

Deschutes County
REQUEST FOR PROPOSALS
FOR
REAL PROPERTY DISPOSITION AND
DEVELOPMENT

19755 Simpson Ave, Bend, OR 97702

(Document #2022-122)

Deschutes County, Oregon



Issued: January 21, 2022

Proposal Closing Date:

Monday, March 7, 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 map/tax lot # 1812060000100 with the address of 19755 Simpson Ave, Bend, OR 97702. The County seeks a qualified developer to purchase the subject property and develop it for affordable housing, maximizing the available site. The definition of affordable housing in the City of Bend is typically restricted to sixty (60%) percent of Area Median Income (AMI) for rentals, and eighty (80%) AMI for home ownership¹. 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 January 24, 2022	RFP Advertisement
February 7, 2022	Deadline for All Prospective Respondents to Contact City of Bend to Schedule Pre-Application Meeting
February 7, 2022	Questions/Requests for Clarification Due Date: By 2:00 p.m.
February 10, 2022	Addenda(s) Issued, if applicable
March 7, 2022	Proposal Due Date: By 2:00 p.m.
March 8, 2022 – March 11, 2022	Review Proposals
March 14, 2022 – March 16, 2022	Presentations, if applicable
March 18, 2022	Scoring and Selection
April 2022	Contract (Purchase and Sale Agreement) 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), February 7, 2022. Questions requiring clarification or modifications from the County will be made available in the form of an addenda(s) to this RFP.

¹ <https://www.bendoregon.gov/government/departments/economic-development/affordable-housing-program>

1.3 PROPOSAL DELIVERY

Proposals must be received by the County's Property Management Division no later than **2:00 p.m. (PST), March 7, 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 ten (10) 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 Simpson Ave" 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 BEND OVERVIEW

The City of Bend (City) is located at the base of the Cascade Mountains at an elevation of 3,600 feet. Its proximity to the Deschutes National Forest, the high mountain lakes, and to the Great Basin plateau makes it a hub for recreation, sporting, and tourist activities. Bend is the largest urban area in Oregon east of the Cascade Mountains with an approximate population of 99,178 based on 2020 census data². By the year 2030, the urban area population is expected to reach 123,574 persons with an expected increase to 184,754 persons by the year 2050³. The notable growth in recent years is accompanied by increased challenges related to housing availability and affordability. Based on the City's most recent Housing Needs Analysis⁴, Bend anticipates population growth of about 38,500 people by 2028, requiring nearly 16,700 new dwelling units. Bend is the regional trade and service center for Central Oregon. More than two-thirds of all the jobs in the county are in Bend. The wide range of retail businesses, professional and trade services, and specialty vocations draws in customers from a five county area.

1.7 PROPERTY DESCRIPTION AND LOCATION

The subject property identified on Map and Tax Lot [1812060000100](#) is located at 19755 Simpson Ave, Bend, OR 97702. It is approximately 7.12 acres in size and situated directly south of the Golden Butte Phase 1 and Westpine subdivisions and north of property owned by Oregon Parks and Recreation Department (OPRD) and Oregon State University –Cascades (OSU Cascades), respectively. The property is currently zoned Residential Medium Density (RM)⁵. The

² <https://www.census.gov/quickfacts/fact/table/bendcityoregon/POP010220>

³ <https://www.pdx.edu/population-research/population-forecasts>

⁴ <https://www.bendoregon.gov/home/showpublisheddocument/41161/636905768242400000>

⁵ <https://bend.municipal.codes/BC/10.10>

property has varied topography with some areas characterized by heightened berms and otherwise limited areas of raised grade. The property is bordered by SW Mt. Washington Drive to the west, by Simpson Avenue to the south and east, and by adjoining properties located within the aforementioned residential subdivisions to the north. The property is also intersected by SW 18th Street and unimproved right-of-way associated with SW 17th Street. The subject property is currently undeveloped and contains a vegetative cover of mature 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

Until 1993, the County operated the Deschutes County Demolition Landfill located on Simpson Avenue, which was originally comprised of approximately 79.29 acres. In 2018, 72.17 acres of the original parcel were conveyed to OSU Cascades. Prior to completion of the OSU Cascades transaction, the County completed a property line adjustment on the original parcel, resulting in the 7.12-acre subject property north of Simpson Avenue that has since remained in County ownership. It is the County's current understanding that the 7.12-acre subject property contained no uses or development associated with the Deschutes County Demolition Landfill.

In 2021, the Deschutes County Board of County Commissioners (BOCC) initiated this RFP for obtaining a developer to purchase and develop the subject property as affordable housing; see Section 1.1 for definition of affordable housing.

2.3 PROJECT BACKGROUND AND DEVELOPMENT VISION

Deschutes County envisions a proposal that will provide affordable housing through timely development to counter the regional housing shortage. The City has identified a series of project-specific required improvements, outlined in "Attachment A". The County intends to undertake a Phase 1 Environmental Site Assessment (ESA), the results of which will be shared with the selected Respondent. Additional considerations in determining the most qualified

submittal include the number of proposed dwelling units, alignment with City's development review standards, and ability to complete engineering requirements relevant to the subject property. A full list of the determinant factors for Respondent selection are included below under Minimum Qualifications and Evaluation Criteria.

2.4 ANTICIPATED PROJECT AND INFRASTRUCTURE COSTS

The subject property received a third-party appraisal in August 2021, valuing the parcel at \$404,494.38 per acre, for an approximate total value of \$2,880,000. The Respondent must state the specific cost they are willing to pay for the purchase of the subject property, considering the Board's desire to receive some level of financial return on the sale of the 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. The selected Respondent will ultimately be responsible for coordination with the City to determine additional costs including, but not limited to: potential capital improvement and infrastructure requirements, utility connections, transportation upgrades, and system development charges (SDCs). Additionally, the selected Respondent will be responsible for securing all financing necessary to acquire the subject property, as well as construct, market, sell, lease, and/or operate the proposed development.

2.5 AGENCY COORDINATION

The City has identified potential infrastructure improvements including utility connections, transportation capacity upgrades, and other requirements associated with the subject property. All Prospective Respondents will be required to schedule and attend a pre-application meeting with the City for the purpose of reviewing the requirements identified in Attachment A or any additional requirements identified by city staff. Please schedule a pre-application meeting with City staff by contacting Deena Cook (dcook@bendoregon.gov). Meeting requests shall be submitted no later than two (2) weeks after issue date of this RFP; see Section 1.2 Schedule of Events.

2.6 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 highest-scoring proposal, 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 between the selected Respondent and the County, then the Committee may thereafter select another Respondent(s).

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:

- A. **Timeliness of Performance Schedule:** The ability of the Respondent(s) to develop the subject property and complete site work in a timely manner.
- B. **Number of Affordable Dwelling Units:** Considering relevant density standards and development regulations, the number of affordable dwelling units proposed by the Respondent(s).
- C. **Proposed Purchase Price:** The Respondent(s)' proposed purchase price of the subject property, considering the appraised value of \$2,880,000.
- D. **Staffing Resources:** Sufficient staff and consultant resources to deliver the proposed development.
- E. **Relevant Experience:** Demonstrated experience and successful completion of similar affordable housing developments involving property acquisition, specifically within the Central Oregon region.
- F. **Financial Capability:** Demonstrated ability to finance the proposed development on commercially reasonable terms from financial institutions and through applicable subsidies that apply to affordable housing, for example.
- G. **Letters of Recommendation:** Letters of recommendation shall be provided from relevant entities familiar with Respondent(s)' experience with property acquisition and affordable housing development. Respondents should submit no more than two (2) letters of recommendation.

- H. **Agency Responses:** Written documentation of pre-application coordination with the City of Bend.

3.2 EVALUATION CRITERIA

Submitted proposals will be evaluated using the following criteria. Each criterion includes a corresponding percentage of the overall score used to determine a qualified Respondent:

- A. Purchase price (10%)
- B. Relevant experience demonstrating an ability to accomplish the proposed development (20%)
- C. Proposed development details, including number of affordable housing units (20%)
- D. Timeline to complete the proposed development (50%)

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 in the following order:

A. Cover Letter

Submit a signed Cover Letter introducing the acquisition and development team, highlighting the proposed affordable housing 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 acquisition and development. Additionally, any 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 affordable housing development, including:

- 1) A brief narrative of the overall proposed development;
- 2) A preliminary plan with the number of proposed dwelling units and the location of prominent project features.

D. Qualifications and Experience

The following shall be included in the response:

- 1) Evidence of previous success developing affordable housing units, as demonstrated through written summaries;
- 2) Evidence of previous project experience in Central Oregon including land acquisition, entitlements, development agreements, construction, and operations management;
- 3) Evidence of sufficient staff and consultant resources to complete the proposed development in a timely manner;
- 4) Evidence that the proposed housing development will be affordable, including any anticipated subsidies.

E. Development Schedule

A schedule indicating key milestones to acquire and develop the subject property commencing with the execution of the Purchase and Sale Agreement (PSA), including, but not limited to: pre-development coordination with the City, property acquisition, land use review and approvals, physical site development, and anticipated certificate of occupancy. The proposed timeline shall demonstrate an ability to execute the schedule diligently and in a timely manner.

F. Letters of Recommendation

Respondents shall submit letters of recommendation from relevant entities familiar with Respondent(s)' experiences with property acquisition and affordable housing development in Central Oregon. 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, interviews with top ranked Respondent(s) may be requested as an additional step to assist the Committee in refining the scoring of the RFP to produce a final ranking and select the successful Respondent. 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 Real Property Disposition and Development
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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

Costs incurred by any Respondent, including time and expense in the preparation of its response to this RFP, 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 RFP, 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 BOCC, County staff, the City of Bend, or others to promote its proposals. Violation of this requirement may, in the 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 RFPs 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 RFP 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 RFP 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 RFP 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 Bend Development Summary
- Attachment B – Purchase and Sale Agreement
- Attachment C – City of Bend Comprehensive Plan Map⁶
- Attachment D – City of Bend Zoning Map
- Attachment E – Property Site Map
- Attachment F – City of Bend Fee Schedule

⁶ <https://bend.municipal.codes/CompPlan>