

REQUEST FOR PROPOSALS

AFFORDABLE HOUSING DEVELOPMENT



**CITY OF LAKEWOOD
Community Development Department
5050 Clark Avenue
Lakewood, CA 90712**

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REQUEST FOR PROPOSALS

The City of Lakewood ("City") is seeking an experienced developer or developers interested in developing four Housing Successor Agency sites for affordable housing. The sites were acquired by the City of Lakewood Redevelopment Agency and are currently owned by the City's Housing Successor Agency. The City wishes to select a developer to construct new affordable housing units in accordance with state law.

INTRODUCTION

The City is pleased to announce a development opportunity on four Housing Successor Agency sites. The City seeks experienced affordable housing developers meeting the qualifications described in this Request for Proposals ("RFP") to submit proposals for one or more of the sites. The sites may be developed as one scattered lot project, as combination of any of the sites, or as four separate developments.

This RFP is a solicitation of creative proposals that best serve the public good, meet state affordable housing laws, and make the best use of valuable public assets. The City seeks proposals that demonstrate an understanding of the local community and its housing needs, and that would create high quality affordable housing.

The City anticipates that the RFP process will take approximately three months, after which time staff will recommend a developer(s) to the City Council for negotiation of the appropriate development agreement. While the dates and schedules stated in this RFP represents the City's preferred time table, it shall not be considered binding. In addition, the submission of a proposal in response to this RFP shall not be binding upon the City nor construed as a contract with or commitment by the City.

The sites will be offered "as is". The selected Developer(s) shall be responsible for obtaining all required approvals for their project, including entitlements, site surveys, permits, and any other predevelopment studies, including easements, utility relocations and right-of-way improvements.

BACKGROUND

The City is a planned, suburban community in southeast Los Angeles County. The City is located just north of the City of Long Beach and is about 25 miles southeast of Downtown Los Angeles. The City is 9.5 square miles in size and has a current population of approximately 80,000. The housing stock is primarily single-family housing which represents 84 percent of the total 27,552 units within the City. The current vacancy rate is 3.8 percent, and the average persons per household is 2.96. The 2018 median household income was estimated at \$84,055 and approximately 29% of the households had income that was less than 80% of the AMI.

The City, in its capacity as Housing Successor to the former Lakewood Redevelopment Agency (“Agency”), acquired various housing assets from the Agency upon its dissolution. Those assets include nine parcels combined to create four project sites located in the Multi-Family Residential (M-F-R) zone in the City. As such, any sale or disposition of those assets must be for the benefit of affordable housing in accordance with state law.

GOALS AND OBJECTIVES

Affordability Requirements

The City’s primary goal is to dispose of the sites in a manner that encourages the production of affordable housing within the City in accordance with state law. The sites are required to be developed for the purpose of creating affordable housing in compliance with California Health and Safety Code Section 34176.1. The development shall be affordable to and occupied by households earning 80% or less of the area median income, with at least 30% of the units made available to be occupied by households earning 30% or less of the area median income, 50% or the units shall be made available to be occupied by households earning between 30% and 60% of the median area income, while the remaining 20% of units shall be made available to be occupied by household earning between 60% and 80% of the area median income. Additionally, the City requires that the Developer demonstrate a good faith effort to provide a solicitation preference for both current Lakewood residents and persons who are employed in the City of Lakewood.

Development Objective

The City seeks knowledgeable, financially sound and experienced providers of affordable housing that will meet the current and future needs of lower-income residents. The City wishes that proposed developments provide a mix of units affordable to lower-income households, which may include seniors, disabled adults, homeless or at risk households, or other types of households defined as having special needs in the City’s Housing Element or Consolidated Plan. The sites may be developed as one Project, various combinations of sites or four individual sites. However, the projects shall be for the development of affordable housing in compliance with California Health and Safety Code Section 34176.1, and must comply with all state laws pertaining to Housing Successor Agency requirements. The sites may be developed as for-rent or as for-sale.

High Quality Development

Development of the sites must include high quality design, materials, and construction. All developments should also be attractive and compatible with the character of the neighborhood and larger community, both aesthetically and functionally, and consistent with land use and zoning requirements.

Sustainable and Energy Efficient

In addition to being high-quality, the City expects that the developments will achieve sustainability and energy efficient goals that meet the requirements of the California State Building Code as codified by the County of Los Angeles. The Projects should use environmentally-friendly and sustainable principles in project design and construction.

Local Preference

To the extent possible, there should be a preference for both Lakewood residents and persons who are employed in the City of Lakewood in accordance with state and federal laws.

Timeline

The City seeks to have each of the sites developed as soon as practicable. Therefore, proposals will be judged on the practicality of timeliness and the Developer's demonstrated adherence to time schedules, as well as the ability to obtain all necessary plan approvals, financing, and construction commitment so that construction may commence as soon as possible.

Eligible Applicants

Eligible proposers under this RFP may include one entity or a team of several entities, including any of the following: for-profit or non-profit housing Developers, joint ventures, resident services providers or other services agency. Applicants that include several entities must identify a lead entity which has demonstrated experience and capacity in the development and management of affordable housing, and must have successfully completed affordable projects of similar size and complexity as the proposed project(s), preferably within the State of California within the past five years to be eligible to submit a proposal. Applicants with prior experience building residential projects in the City of Lakewood are encouraged to submit proposals.

Site Condition/Environmental Conditions

Environmental review of the proposed development for compliance with the California Environmental Quality Act ("CEQA") will be completed by the City after a complete planning application for the project(s) has been submitted by the selected Developer(s). If federal funding is included in the proposal's financing plan either the City or a consultant selected by the City will be required to complete federal environmental review under the National Environmental Protection Act ("NEPA"). The respondent shall be responsible for all costs incurred by the consultant.

Environmental Concern

The City is not aware of any certain environmental conditions on the four sites. The selected developer will be responsible for conducting its own environmental assessment and will be required to implement any required remedial action plan and indemnify the City/Agency from any liability associated with any environmental regulatory agency compliance.

Selection Process

City staff will evaluate all proposals and narrow the field to those that best meet the objectives defined by this RFP. The evaluation criteria may include, but is not limited to:

1. Completeness and responsiveness to the Request for Proposals.
2. Professional qualifications and capability of the organization, personnel and sub-consultants (if any).
3. The ability of the organization to commit the personnel necessary to facilitate the acquisition and development of the property.
4. Quality of references and the results of reference checks as determined appropriate.
5. Overall economics of proposal – the offer to acquire the property(ies), the feasibility of the proposed financial scheme and the reasonableness of the rehabilitation and management costs.

The City reserves the right to amend or modify the contractual requirements and to reject any and all proposals.

Exclusive Negotiation Agreement

The City will enter into an Exclusive Negotiation Agreement (“ENA”) with the selected Developer, which will describe the terms and conditions for the sale of each of the properties. The Developer shall be responsible for securing all necessary entitlements and financing for each project, and for construction and management of any rental units and/or for sale units.

If an agreement is not reached, the negotiations will be terminated, and similar negotiations may then be conducted with other qualified developer(s). All such negotiations shall be on a strictly confidential basis and in no case shall the terms of agreement involving one proposer be discussed with another or made public.

Entitlements

The Developer(s) will be responsible for obtaining all necessary entitlements. The City will assist with the process to the maximum extent possible, recognizing that ultimate decision-making authority will be with the City Council.

Value of Land/Appraisal

A new appraisal shall be obtained to reflect current land values for projects being developed for condominium or townhome developments. Development proposals shall include proposed sale (or other proposed possessory interest) amount and terms.

Discretion, Non-Liability and Hold Harmless

Acceptance by the City of any proposal submitted pursuant to this RFP shall not constitute any implied intent to enter into a contract. The City reserves the right to issue written notice to all participating firms of any change in the proposal submission schedule should the City determine, in its sole discretion, that such changes are necessary.

Any statements made herein are based on available information, and no representation or warranty with respect to such information is made.

In submitting a proposal in response to this RFP, proposers waive all rights to legal remedies regarding, or to protest, any aspect of the RFP. The City reserves the right to issue amendments or changes to the scope or content of the RFP or the RFP schedule and to select any number of finalists for interviews as it deems necessary to insure that it makes the best possible choice for its objectives. Finally, the City reserves the right to reject all proposals.

SUBMISSIONS

Submittal Deadline

In order to receive consideration, proposals must be received by the City no later than 5:00 p.m. Pacific Standard Time on February 28, 2020 at the address listed below.

City of Lakewood
Community Development Department
Attention: Carolyn Lehouillier
5050 Clark Avenue
Lakewood, CA 90712

Submitting Proposal Requirements

The proposals should be concise and to the point. Specific information may be requested from City staff and will be provided if available. The following outline contains the minimum mandatory items of information:

1. Introduction. This section shall consist of an introduction to the proposal. Present your understanding of the project(s) and the general methodology to be used.
2. Experience. A profile of the Developer's experience in projects similar in nature to the proposed shall be submitted. The project manager must be identified and their experience described, as well as that of other key personnel. Describe the firm's current and/or recent a) land acquisitions and b) the development and management of projects preferably of comparable size and type as the one proposed. Described projects shall be those completed within the last five years or are currently being developed.
3. References. Supply at least three City/County references with a contact name, title, address, and telephone number that can attest to the firm's abilities and financial capabilities. Provide one reference from a lender or depository institution with which the respondent has a current relationship.
4. Financial Pro-forma. A financial pro-forma(s) shall be submitted detailing the proposed funding for the acquisition, development construction costs, and the cash flow for on-going operations and maintenance costs.
5. Management. Submission of a detailed management plan, including a strategy of how the properties will be maintained, tenant issues addressed, maintenance of waiting lists, marketing and screening of prospective tenants for rental units, etc. Please include details about your knowledge, familiarity and previous experience in working with low-income residents.
6. Schedule. Provide a detailed schedule of performance.
7. Marketing. Provide examples of how you have marketed similar projects in other communities. Also, provide a detailed marketing strategy to meet the local preference for Lakewood residents and persons employed in the City of Lakewood.
8. Conceptual Plan. The Developer shall submit a site plan or plans of the sites demonstrating conceptual designs of the proposal. The conceptual design may consist of site plan and just one elevation.

Public Records

Pursuant to the California Public Records Act, unless otherwise noted, all documents submitted in response to this RFP will be considered public records and will be made available to the public upon request. Proposals received may be posted on the City's website as part of the review process. Please do not submit any information to the City that you wish to keep confidential.

DESCRIPTION OF SITES

Site 1

Site 1 consists of three parcels. The first parcel was acquired by the Agency on January 23, 2009 and is located at 11644 206th Street. The second parcel was acquired on February 2, 2008 and is located at 11643 207th Street. The third parcel was acquired on February 25, 2009 and is located at 11649 207th Street. Following a five-foot road dedication, the site will have an area of 27,300 square feet. The maximum density for this site is one unit per each 1,452 square feet and may be developed with up to 18 units.

Site 2

Site 2 is located at the southeast corner of Roseton Avenue and 209th Street at 20920 Roseton Avenue. The Agency acquired the site on January 26, 2009. Following a five-foot road dedication on the two frontages, the site will have an area of 8,637 square feet. The maximum density for this site is one unit per each 1,920 square feet and may be developed with up to four units.

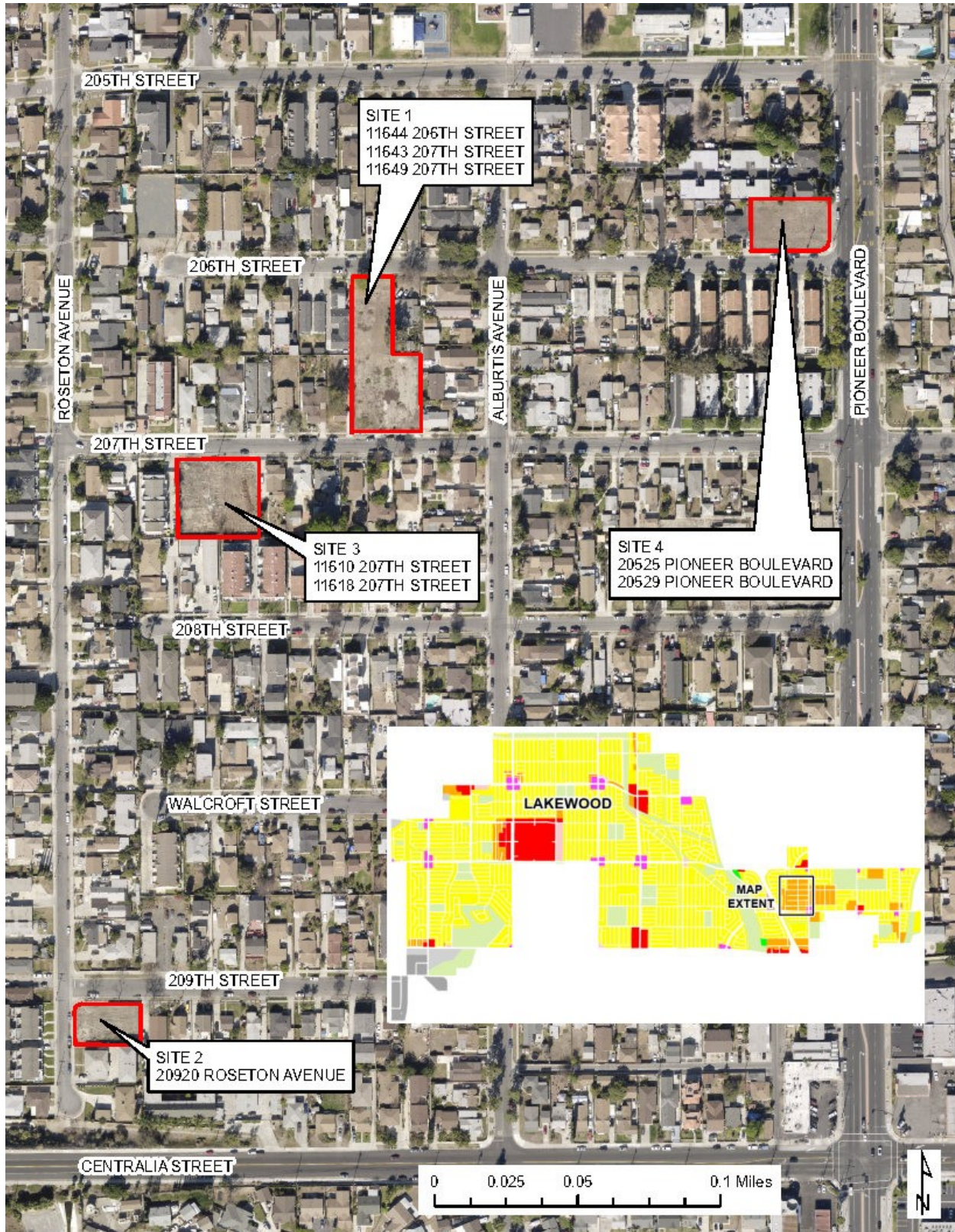
Site 3

Site 3 consists of two parcels located at 11610 207th Street and 11618 207th Street. These two parcels were acquired on February 4, 2010. Following a five-foot road dedication, the site will have an area of 20,738.25 square feet. The maximum density for this site is one unit per each 1,750 square feet and may be developed with up to 11 units.

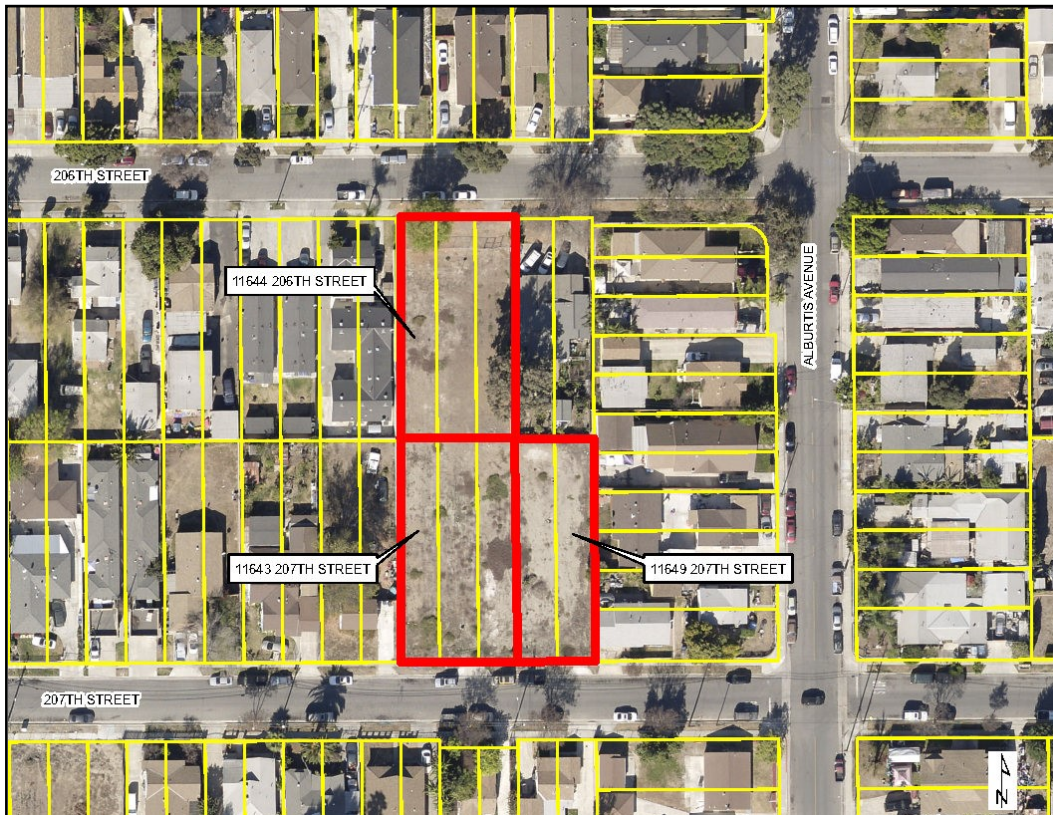
Site 4

Site 4 is located at the northwest corner of Pioneer Boulevard and 206th Street. The site consists of three parcels; one parcel is addressed 20525 Pioneer Boulevard and was acquired on December 1, 2004, while the remaining two parcels are addressed 20529 Pioneer Boulevard and were acquired on March 13, 1996. Following a five-foot road dedication on the frontage abutting 206th Street, plus the relocation of a utility pole the site will have an area of 12,797 square feet. The maximum density for this site is one unit per each 1,750 square feet and may be developed with up to seven units.

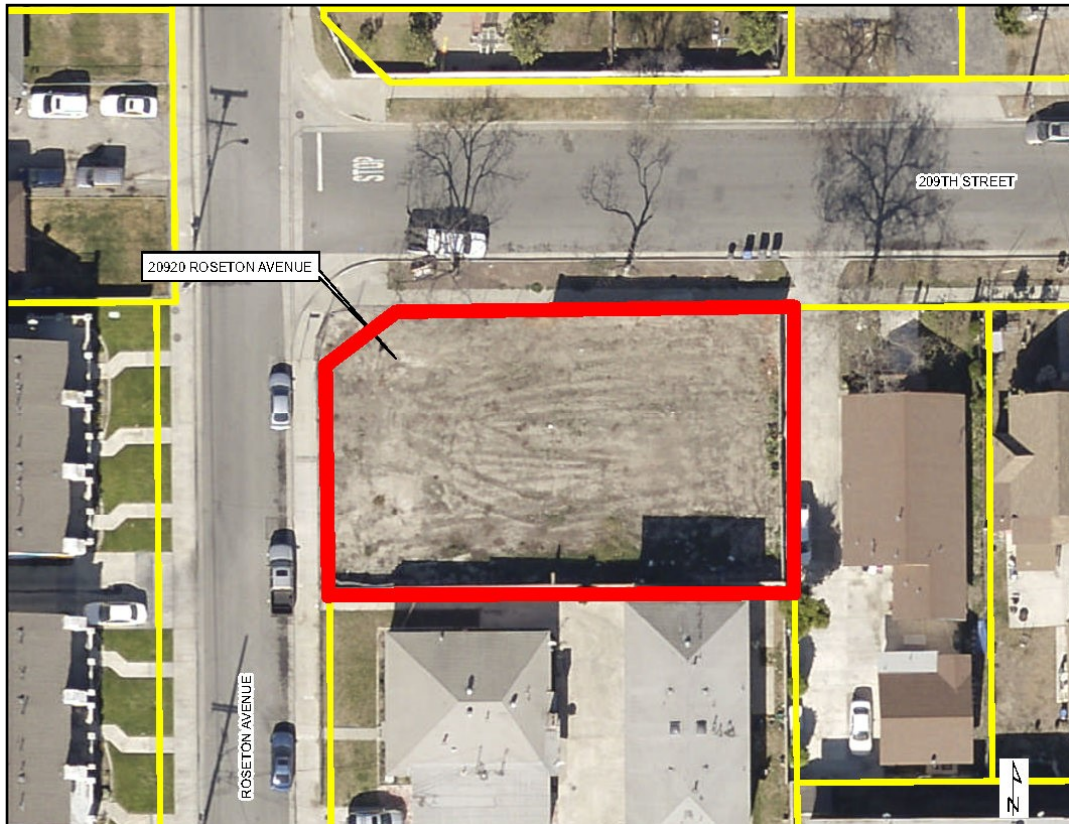
The Sites



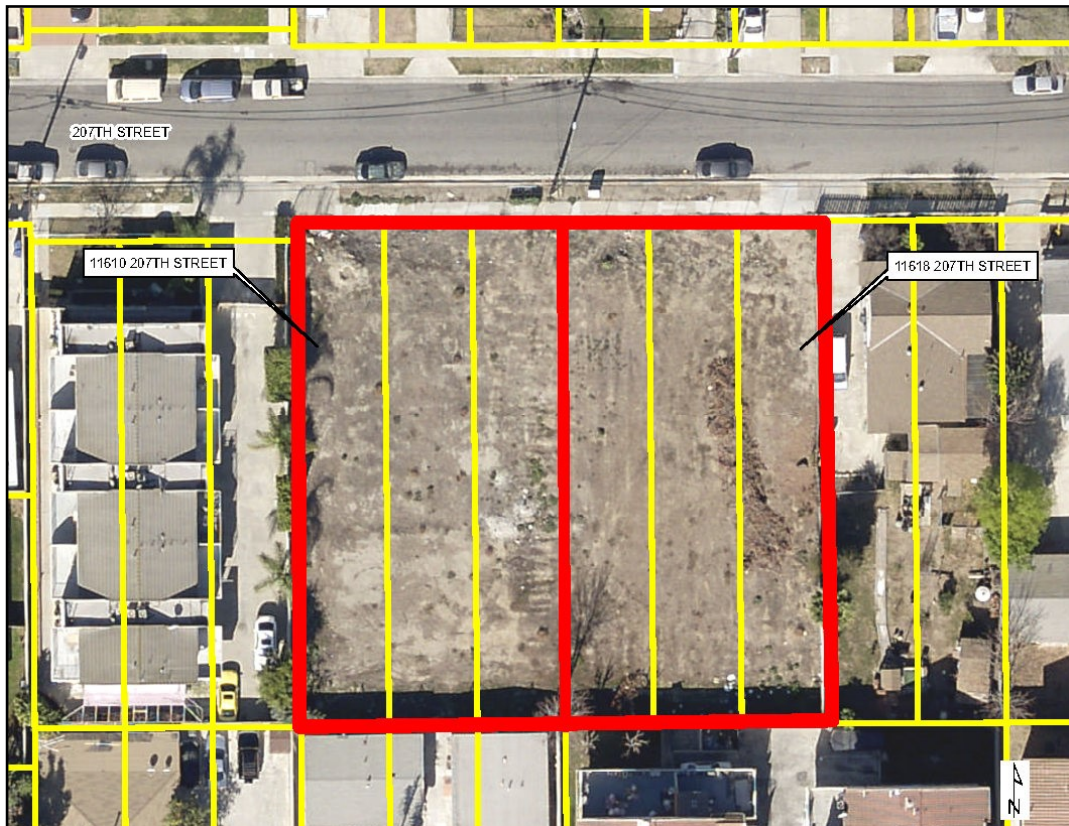
Site 1:



Site 2:



Site 3:



Site 4:



DEVELOPMENT STANDARDS

The following information describes basic development standards of the Lakewood Municipal Code for the Multi-Family Residential (MFR) zone. Please refer to Sections 9330 and 9490 of the Code for more information using the following link:

<https://www.lakewoodcity.org/about/findocs/munizonecode.asp>

The City has adopted California State Code 65915, as amended pertaining to Density Bonuses. Qualifying projects may be eligible for development incentives and reduced parking standards as defined in California State Code 65915.

Density

SITE 1 - 27,300 Square Feet	SITE 2 - 8,637 Square Feet	SITE 3 - 20,738 Square Feet	SITE 4 - 12,797 Square Feet
18 Units Maximum	4 Units Maximum	11 Units Maximum	7 Units Maximum

Parking Standards

The Lakewood Municipal Code bases its required parking standards by the number of bedrooms per dwelling unit and shall be:

- 1 to 2 bedrooms require 2 parking spaces;
- 3 bedrooms require 2.5 parking spaces;
- 4 or more bedrooms require 3 parking spaces;
- An additional 10% of the total off-street parking facilities shall be provided and maintained for guest parking.

Yard Requirements

Front Yard- Every lot shall have a front yard of not less than 20 feet in depth.

Side Yard- On interior lots, the side yard shall not be less than five feet. For corner lots, the side yard shall not be less than 10 feet.

Rear Yard- The rear yard shall not be less than 10 feet.