Joachimides, Development Review Engineer

Email: tjoachimides@kenmorewa.gov

Street Standards, 2021 Kenmore Road Standards:

<https://www.kenmorewa.gov/home/showpublisheddocument/1984/637740550338630000>

Thomas Joachimides, Development Review Engineer

Email: tjoachimides@kenmorewa.gov

Concurrency Review:

Thomas Joachimides, Development Review Engineer

Email: tjoachimides@kenmorewa.gov

Fire Department Access Requirements:
Shoreline Fire Department
Ryan Burgess, rburgess@shorelinefire.com

A Regional Coalition for Housing (ARCH):
Elsa Kings, Housing Trust Fund Manager
Email: ekings@bellevuewa.gov

Lindsay Masters, Executive Director
Email: lmasters@bellevuewa.gov

XIII. LIST OF ATTACHMENTS

Appendix A: Forms

A-1. Combined Funders Application (CFA) Forms

Appendix B: [2023 ARCH Income and Rent Guidelines and Rental Costs \(based on the King County/Seattle MSA Median Income\)](#), and Affordable Sales Prices (for ownership projects)

XIV. LIST OF OTHER AVAILABLE REPORTS AND INFORMATION

The following reports and information will be made available upon request to interested developers or development teams.

- Appraisal
- Environmental reports
- Title report
- Market analysis report
- Geotechnical report
- Survey

The City's Permit and Impact Fee Schedules can be found at this link: [Permits](#)

Northshore Utility Fee Schedules can be found at this link: [Permits-Construction](#)

The City's Road Standards can be found at this link: 2021 ROAD Standards (kenmorewa.gov)

The City's Codes and Resources can be found at this link:

<https://www.kenmorewa.gov/government/departments/development-services/codes-resources>

The City's Comprehensive Plan can be found at this link:

<https://www.kenmorewa.gov/home/showpublisheddocument/1539/637469151985830000>