

## GENERAL OBLIGATION BOND REQUEST FOR INTEREST

**REQUEST** In 2016 Portland voters approved measure 26-179, Portland's Housing Bond, which authorizes the City to issue up to \$258,400,000 in general obligation bonds for the development (new) or acquisition of (existing) affordable housing. The Portland Housing Bureau (PHB) expects the Housing Bond will result in a minimum 1,300 housing units.

This Request for Interest (RFI) seeks proposals from property owners, their representatives and/or developers to participate in this program. Specifically, PHB is interested in considering proposals to purchase land for redevelopment and/or existing multifamily residential buildings of twenty units or more. Minimum requirements and preference criteria for locations, properties and projects are contained in the body of this RFI and are guided by Portland's Housing Bond Policy Framework. While PHB may consider any and all offers, those that most closely match the criteria of the Policy Framework may receive more favorable consideration.

**- DRAFT COPY -  
NOT FOR DISTRIBUTION**

**SOLICITATION COORDINATOR:**

Karl Dinkelspiel, Senior Program Manager  
Portland Housing Bureau  
421 SW 6<sup>th</sup> Ave, Suite 500  
Portland, Oregon 97204  
(503) 823-1354  
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**SOLICITATION LOCATION:** [www.portlandoregon.gov/phb](http://www.portlandoregon.gov/phb)

## GENERAL INFORMATION

<b>Solicitation Title:</b>	Portland Housing Bond RFI 1
<b>Solicitation Coordinator:</b>	Karl Dinkelspiel (503) 823-1354 <a href="mailto:karl.dinkelspiel@portlandoregon.gov">karl.dinkelspiel@portlandoregon.gov</a>
<b>Proposal Delivery Location:</b>	Sr. Administrative Specialist Portland Housing Bureau 421 SW 6 <sup>th</sup> Ave, Suite 500 Portland, OR 97204
<b>RFI Webpage:</b>	<a href="http://www.portlandoregon.gov/phb">www.portlandoregon.gov/phb</a>

*Direct all questions regarding this RFI to Karl Dinkelspiel*

## SCHEDULE

<b>RFI Issued</b>	Monday, October 23, 2017
<b>Developer/Sponsor Mandatory Information Session</b>	None
<b>Proposals Submission Schedule:</b>	Proposals may be submitted any time after RFI issuance.
<b>Anticipated Notice of Results:</b>	Announcement of results will be made on a case-by-case basis

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## I. INTRODUCTION AND GENERAL INFORMATION

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Following the passage of Measure 26-179, Mayor Ted Wheeler directed PHB to organize and facilitate a Stakeholder Advisory Group (SAG) to provide direction on the expenditure of Portland's Housing Bond funds. The SAG met over the course of six months and on October 11, 2017 delivered its final report to the Portland City Council. The SAG report known as [Portland's Housing Bond Policy Framework](#) includes important direction for bond implementation.

The Policy Framework sets the following policy goals and priorities:

- Confirms bond funds should be used to build or acquire 1,300 or more affordable housing units;
- Sets as additional goals that:
  - 650 of the bond funded units be "family-sized," i.e. two or more bedrooms; and
  - at least 600 units will be for households earning 30% or less of area median income (AMI) of which 300 may be supportive housing provided dedicated funding is available from another source to fund supportive services;
- Emphasizes the importance of serving "Priority Communities;"
- Seeks to focus resources geographically in:
  - Areas at high risk for gentrification;
  - High Opportunity Areas (as defined as receiving a 3 or higher Opportunity Map score).

This RFI explicitly incorporates the policy objectives of the Policy Framework while adding site and/or project specific criteria. This RFI also creates two categories for which bond funds may be expended:

- Existing building(s) acquisition; and
- Land acquisition.

Neither this RFI nor the Policy Framework sets specific targets for the number of units that from come each category, but PHB will seek to maximize the total number of units bought/created.

All land or buildings acquired through this RFI will be owned by the City of Portland through PHB in fee simple. As such, all units will be for rent, not for sale. In addition, at present, Portland's Housing Bond funds may not be lent or used as gap financing for buildings/land to be owned by other private entities/organizations (non-profit or profit-motivated corporations, limited liability companies, trusts or partnerships without exception).

## II. REQUIREMENTS AND PREFERENCES

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Proposals for this RFI may be in one of two categories, existing building(s) or land acquisition. There is no limit on the number of proposals that may be submitted by any one proposer.

- Existing Building Acquisition is defined as:

One or more existing buildings completed prior to the release date of this RFI, that contain residential units. Such building(s)/units may or may not require rehabilitation.

This category also includes a group of units within a single building. Such groups must be contained within a legally defined condominium such that PHB may have a fee simple interest in it. All other criteria of this RFI apply.

- Land Acquisition is defined as:

A contiguous parcel or parcels of land without buildings. A parcel or parcels containing a building or buildings may also be considered Land Acquisition if such building(s) will be demolished to allow for redevelopment. If the intent is to leave or re-use the building(s) for residential purposes then the proposal will be categorized as Building Acquisition. PHB does not necessarily intend to acquire all land necessary for development of Portland's Housing Bond projects through this RFI; the Bureau may use other means including but not limited to direct solicitations and land already owned by PHB.

PHB will consider proposals that combine either of this RFI's two categories, however, through this RFI PHB is **NOT** making available any of its traditional gap financing tools.

Requirements and preferences for each category are shown in the tables below and Form A ("Submittal Requirements). Requirements represent minimum thresholds:

- Proposals must meet all the Requirements to be considered;
- PHB may prioritize proposals that meet any or all of the Preference Criteria. Preference Criteria are not additive: proposals meeting more Preference Criteria will not necessarily be more highly ranked than those meeting fewer.

## **Requirements**

The following are threshold requirements. Proposals not meeting these requirements will not be considered through this RFI.

<b>Requirement</b>	<b>Existing Building Acquisition</b>	<b>Land Acquisition</b>
Geography	City of Portland	City of Portland
Minimum Residential Housing Units	20	N/A*
Land Area	N/A*	Size allows for development of at least 20 residential units
Ownership	Must be able to be conveyed to PHB at most 120 days after executing purchase and sale agreement	Must be able to be conveyed to PHB at most 120 days after executing purchase and sale agreement
Zoning as of January 1, 2018.	RH, RX, CR, CM1, CM2, CM3, CE, CX, EX	RH, RX, CR, CM1, CM2, CM3, CE, CX, EX

\*N/A means Not Applicable.

## **Preference Criteria**

PHB may prioritize projects/proposals that meet the Preference Criteria listed in the table below. Preference Criteria are not additive, i.e. PHB may not necessarily give higher priority to projects/proposals meeting more or having higher preferences.

<b>Preference</b>	<b>Existing Building Acquisition</b>	<b>Land Acquisition</b>
Residential housing units	50. More is preferred.	N/A*
Land area	N/A*	Size allows for development of at least 50 residential units. More is preferred.
Building age	1980 or newer	N/A*
Average bedroom count	1.5 or greater****	N/A*
Total cost/unit	\$160,000 or less (including projected rehabilitation costs)	N/A*
Total rehabilitation cost/unit	\$40,000 or less	N/A*
Parking	At least 1 space/four units	N/A*
Tenancy	Proportion of Communities of Color is greater than citywide averages	Locations likely to facilitate creation of housing accessible to and/or preferred by Priority Communities identified in the <a href="#">Policy Framework</a>
Displacement and vulnerability rating	Projects with Composite Vulnerability Scores of 9 or higher**	Locations with Composite Vulnerability Scores of 9 or higher**

School catchment area mobility rates [OR Department of Education]	School mobility rate is higher than the comparable average	School mobility rate is higher than the comparable average
Geographic concentration of affordable housing	Existing subsidized rental housing stock is at or below 10% of total rental stock	Existing subsidized rental housing stock is at or below 10% of total rental stock
Opportunity Map Score***	3 or higher	3 or higher
Green Building	Leadership Energy and Environmental Design (LEED) or Earth Advantage certified	N/A*

\*N/A means “Not Applicable.”

\*\* Composite Vulnerability Score” calculation method and map [\[insert link\]](#)

\*\*\* “Opportunity Map Score” calculation method and map [\[insert link\]](#)

\*\*\*\*See Form G for Average bedroom count calculation tool

In addition to the above, PHB will track geographic distribution according to the six City Planning Districts. PHB will attempt to prioritize investments in Districts where Portland’s Housing Bond resources have not been invested previously.

**Exclusion Criteria**

PHB will not consider project/proposals that include one or more of the following:

- Existing Buildings:
  - Already encumbered by a long-term regulatory agreement(s) administered by PHB
  - Acquisition cost exceeding the calculation in Form G – PHB Cost Standard and Average Number of Bedrooms (See Section III. Submittal Requirements/Application)
  - With a state or federal historic designation
  - With an exterior insulation and finish system (EIFS) or similar
  - Constructed of unreinforced masonry
  - Expected costs directly related to environmental remediation of \$10,000/unit or more
  
- Land:
  - Expected environmental remediation costs of \$1,000,000 or more:

### III. SUBMITTAL REQUIREMENTS/APPLICATION

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Proposers must submit one electronic copy of the following forms appropriate to their project category. These are minimum submittal requirements. PHB in its sole discretion may require additional information.

#### Building (existing)

- [\[insert link\]](#) Form A - Submittal Requirements
- [\[insert link\]](#) Form C - Tenant Characteristic
- Form F - Current [Operating Budget](#) (use tab #2 "Operating Statement" only. Leave the rest blank)
- Form G – [PHB Cost Standard and Average Number of Bedrooms](#) (for cost standard, use only the section titled "CALCULATION OF MAXIMUM DEVELOPMENT COST UNDER PHB STANDARDS")

#### Land

- [\[insert link\]](#) Form A - Submittal Requirements

**Submit one (1) hard copy of proposal/documentation plus a flash drive containing electronic versions of all documents (NO FAXES PLEASE) to:**

**Sr. Administrative Specialist  
Portland Housing Bureau  
421 SW 6<sup>th</sup> Ave, Suite 500  
Portland, OR 97204  
Phone: (503) 823-2362**



#### **IV. SELECTION PROCESS AND EVALUATION CRITERIA**

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Upon receipt, all applications will be reviewed for adherence to this RFI's submittal requirements. Proposals not meeting submittal requirements may be deemed non-responsive and eliminated from further consideration. PHB reserves the right to identify, clarify and accept any minor irregularities or informalities in determining whether a proposal is responsive.

Proposals meeting submittal requirements and Project Requirements will be reviewed by staff from PHB and potentially PHB's partners. Proposals recommended by PHB staff will be forwarded to PHB's Director for review/evaluation. PHB's Commissioner-in-Charge (Mayor Ted Wheeler) will make the final selection of Portland's Housing Bond projects to be submitted for City Council approval.

Except as otherwise stated in this RFI, proposals will be evaluated based on the following Evaluation Criteria:

- Responsiveness to Portland's Housing Bond Policy Framework.
- Project Requirements.
- Preference Criteria.

## V. GENERAL CONDITIONS

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This RFI is not a solicitation of competitive bids. PHB by this RFI specifically reserves the right in its sole discretion to determine which proposals best serve the public good, and to:

- A. Revise the solicitation, evaluation, or selection process including extending the deadline or canceling without selecting any projects.
  - B. Waive informalities and irregularities in the proposals received in response to this RFI.
  - C. Disqualify without recourse or appeal any or all proposals.
  - D. Reject any or all proposals with or without cause.
  - E. Determine the timing, arrangement and method of any presentation throughout the process.
  - F. Verify and investigate the qualifications and financial capacity of the development team, and any of the information provided in the proposal.
1. Every effort has been made to provide current and correct information; however, unless citing a specific PHB approved resolution or plan, PHB makes no representation or warranty with respect thereto.
  2. All proposals received shall become the property of PHB and considered an official public record subject to inspection by the public in accordance with ORS 192.502 and PHB's Public Records Access Policy after the completion of the RFI process; and may be used for any purposes relevant to the decisions and actions undertaken by PHB towards development of the property being offered. Entities are advised that confidential financial information, including the Developer's Statement of Financial Capacity, should be clearly labeled and submitted separately from the remainder of their proposal (both paper and digitally). Similarly, if any entity responding to this RFI believes that a specific portion of its response constitutes a "trade secret" under Oregon Public Records Law (ORS 192.501.2) and is, therefore, exempt from disclosure, the entity must clearly identify that specific information as a "trade secret" and submit it together with the confidential financial information. Identification of information as a "trade secret" does not necessarily mean that the information will be exempt from disclosure. PHB will make the determination of exemption from disclosure based on the nature of the information and the requirements of the Oregon Public Records Law.
  3. Restrictions on communication. Every effort has been made to include herein all the information necessary to prepare and submit a responsive proposal to this RFI. However, in the event additional information is desired, please adhere to the following:

If you have a question about any of the information or requirements contained in this RFI, direct your question to:

Karl Dinkelspiel, Senior Program Manager  
Portland Housing Bureau  
421 SW Sixth Avenue, Suite 500  
Portland, OR 97204  
[karl.dinkelspiel@portlandoregon.gov](mailto:karl.dinkelspiel@portlandoregon.gov)

All substantive questions and answers as well as formal Addenda will be posted online at:  
[www.portlandoregon.gov/phb](http://www.portlandoregon.gov/phb).

4. PHB accepts no responsibility or obligation to pay any costs incurred by any potential or eventual development teams in the preparation or submission of a proposal; or in complying with any subsequent request by PHB for information or participation throughout the evaluation process.

## VI. LIST OF FORMS AND APPENDICES

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FORM	LOCATION
Form A – Submittal Requirements	<a href="#">[insert link]</a> Form A
Form B - INTENTIONALLY BLANK	BLANK
Form C – Tenant Characteristics Form [Antoinette need to create]	<a href="#">[insert link]</a> Form C
Form D – INTENTIONALLY BLANK	BLANK
Form E- INTENTIONALLY BLANK	BLANK
Form F – Current Operating Budget (use tab #2 “Operating Statement” only. Leave the rest blank)	<a href="#">Form F</a>
Form G – PHB Cost Standard and Average Number of Bedrooms (for cost standard, use only the section titled “CALCULATION OF MAXIMUM DEVELOPMENT COST UNDER PHB STANDARDS”)	<a href="#">Form G</a>

APPENDIX	LOCATION
Appendix A – INTENTIONALLY BLANK	BLANK
Appendix B – INTENTIONALLY BLANK	BLANK
Appendix C – INTENTIONALLY BLANK	BLANK
Appendix D – Additional Policies and Project Requirements	<a href="#">Appendix D</a>
Appendix E – Subcontractor Equity Program	<a href="#">Appendix E</a>
Appendix F – Workforce Training and Hiring Program	<a href="#">Appendix F</a>
Appendix G – INTENTIONALLY BLANK	BLANK
Appendix H – PHB Guiding Principles of Equity and Social Justice	<a href="#">Appendix H</a>
Appendix I – INTENTIONALLY BLANK	BLANK
Appendix J – General Information Notice (GIN)	<a href="#">Appendix J</a>
Appendix K – Lead Based Paint Requirements	<a href="#">Appendix K</a>
Appendix L – Housing Rehabilitation Standards	<a href="#">Appendix L</a>
Appendix M – INTENTIONALLY BLANK	BLANK
Appendix N – INTENTIONALLY BLANK	BLANK
Appendix O – PHB Relocation Policy and Procedures	<a href="#">Appendix O</a>
Appendix P – INTENTIONALLY BLANK	BLANK

**Appendices are for reference only. Information contained may or may not apply to specific projects/properties. Determination will be made by PHB upon selection of a project/property.**