

**CITY OF PETALUMA**  
**REQUEST FOR PROPOSALS**  
**951 Petaluma Blvd South, Petaluma, CA**

**INTRODUCTION**

The City of Petaluma, as the Housing Successor Agency, (“City”) is pleased to announce the development opportunity of approximately 1.3 acres at 951 Petaluma Blvd South in the City of Petaluma. The City is seeking proposals for the development of a project that will provide affordable rental housing for individuals, families, and/or seniors, with or without a commercial mixed use component. Development teams experienced in quality affordable rental housing are invited to submit their proposal for the project (“Project”).

Project proposals must include the design, development, financing, construction, ownership and management of affordable rental housing, with or without an opportunity for mixed use. The Project must conform to the Central Petaluma Specific Plan (CPSP) and the SmartCode, both of which are available to view at the following web page:

<http://www.cityofpetaluma.net/cdd/cpsp.html>

While the SmartCode allows for a residential only project at this location, the City is interested in the potential for a mixed use project that includes some form of commercial/retail use onsite. In your project summary, please evaluate the potential/feasibility for a mixed use project.

The Project should include quality design, materials, and construction, and make creative use of the subject site to overcome any site constraints and satisfy neighborhood concerns. The project must comply with the standards of architecture, materials and construction defined in the CPSP along with the CPSP’s goals.

**DISCLAIMER:** This RFP does not represent a commitment or offer but an invitation to receive proposals from interested affordable housing developers. The City will not pay costs incurred in the preparation of a response to this request. The City reserves the right to make decisions on which proposal it deems is in the City’s best interest, including making no decision on any proposal submitted and to cancel the RFP at any time prior to entering into a formal agreement. The submitted responses, and any information made a part of the responses, will not be returned.

**BACKGROUND**

The parcel at 951 Petaluma Blvd South was acquired by the City in 2011 with former Petaluma Community Development Commission (RDA) Low-Moderate Housing Set Aside (LMH) funds. The intention was to develop affordable housing. Under the dissolution of the redevelopment agency, the parcel was transferred from the RDA to the City. The use of RDA LMH funds requires that the project must be for households with incomes of not more than 80% of area

median income. The City of Petaluma needs to be compliant with Section 33334.16 of the California Health & Safety Code and reports annually the status of any real property held by the Housing Successor Agency. Consistent with Section 33334.16, the City needs to initiate activities associated with the development of affordable housing to persons and families of low and moderate income within five years from acquiring property. Due to the dissolution of redevelopment, the date of the acquired property is to have commenced on the date that the Department of Finance (DOF) approved the property as a housing asset in the LMIHAF, which for Petaluma was August 29, 2012. If development has not begun within the five year period, the City can extend the period for one additional period not to exceed five years. In the event the property is not developed after the extended period, the property shall be sold and the moneys from the sale shall be deposited in the agency's Low and Moderate Income Housing Fund.

## **GOALS & OBJECTIVES**

The City's primary goal is the development of a well-designed affordable housing project. Some identified objectives for the Project are as follows:

1. **Affordable Housing.** The goal of the City is to select an experienced, financially sound provider of affordable housing that will meet the current and future needs of low-income residents, produced at a cost that is affordable to the greatest number of very low to moderate income households. The City is in need of affordable housing that includes a mix of workforce, veteran, senior, disabled and homeless households at below market rate affordability levels.
2. **River Access.** The site is unique in that it has an existing dock on the Petaluma River – a tidal-influenced waterway in Petaluma that connects to San Francisco Bay. The Project shall provide access to the dock for public use. Buildings shall be setback a minimum of 25-feet from the top-of-bank line. The Petaluma River Access and Enhancement Plan calls for a river trail to be incorporated into all development adjacent to the Petaluma River, with the ultimate goal of providing a continuous trail along the entirety of the Petaluma River within the city limits. The project will also be required to construct this property's segment of the river trail and connect to any trail that exists immediately to the north or south of this property.
3. **Neighborhood Concerns.** Adjacent property owners have indicated concerns with possible Project impacts including out-of-scale massing, loss of sunlight, loss of river views, visual impact of the property from neighboring properties and the river, traffic, and noise. A successful proposal will, through sensitivity and creative design techniques, minimize or alleviate such neighborhood impacts.

## **SITE INFORMATION:**

The site is approximately 1.3 acres in size with a frontage of 157 feet on Petaluma Boulevard North and narrowing to 78 feet at the Petaluma River, and is approximately 460 feet deep. The

property is located within the boundary of the Central Petaluma Specific Plan (CPSP). The CPSP's SmartCode zoning designation is T5 – Urban Center and allows for a maximum of 4 stories and a minimum of 2 stories. Additional height is possible subject to specific findings. It should be noted there is a 3 story limit along the Petaluma Blvd South frontage, and that this same limitation may need to be used when designing the river-facing side of the project.

There is no density limit. The SmartCode allows for a reduced parking at a rate of .5 spaces per unit. However, the City is seeking a ratio of at least 1 space per unit on site.

**PROJECT CONCEPT:**

Proposers shall thoroughly describe their conceptual designs for the project. The following information shall be provided:

- The number of units and mix (i.e. senior, or individual, senior, and multifamily) of affordable housing the project would provide.
- While the SmartCode allows for a residential only project at this location, the City would also be interested in determining whether the Project can also support an onsite commercial/retail mixed use component.
- Project Summary: Provide important project data, such as gross floor area, floor area of individual building uses, number of residential units (broken down by unit type/size and affordability levels), number of parking stalls, building height, etc. Provide a summary of the proposed uses including the integration of all specified uses including pedestrian access and River Plan implementation. The summary should also contain information regarding the green building/sustainability program and the commitments proposed under this program.
- Site Plan: Include a conceptual site plan and building elevations for the project. Identify setbacks, pedestrian entrances, parking, public access to the river, landscaping, common amenities, etc. Inclusion or exclusion of any properties not specifically part of the City's offering may be considered by the City.
- Floor Plans: Provide rough floor plans for the proposed project that show the arrangement of various uses and functions, including parking, pedestrian circulation, and any active ground-floor uses.
- Deviations from the Central Petaluma Specific Plan: Any known deviations from the CPSP guidelines in the Plan shall be identified, explained, and justified.

**FINANCIAL CAPACITY (PRO FORMA):**

Proposers shall submit a pro forma analysis, identifying anticipated construction costs, operating income, operating expenditures, capitalization rates, funding sources, and other relevant information. The pro forma will be treated and reviewed confidentially and will not become a part of the public record pursuant to applicable exemptions under the California Public Records Act. However, the rest of the application will be treated as a public document and available to the public. Submit a complete project pro forma and ten-year cash flow.

Demonstrate ability to provide project funding (debt and equity) including current relationships with major lenders and various financial institutions and past funding experience.

#### **QUALIFICATIONS AND EXPERIENCE:**

Provide a narrative statement describing all entities responsible for the development and management of the project, including the following:

- A description of each firm relevant to the project's development, construction, and management. Include information on each firm's role in the project, and experience working together on previous projects.
- List of previous developments built by the organization or its staff, with addresses; a description of the project's physical and financing structure (for at least 3-5 relevant projects)
- Describe any anticipated needs/expectations from the City of Petaluma.

#### **OUTREACH AND COMMUNITY ENGAGEMENT:**

Describe how the Proposer will work with the neighborhood and community in the planning and developing of this site, including continuing community outreach, communication and dispute resolution during design, planning, building and the life of the project.

#### **PROJECT READINESS:**

Provide a timeline of the major milestones to move the project through the development process. Describe the sources and timing of critical funding from other agencies needed to develop the project.

#### **SUBMITTAL INSTRUCTIONS & REQUIREMENTS**

Interested parties shall prepare one original and two copies of a project submission with the following submission requirements:

- Cover Letter: Cover letter must be signed by the Development Team representative who is authorized to represent and negotiate on behalf of the development entity. The letter should state the legal name and form of the development entity, and provide the mailing address, phone and fax number and email address of the team's representative.
- Thoroughly describe your conceptual designs of the project as detailed in the Project Concept section.
- Financial capacity and a pro forma of the project - including such information as construction costs, funding sources and uses, operating income, operating expenditures, 10-year cash flow, etc.
- Qualifications and Experience - as detailed in the above section.
- Outreach and Community Engagement – as detailed in the section above.

- Project Readiness – as detailed in the section above.

RFP Timeline. The approximate schedule for RFP (dates are subject to change):

Issuance of RFP	April 6, 2017
Submissions Due	May 8, 2017
RFP Review	May 8 through May 19, 2017
Proposer Interviews	To be determined
Selection of Proposal	To be determined

**SELECTION CRITERIA**

The following criteria will be used to evaluate the development team’s qualifications (in no particular order):

- Proposed housing mix
- Creativity and design merits of the project
- Strength of the development team as demonstrated in designing and implementing affordable housing projects, including function and design elements
- Financial capacity and ability to finance the project
- Likelihood of obtaining necessary grants and/or other funding
- Timing and expeditious delivery of the project
- Successful experience developing, or developing and managing, affordable housing
- Successful record maintaining development timeline and budget
- Successful record working with public agencies and community involvement

**PROPOSAL SUBMITTAL**

Please submit the proposal no later than May 8, 2017 by 5:00 p.m. to:

Sue Castellucci, Housing Administrator  
 City Manager’s Office  
 City of Petaluma  
 11 English Street  
 Petaluma, CA 94952  
 (707) 778-4563  
[scastellucci@ci.petaluma.ca.us](mailto:scastellucci@ci.petaluma.ca.us)

Questions or clarifications should be directed to Sue Castellucci at the above information.