



REQUEST FOR PROPOSALS

AFFORDABLE HOUSING STRATEGIC PLAN

CITY OF BRISBANE

COMMUNITY DEVELOPMENT DEPARTMENT

50 Park Place

Brisbane, CA 94005

Website: brisbaneca.org

PROPOSALS DUE:

July 2, 2021

John A. Swiecki, AICP, Director



REQUEST FOR PROPOSALS:

AFFORDABLE HOUSING STRATEGIC PLAN

PURPOSE

The City of Brisbane intends to hire a consultant to prepare an affordable housing strategic plan to ensure the City invests its current and anticipated future affordable housing revenues into affordable housing projects and programs that will have the greatest impact in the community, considering the unique opportunities and constraints for affordable housing in Brisbane. Proposed tasks to accomplish this have preliminarily been identified in the proposed work program below.

DRAFT WORK PROGRAM

The work program will include, at a minimum:

1. Identifying short and long-term management responsibilities associated with the City's existing and future inventory of deed-restricted affordable housing units, and outline options for administering those responsibilities.
2. Developing affordable housing strategies specifically for the Baylands subarea of the City.
3. Identifying programmatic funding goals, objectives, and priorities for the City's current affordable housing fund balance of approximately \$4 million,
4. Defining and evaluating options for the City to establish an ongoing revenue stream for affordable housing development.
5. Review preliminary updated inclusionary and density bonus ordinance.
6. Community engagement at all phases of the plan's development.

Specific tasks are described in detail below under the "Scope of Work/Tasks" section of this RFP.

PROPOSAL REQUIREMENTS

Consultants responding to this request must provide an electronic submittal of their written proposal by **5 p.m. on July 2, 2021**. Proposals must be submitted to Community Development Director John Swiecki at jswiecki@brisbaneca.org. Proposals larger than 10 MB in size should be uploaded to the City's FTP site at <https://www.hightail.com/u/city-of-brisbane-california>, with attention to John Swiecki. Questions on the RFP may be directed to Julia Ayres, Senior Planner at jayres@brisbaneca.org or (415) 508-2129.

To be considered complete and responsive, Proposals should include the following information, at a minimum:

- Project Understanding – This section should demonstrate the consultant's understanding of the work program, defining approach to be used and an outline of key issues and unique challenges anticipated;
- Work Program –The core of the proposal, the work program should address all the tasks and deliverables described in this RFP, and any other tasks or issues that the consultant feels should be incorporated into the Scope of Work;
- Project Staffing – This section should discuss how the consultant would staff this project. Consultant project team members (including any sub-consultant staff) must be identified by name, location, and specific responsibilities on the project. Resumes for key staff must be included in an appendix;
- Project Budget – Include a project budget organized by task and by person or position, with the hourly rate and cost, and projected direct costs. Cost and value will be important considerations in the evaluation of all proposals;
- Project Schedule – The proposal must set forth a specific schedule for accomplishing the technical tasks outlined below, as well as engagement with the City Council's Affordable Housing subcommittee and the greater Brisbane community. The City's goal is to present a draft affordable housing plan to the City Council for review and adoption within six (6) months of executing a contract with the successful consultant;
- Statement of Qualifications – Describe the overall level of experience and areas of special expertise of your firm, team, and subconsultants (if any) that are relevant to the core components of this project; and
- References - Provide three references relevant to this project.

SELECTION PROCESS

Following a review of these proposals, qualified candidate firms will be invited to participate in a selection interview the week of July 12, 2021. The interviews will be conducted by the City Council's Affordable Housing subcommittee and City staff from the City Manager's Office and Community Development Department. Once a preferred consultant has been identified by the subcommittee, final contract terms will be negotiated and a professional services agreement will be presented to the full City Council for approval.

SCOPE OF WORK/TASKS

- 1. Identify short and long-term management responsibilities associated with the City's existing and future inventory of deed-restricted affordable housing units, and outline options for administering those responsibilities.**

The City directly oversees four deed-restricted affordable housing units that were developed through its inclusionary housing program or were transformed into affordable housing units through the City's First Time Homebuyer Program (silent second loan program for low/moderate income households to purchase market-rate units; currently inactive). There are currently eight additional low/moderate income deed-restricted units in the pipeline with approved land use entitlements that have not yet received building permits. With anticipated development in Central Brisbane, the City expects to add one to two deed-restricted units annually over the next eight year Housing Element cycle. While the City's inventory of active and pipeline deed-restricted units is relatively small, it will increase exponentially with development of the Baylands subarea (see below). Per the conditions of the deed restrictions, these properties require ongoing administrative actions on the part of City staff, including annual occupancy certification and active management or assistance in resale or refinancing of the units.

The City also has a ground lease with Bridge Housing for 15 affordable senior housing units (Visitacion Gardens), which is professionally managed by Bridge. As part of the lease agreement and conditions of a development loan provided to Bridge from the previous Brisbane Redevelopment Agency, City staff liaises with Bridge staff on certain aspects of site management, including annual budget review, budget audit review, and other high level administrative tasks and obligations.

Due to turnover in City staff and a lack of clear or updated procedures for administering these various programs, this component of the affordable housing plan will clearly outline the various administrative responsibilities incumbent on the City. It will also evaluate the City's options for administering these responsibilities, including hiring of consultants specialized in administering such programs.

2. Develop affordable housing strategies specifically for the Baylands subarea of the City.

The Baylands is an approximately 660-acre subarea of the City located directly east and north of Central (developed) Brisbane. This subarea is currently undergoing a specific planning process to allow for development of 1800-2200 residential units and up to 7 million square feet of commercial development. It is critical that the City be proactive in developing an affordable housing strategy for the Baylands to ensure that it is well-defined in the specific plan and development agreement between the City and developer, as appropriate.

This component of the affordable housing plan will evaluate what ratio of affordable housing units may be feasible for the site, due to the scale of development contemplated in the specific plan. The City's currently inclusionary housing requirement ranges from 10-20%, depending on the project size. It will also outline and evaluate the feasibility of

various affordable housing strategies appropriate to the Baylands subarea, which as a brand new neighborhood of the City will have very different affordable housing opportunities, both in terms of project scale and types of projects, compared to the developed core of Central Brisbane. Finally, this component of the affordable housing plan will evaluate how management of affordable units constructed as part of the Baylands project shall be achieved.

3. Identify programmatic funding goals, objectives, and priorities for the City's current affordable housing fund balance of approximately \$4 million.

The City, through its Housing Authority, has a low/moderate income housing fund as a legacy of its Redevelopment Agency which was dissolved by the State in 2012. The approximate cash balance of this fund is \$4 million (as of June 2021; sale of a Housing Authority property is currently pending with escrow closing in mid-June 2021). The City wants to evaluate the most effective ways to program these immediately available funds. Potential options include but are not limited to:

- **Subsidize Affordable Housing Projects:** Provide gap financing (loans or grants) for 100% affordable housing projects in the City.
- **Homebuyer Assistance:** Provide down payment assistance (loans or grants) for low and moderate income households to buy market rate homes. The City had an active First Time Homebuyer program in the mid-2000's but stopped issuing new loans in 2010. Various issues have evolved with the viability of the First Time Homebuyer program in recent years as resales have come up.
- **ADU Construction Grants:** Provide construction grants or loans for accessory dwelling units (ADUs) in return for affordability restrictions on the constructed ADU.
- **Renter Assistance:** Provide financial assistance for renters at risk of losing housing via an annual revolving fund.
- **At-Risk Property Acquisition:** Acquisition of existing deed-restricted units at risk of conversion to market-rate housing to ensure they remain affordable. As noted, the City's inventory of deed-restricted units is fairly small.

This component of the affordable housing plan should evaluate these options and others, as deemed appropriate by the consultant, and identify the reach or impact of each considering the available \$4 million fund balance.

4. Evaluate options to maintain a revenue stream for affordable housing development.

With the dissolution of the redevelopment agency, the City lost its primary source of affordable housing funding. Its current inclusionary housing ordinance does not include payment of in-lieu fees (pending updates to this ordinance would allow payment of an

in-lieu fee for rental development). The City participated in a commercial and market-rate residential nexus fee study in 2015, and received an updated feasibility study for a commercial nexus fee in 2020 that indicated some level of impact fees placed on certain commercial development types would be feasible based on market conditions at the time of the feasibility study.

This component of the affordable housing plan will evaluate the variety of ongoing affordable housing funding sources available to cities under current State law, including but not limited to the inclusionary housing in-lieu fees and nexus fees reference above, and recommend the most viable options for the City to pursue.

5. Review preliminary updated inclusionary and density bonus ordinance

In 2019, the Brisbane Planning Commission considered draft updates to the City's Inclusionary Housing and Density Bonuses Ordinance, originally adopted in 2009. The Commission's study of the ordinance encompassed both discrete changes to comply with current State law regarding inclusionary rental housing, and a broader re-envisioning of the program in light of current and projected housing development patterns in the City. The Planning Commission ultimately recommended an updated ordinance for approval by the City Council. However, the City Council has not yet considered the draft ordinance.

Consultant review of the draft ordinance is incorporated into this work program to ensure that the Planning Commission's recommendations are consistent with the larger policy issues being addressed in the affordable housing strategic plan.

6. Engagement with community and City Council subcommittee

The City expects a successful proposal to incorporate broader community engagement throughout the plan's preparation. Additionally, the City Council Affordable Housing subcommittee will be actively involved as a steering committee for all phases of the plan's preparation and the proposal should incorporate a minimum of two meetings with the subcommittee into the proposal's work program and budget.

DELIVERABLES

At a minimum, the consultant's proposal shall include the following deliverables. Additionally, attendance of key staff at two City Council meetings shall be required. Additional deliverables or modified deliverables may be proposed as deemed appropriate by the consultant.

Task	Deliverable	Description
1	1.a	Inventory of short and long-term management responsibilities associated with the City's existing and future inventory of deed-restricted affordable housing units.
	1.b	Outline of options for City to administering identified management responsibilities.
2	2.a	Evaluation of feasibility of affordable housing development in the Baylands subarea, including feasible inclusionary housing requirements.
	2.b	Evaluation of the feasibility of affordable housing strategies appropriate to the Baylands subarea.
	2.c	Evaluation of management/administration of affordable units constructed as part of the Baylands project.
3	3.a	Conduct interviews with staff and City Council members and review current affordable housing policies, including the City's Housing Element and Inclusionary/Density Bonus ordinance.
	3.b	Outline and evaluation of current and potential affordable housing policies and strategies, including anticipated cost of each strategy.
4	4.a	Outline of current revenue sources for affordable housing development as permitted by State law, including recommended best practices based on the City's priorities identified in Tasks 2 and 3.
5	5.a	Written summary of recommendations for revisions to the draft inclusionary housing and density bonus ordinances for consideration by staff
	5.b	Review of final draft ordinance for prior to review by City Council
6	6.a	Community engagement plan identifying timing and methods of community engagement, keyed to all phases of the work program. The engagement plan should include at least two meetings with the City Council affordable housing subcommittee as the project steering committee. The proposal should also anticipate at least two meetings with the full City Council.

BUDGET

The City Council has not established a not-to-exceed budget amount for this project. Budget proposals that maximize efficiency of the consultant and City's resources and balance the City's project goals with its parallel goals of fiscal efficiency will be a key evaluation factor in the City's review of proposals.

SCHEDULE

The City expects consultant selection to occur in mid-July 2021, and a final draft affordable housing strategic plan to be ready for review and adoption by the full City Council within six (6) months of executing a contract with the successful consultant.

Proposals shall include a proposed schedule that incorporates all required tasks and deliverables within this timeframe. If in the consultant's professional opinion additional time may be necessary to complete all the required tasks and deliverables (including engagement with the community and Affordable Housing subcommittee), the proposed schedule may propose extending this timeframe accordingly.

RESOURCES

The following documents may be referenced on the City's website in preparation of the consultant's response to this RFP:

- [City of Brisbane Housing Element 2015-2022](#)
- [Inclusionary Housing and Density Bonus Ordinance \(BMC Chapter 17.31\)](#)
- [Brisbane Baylands- project overview](#)