

Deschutes County
REQUEST FOR PROPOSALS
FOR
REAL PROPERTY
DISPOSITION AND DEVELOPMENT

Newberry Neighborhood Quadrant 2a, La Pine, Oregon

(Document #2021-955)

Deschutes County, Oregon



Issued: December 10, 2021

Proposal Due Date:

Thursday, January 13, 2022

Request for Proposals (RFP)

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SECTION 1

GENERAL INFORMATION

1.1 REQUEST

Deschutes County (County) is requesting proposals for the sale and development of County-owned property identified as Quadrant 2a within Neighborhood 2 of the City of La Pine's Newberry Neighborhood. The County seeks a qualified developer to purchase the subject property and develop it for residential housing purposes, in coordination with Habitat for Humanity of La Pine and Sunriver (Habitat). To be considered, interested parties must respond to this Request for Proposal (RFP) and the submittal requirements outlined herein.

1.2 SCHEDULE OF EVENTS

The County anticipates the following schedule:

Week of December 13, 2021	RFP Advertisement
December 27, 2021	Questions/Requests for Clarification: 2:00 p.m.
December 30, 2021	Addendum(s) Issued, if applicable
January 13, 2022	Proposal Due Date: 2:00 p.m.
Week of January 17, 2022	Review Proposals
Week of January 24-26, 2022	Presentations, if applicable
January 28, 2022	Scoring, Selection, & Notification
February 2022	Contract (Purchase and Sale Agreement (PSA)) Execution

IMPORTANT: All questions must be made in writing via email to Kristie Bollinger, Property Manager at Kristie.Bollinger@deschutes.org by 2 p.m. (PST), December 27, 2021. Questions requiring clarification or modifications from the County will be made available in the form of an addendum(s) to this RFP.

1.3 PROPOSAL DELIVERY

Proposals must be received by the County's Property Management Division no later than **2:00 p.m. (PST), January 13, 2022. Proposals received after the deadline will not be considered.**

- a. Proposals should be portrait format, printed on 8.5 x 11 inch paper, and include page numbers.

- b. Proposals should be in a simple typed format without extensive artwork, unusual printing, binding or other materials not essential to the utility and clarity of the Proposal.
- c. Proposal content shall be limited to six (6) double-side pages and page count limit shall not include cover letter or letters of reference.
- d. Proposals must be signed with original inked signature by an authorized representative.
- e. **Five (5)** copies of the Proposal may either be hand-delivered in a sealed envelope or mailed and clearly marked with the following subject heading: "RFP-Development Services Quadrant 2a" to the following address as appropriate:

Physical Address:
 Deschutes County Property Management
 Attn: Kristie Bollinger, Property Manager
 14 NW Kearney Avenue
 Bend, OR 97703

Mailing Address:
 Deschutes County Property Management
 Attn: Kristie Bollinger, Property Manager
 P.O. Box 6005
 Bend, OR 97708-6005

- f. One (1) Electronic copy of the Proposal shall be emailed to Kristie.Bollinger@deschutes.org for distribution to proposal scoring committee members for review as necessary.

1.4 SUBMISSION NOTICE

All proposals submitted in response to this RFP shall become the property of the County and may be utilized in any manner and for any purpose by the County. ***Be advised that proposals and all documents submitted in response to this RFP are subject to public disclosure as required by applicable state and/or federal laws.*** If you intend to submit any information with your proposal which you believe is confidential, proprietary, or otherwise protected from public disclosure (trade secret, etc.), you must separately bind and clearly identify all such material. The cover page of the separate binding must be printed in red, and the header or footer for each page must provide as follows: "Not Subject to Public Disclosure". Where authorized by law and at its sole discretion, the County will endeavor to resist disclosure of properly identified portions of the proposals.

1.5 DESCHUTES COUNTY OVERVIEW

Deschutes County's growth has outpaced that of the state of Oregon (10.6 percent), growing more than twice the state's rate at 25.7 percent from 2010 to 2020. According to the U.S. Census Bureau, Deschutes County grew from 157,730 in April 2010 to 198,253 residents in

July 2020. Recent projections from the Portland State University, Oregon Population Forecast Project, estimate Deschutes County's population will be 301,999 by 2043.

For decades, Central Oregon has been a desirable place to live, based on numerous factors. Deschutes County is conveniently located within a three-hour drive to Portland, Oregon, two hours to Eugene and Salem, and within one hour of the Cascade Mountain Range. With an average elevation of 3,600 feet, the area enjoys a dry, high desert climate with cool nights and sunny days. Annual precipitation averages 11.7 inches. The countywide population is spread over 3,054 square miles. Tourism brings over four million overnight visitors to Central Oregon annually. The cities of Bend (the county seat), Redmond, La Pine, and Sisters are the four municipalities in Deschutes County.

1.6 CITY OF LA PINE OVERVIEW

Located in the southern portion of Deschutes County, the City of La Pine covers an area of approximately seven (7) square miles east of the Cascade Range, Deschutes River, and Little Deschutes River. Designated as a town site around 1900, La Pine was originally settled largely as the result of industry growth in fur trapping and logging, and the prevalent natural resource values in the surrounding area. In the last 40 years, the regional logging industry has declined, with tourism and outdoor recreation related industries growing in popularity. La Pine was incorporated as a municipality in 2006 and continues to serve as an outdoor tourism-oriented community. The 2020 Census summary shows the City of La Pine had a total population of 2,512 persons, up from a total population of 1,653 persons in 2010¹. In 2018, Portland State University (PSU) projected La Pine's population would increase to 3,386 persons by 2040 based on observed growth over previous years. The City of La Pine has already exceeded previous PSU population projections for 2025 by 431 persons.

1.7 PROPERTY DESCRIPTION AND LOCATION

The subject property identified as Quadrant 2a of Newberry Neighborhood 2, (otherwise known as Map and Tax Lot [2210110000400](#)) is located at 51950 Huntington Road, La Pine. It is approximately 24.59 acres in size and is situated within the Newberry Neighborhood No. 2 Subdivision. The property is currently zoned Residential Master Plan (LPMR)², which is overlaid by the Newberry Overlay Zone and contains portions of Park-zoned property along the north and western boundaries. The property has generally level topography and is bordered to the west by Huntington Road, to the south by Findley Drive, to the east by Crescent Creek Drive, and to the north by adjoining properties located within the City of La Pine's Newberry Neighborhood No. 3 Planning Area. The subject property also adjoins an

¹ <https://www.pdx.edu/population-research/sites/g/files/znlchr3261/files/2021-08/2020%20Census%20Profiles%20Cities%20H%20-%20L.pdf>

² <https://www.lapineoregon.gov/cd/page/la-pine-development-code>

existing park and recreation complex to the south, at the junction of Crescent Creek Drive and Findley Drive, currently owned and operated by the Crescent Creek Owners Association. The subject property is currently undeveloped and contains a moderate vegetative cover of juniper trees, ponderosa pines, and lodge-pole pine trees with interspersed native grasses, shrubs, and groundcover.

End of Section 1

SECTION 2

AUTHORITY, OVERVIEW, AND DEVELOPMENT VISION

2.1 AUTHORITY

The County is issuing this RFP in accordance with Deschutes County Code and applicable provisions of Oregon Revised Statute (ORS) and Oregon Administrative Rules (OAR).

2.2 PROCEDURAL HISTORY

The subject property was originally a portion of a 544-acre County acquisition from the Bureau of Land Management (BLM) in 2001, pursuant to the Oregon Public Lands Transfer and Protection Act of 1998. The purpose of this acquisition was predominantly to provide land opportunities for residential development to compensate for development prohibitions on private, rural residentially zoned land due to risk of ground and surface water pollution. The County's 2001 acquisition from the BLM also provides opportunities for low-cost land acquisition from nonprofit and government social service entities offering needed community services to area residents; allowances to provide open space, parks, and other public spaces; and general assistance in the implementation of the Deschutes County Regional Problem Solving Project. Proceeds from sales of properties in the Newberry Neighborhoods are allocated to a [Groundwater Protection Fund](#), which helps offset costs to private property owners in unincorporated southern Deschutes County when constructing nitrogen reducing wastewater disposal systems.

Of the original 544-acre parent parcel, approximately 177 acres were partitioned in the early 2000s and subsequently utilized for affordable housing, including a portion of a nearby parcel that was donated by Deschutes County to Habitat for a 19-unit affordable housing project. Additionally, property in the Newberry Neighborhood has been allocated for public works and other community related projects to further public interest. By the mid-2000s, the entirety of Newberry Neighborhood 2 underwent a master planning effort, resulting in the designation of four (4) Quadrants platted for neighborhood development (Quadrants 2a, 2b, 2c, and 2d). Quadrants 2b and 2c were subsequently sold to a private

developer and developed into the existing single-family residential neighborhoods known as Crescent Creek. Quadrants 2a and 2d remain in County ownership. In 2021, the Deschutes County Board of County Commissioners (BOCC) facilitated the development of this RFP for the purpose of obtaining a developer to purchase and develop Quadrant 2a for residential use.

2.3 PROJECT BACKGROUND AND DEVELOPMENT VISION

Deschutes County envisions a proposal that will provide housing stock through timely development to counter the regional housing shortage. Additional considerations in determining the most qualified submittal include the number of proposed dwelling units and the proposal's designation and donation of at least two (2) acres within the subject property for development by Habitat. A full list of the determinant factors for Respondent submittals are included below under Minimum Qualifications and Evaluation Criteria.

2.4 ANTICIPATED PROJECT AND INFRASTRUCTURE COSTS

Deschutes County notes the value of the subject property received a third-party appraisal in December 2020, valuing the property at \$30,000 per acre (for an approximate total value of \$740,000). The Respondent must state the specific cost they are willing to pay for the purchase of the subject property, with minimum offers starting at no less than \$30,000 per acre.

The selected Respondent will be required to provide a minimum of two (2) acres to Habitat for an in-kind donation (zero dollars) to complete an affordable housing project.

The City of La Pine has identified a sewer lift station in the northeast corner of Newberry Neighborhood No. 2 Quadrant 2b requiring upgrades to sufficiently serve the planned residential uses in Quadrant 2a. The City of La Pine's engineering representatives will require fee contributions to support upgrading and maintaining infrastructure associated with the residential development on the subject property.

Other anticipated costs include, but are not limited to: fees for land use applications and reviews, building permit submittal, costs associated with any supplemental studies, engineering, surveying, design work, or analyses required by the City of La Pine. The selected Respondent will ultimately be responsible for coordination with the City of La Pine in terms of anticipated costs including, but not limited to, potential capital improvement and infrastructure requirements, transportation access, utility connections, and system development charges (SDCs) related to transportation, sewer, and water. Additionally, the selected Respondent will be responsible for securing all financing necessary to acquire, construct, market, sell, lease and/or operate the site and the proposed development on the subject property.

2.5 SELECTION PROCESS

Deschutes County is committed to an open and transparent process for the selection of Respondent(s) and the proposals will be reviewed and evaluated based solely upon information contained in each submitted proposal. Proposals received by the designated due date and time will be forwarded to the RFP evaluation committee (Committee) to score accordingly based on the criteria.

The Respondent with the proposal deemed to be the best, as determined by the Committee, will be invited to enter into a PSA for the property. If a satisfactory PSA cannot be negotiated in a timely manner with the selected Respondent, then the Committee may thereafter negotiate with the other Respondent(s) until negotiations result in a PSA for the property.

End of Section 2

SECTION 3

QUALIFICATIONS, REQUIREMENTS, AND EVALUATION

3.1 MINIMUM QUALIFICATIONS

Deschutes County will consider and evaluate proposals that demonstrate adequacy and competence in the following factors. These factors are defined below:

- A. **Habitat for Humanity of La Pine and Sunriver (Habitat):** Submittals shall include a tentative location of at least two (2) acres of the subject property designated for development by Habitat and identify on draft site plans, designs, project descriptions, and other proposal documents.

During the City of La Pine planning and entitlement process, the selected developer shall collaborate with Habitat to: 1) Identify a final two (2) acre location for in-kind donation; 2) Ensure Habitat's proposed development and the overall neighborhood maintain cohesiveness; 3) Coordinate the subdivision process with Habitat so that the location and configuration of the Habitat lots can be included in a single subdivision plan; and, 4) Finalize the conveyance of the subdivided Habitat lots to Habitat. All requirements identified in this section (Section 3.1.A) shall be undertaken at the sole cost and expense of the Respondent.

- B. **Timeliness of Performance Schedule:** The ability of the Respondent(s) to develop Quadrant 2a and complete site work in a timely manner.

- C. **Number of Dwelling Units:** Considering relevant density standards and development regulations, the number of dwelling units proposed by the Respondent(s).
- D. **Proposed Purchase Price:** The Respondent's proposed purchase price of the subject property, with the minimum offer starting at no less than \$30,000 per acre.
- E. **Staffing Resources:** Sufficient staff and consultant resources to deliver the proposed development.
- F. **Relevant Experience:** Demonstrated experience with similar projects involving property acquisition and residential development and the successful completion of these projects.
- G. **Financial Capability:** Demonstrated ability to finance the proposed development on commercially reasonable terms from financial institutions.
- H. **Letters of Recommendation:** Letters of recommendation are encouraged from relevant entities familiar with Respondents' experiences with property acquisition and residential development of a similar scope and scale. If provided, Respondents should submit no more than two (2) letters of recommendation.

3.2 EVALUATION CRITERIA

Submitted proposals will be evaluated using the following criteria (in no order of priority). Each criterion includes a corresponding portion of the overall score used to determine a qualified Respondent:

- A. Purchase price (25%)
- B. Relevant experience demonstrating an ability to accomplish the proposed development (25%)
- C. Proposed manner and quality of development, including number of units, and coordination with Habitat for Humanity of La Pine and Sunriver (25%)
- D. Timeline to complete the development (25%)

3.3 SUBMITTAL REQUIREMENTS

The following section outlines required elements of a responsive proposal. Each Respondent is required to submit a proposal clearly addressing all the requirements outlined in this RFP and in the following order:

A. Cover Letter

Submit a signed Cover Letter introducing the development team, highlighting the proposed development concept, and identifying any concerns about meeting any requirements in this RFP. By signing the Cover Letter, the Respondent certifies its statement of qualifications and financial capability to complete the development. Additionally, and all information contained therein are true and correct to the best of its knowledge and belief, and that the information contained in the RFP response, except as provided in Section 1.4 above, is considered public record and may be made available for inspection and copying upon request.

B. Respondent Identification

- 1) Identify the Respondent entity's name, street address, mailing address (if different), telephone number, and website. Specify the legal form of the organization (e.g., corporation, partnership, joint venture, other) and identify persons with the authority to represent and make legally binding commitments for the Respondent.
- 2) Identify the principal point of contact for the Respondent and include telephone number and email address.

C. Project Description

A description of the proposed development, including:

- 1) A brief narrative of the overall proposed development;
- 2) A preliminary plan with lot sizes, the number of proposed dwelling units, and a location for incorporating the minimum two (2) acres designated to Habitat;

D. Qualifications and Experience

The following shall be included in the response:

- 1) Evidence of previous success developing dwelling units, as demonstrated through written summaries;
- 2) Evidence of previous project experience including land acquisition, development agreements, construction, and management;
- 3) Evidence of sufficient staff and consultant resources to deliver the proposed development;

E. Development Schedule

A schedule indicating key milestones to develop Quadrant 2a commencing with the execution of the Purchase and Sale Agreement, including, but not limited to: predevelopment coordination with the City of La Pine, tentative and final platting, and residential development. The proposed schedule shall demonstrate an ability to execute the schedule diligently and in a timely manner.

F. Letters of Recommendation

Respondents are encouraged to submit letters of recommendation from relevant entities familiar with Respondents' experiences with property acquisition and residential development of a similar scope and scale. If provided, Respondents should submit no more than two (2) letters of recommendation. Letters shall not exceed one (1) page per recommendation.

End of Section 3

SECTION 4

AWARD NOTIFICATION PROCESS AND CONTRACT REQUIREMENTS

4.1 AWARD NOTIFICATION PROCESS

The proposals will require approximately ten (10) calendar days for evaluation. The top ranked proposals may, at the County's discretion, be required to make an in-person presentation in support of their proposal to the Committee and answer any questions the Committee may have. If required, the interview will serve to assist the County in selecting the successful Respondent and will serve as a tool to refine scoring of the RFP to produce a final ranking. Award notification will be made by email to the selected Respondent and will be made available on the County's website.

4.2 CONTRACT AND INSURANCE REQUIREMENTS

The successful Respondent will be required to enter into a PSA with the County. The successful Respondent shall submit a W-9 with a valid and an active tax identification number. The Respondent shall ensure that all associated development parties allowed on the property through the entitlement process will carry a minimum of \$1 million general

liability and \$2 million aggregate. County reserves the right to reject any or all Proposals that do not satisfy requirements.

End of Section 4

SECTION 5

ADDITIONAL INFORMATION

5.1 ASSIGNMENT

Neither the resultant contract nor any of the requirements, rights, or privileges demanded by it may be sold, assigned, sublet, contracted, or transferred by the Contractor without the express written consent of the County. The granting or withholding of such consent shall be at the County's sole discretion.

5.2 CANCELLATION

ORS 279.025 provides that the public contracting agency may reject any proposal not in compliance with all prescribed public bidding procedures and requirements. The County reserves the sole and unconditional right to cancel award of the contract any time before execution of the contract by both parties if cancellation is deemed by the County to be in the County's best interest. In no event shall the County have any liability for the cancellation of the award or proposed contract.

5.3 CLARIFICATION OF RESPONSES

The County or its agents reserve the right to obtain clarification of any point in a Respondent's Proposal or to obtain additional information necessary to properly evaluate a particular Proposal. Failure of a Respondent to answer the request for additional information or clarification could result in rejection of the Respondents response and/or Proposal.

5.4 COLLUSION

A Respondent submitting a Proposal hereby certifies that no officer, agent, or employee of the County has a pecuniary interest in the submitted Proposal; that the Proposal is made in good faith without fraud, collusion, or connection of any kind with any other Respondent; the Respondent is competing solely in its own behalf without connection with, or obligation to, any undisclosed person or firm.

5.5 COST OF PREPARATION OF RESPONSE

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Costs incurred by any Respondent, including time and expense in the preparation of its response to this Request for Proposal, is the sole risk and responsibility of the Respondent and will not be reimbursed by the County.

5.6 DISPUTES

In case of any doubt or differences of opinions as to the items or service to be furnished hereunder, or the interpretation of the provisions of the Request for Proposal, the decision of the County shall be final and binding upon all parties.

5.7 LOBBYING

Commencing with the issuance of this RFP, Respondents or others acting on their behalf are cautioned not to undertake any activities or actions to promote their proposals. Respondents or others acting on their behalf shall not make direct or indirect (through others) contact with members of the Deschutes County Board of Commissioners, County staff, the City of La Pine, or others to promote its proposals. Violation of this requirement may, in County's sole discretion, be grounds for disqualifying the Respondent from further consideration.

5.8 NON-DISCRIMINATION IN EMPLOYMENT

The successful Respondent's attention is directed to the provisions of Oregon Revised Statutes, Chapter 659, prohibiting discrimination in employment.

5.9 PROPOSALS ARE PUBLIC RECORDS

As previously stated in Section 1.4, all Proposals submitted in response to this RFP shall become the property of the County and may be utilized in any lawful manner and for any purpose by the County.

5.10 PROPOSAL NOT A CONTRACT

Neither this Request for Proposals nor responses to it constitute a contract between the County and the Respondent. The County reserves the right to negotiate specific contract terms with the selected Respondent.

5.11 VERBAL STATEMENTS NOT BINDING

Statements made by County representatives concerning this Request for Proposal are not binding upon the County unless confirmed in writing by a duly authorized employee/official.

5.12 REJECTION OF PROPOSALS

The County reserves the right to reject any or all responses to this Request for Proposals for any lawful reason or for no reason. No proposals will be considered that fail to contain the required information. There will be no changes to the content of this request for proposals except by written notification to the bidders who respond in accordance with the criteria herein.

5.13 STATE AND FEDERAL LAW COMPLIANCE

Respondent must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes. As applicable, the successful Respondent agrees to comply with all applicable provisions of the County and Oregon public contracting law.

End of Section 5

SECTION 6

ATTACHMENTS

SCHEDULE OF ATTACHMENTS

- Attachment A – City of La Pine Land Use and Development Document
- Attachment B - Purchase and Sale Agreement
- Attachment C – City of La Pine Infrastructure/Public Works Map
- Attachment D - City of La Pine Comprehensive Plan Map
- Attachment E - City of La Pine Zoning Map
- Attachment F - Property Site Map
- Attachment G – City of La Pine Fee Schedule