



Skagit County Veterans Assistance Fund  
Affordable Housing Development  
Request for Proposals (RFP)

RELEASE DATE: SEPTEMBER 26, 2018

LETTER OF INTEREST DUE DATE: OCTOBER 22, 2018

Q&A SESSION: OCTOBER 25, 2018

PROPOSAL DUE DATE: NOVEMBER 21, 2018

ANTICIPATED AWARD NOTIFICATION: DECEMBER 21, 2018

STAFF CONTACT:

Kayla Schott-Bresler  
Skagit County Public Health  
700 South Second Street #301  
Mount Vernon, WA 98273  
[kaylasb@co.skagit.wa.us](mailto:kaylasb@co.skagit.wa.us)  
(360) 416-1520

## REQUEST FOR PROPOSALS

### SKAGIT COUNTY VETERANS ASSISTANCE FUND

Skagit County and the City of Burlington seek a qualified developer-operator partnership to obtain financing for, develop, construct, own, and operate an affordable housing project for Veterans. Through this RFP, the County will provide \$500,000 in grant or forgivable loan capital funding and the City of Burlington will provide siting and permitting support. The American Legion Memorial Post 91, located at 721 E. Fairhaven Avenue, Burlington, WA has generously offered its site as location for this project. This site is located in historic downtown Burlington. Use of this site is not a mandatory condition of receiving funding.

Proposals must be submitted to: Kayla Schott-Bresler, Skagit County Public Health, 700 S. Second Street, #301, Mount Vernon, WA 98273 or emailed to [kaylasb@co.skagit.wa.us](mailto:kaylasb@co.skagit.wa.us) no later than 3:00pm, November 21, 2018.

Letter of Interest (attached) is due by 3:00pm, October 22, 2018. **Applicants interested in pursuing the American Legion site must submit a Letter of Interest.**

On October 25<sup>th</sup>, Skagit County and the City of Burlington will host an informational session for all agencies that have submitted a letter of interest. The meeting will be from 10:00-11:00am in Council Chambers at Burlington City Hall (833 S. Spruce Street, Burlington). The meeting is not mandatory.

Applicants are encouraged to submit questions to [kaylasb@co.skagit.wa.us](mailto:kaylasb@co.skagit.wa.us) for additional information or clarification. Answers to all questions will be shared at the October 25<sup>th</sup> informational session.

Skagit County and the City of Burlington reserve the right to reject, in whole or in part, any and all proposals received. Skagit County and the City of Burlington reserve the right to negotiate contract terms subsequent to the submissions of proposals from the selected qualified proposers.

All proposals are public information and subject to public disclosure.

Skagit County and the City of Burlington are not liable for any costs incurred by proposers prior to entering into a contract. Costs associated with developing the proposal, preparing for oral presentations and any other expenses incurred by the proposer in responding to the RFP are entirely the responsibility of the proposer, and shall not be reimbursed in any manner by Skagit County or the City of Burlington.

## I. Community Need

In 2017, over eighty-four veterans qualified for and sought homeless services in Skagit County. In addition to those experiencing homelessness, there are many veterans in Skagit County who are just scraping by, paying far more than they can afford in rent. Tenant-based vouchers to pay rent for these veterans are available through sources like Veterans Affairs Supportive Housing (VASH), HOME Tenant-Based rental Assistance (TBRA), Supportive Services for Veteran Families (SSVF), and HUD Section 8. In fact, many of these resources have unspent capacity “sitting in the bank” due to a lack of available apartments that meet federal payment standards. To truly remedy this situation, the community must construct affordable housing for veterans.

## II. Minimum Requirements

The proposer must demonstrate proof of these minimum requirements through appropriate documentation and/or detailed responses before its proposal will be further considered:

### A. Partnership

- Project owner/long term leaseholder must be a 501(c)3 organization or a public corporation, commission, or authority established pursuant to applicable Washington State Law. The developer does not need to be a 501(c)3 or public corporation.
- Strong track record of successfully financing, completing and operating similar projects.
- Ability to comply with all applicable federal and state laws and meet all Skagit County contract and insurance requirements.

### B. Project-Specifics

- Project will offer at least twenty units of veterans housing, including a mix of studio and one bedroom units.
- Provide permanent (non-time limited) rental housing for veterans at 50% AMI and below.<sup>1</sup> Public Health will file a covenant on the property, requiring the apartments to remain affordable and be reserved for eligible veterans for at least fifty years.
- The project sponsor will be responsible for providing and/or securing professional property management services.

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<sup>1</sup> Tenancy is statutorily limited to those households who are eligible for County Veterans Relief as defined in RCW 73.08.005 and the Skagit County Veterans Assistance Fund Policies & Procedures.

- The project sponsor will not be required to provide on-site services, but must provide basic information and referral to residents.
- Must ensure veterans carrying tenant-based rental assistance vouchers are offered fair and equal access to housing.
- The project sponsor/property manager may not add any additional occupancy or program requirements inconsistent with those found in a typical residential lease.

A proposer’s overall capability, specialized experience, reputation, past performance for similar services, technical competence, financial stability, and ability to meet program goals will all be considered in the award decision.

### III. Priority Projects

The following project models will be given priority consideration by the review committee. However, Skagit County and the City of Burlington recognize that these priorities are difficult to achieve and will give consideration to project models not able to meet these goals.

- Projects that can cashflow without the need for services and/or operating subsidy.
- Projects that rely on private capital sources, rather than federal or state subsidy. Skagit County and the City of Burlington are especially interested in projects using innovative financing models and/or techniques to limit total development costs.
- Projects that can secure all necessary financing by the end of 2019.

Please note that Skagit County will release its multifamily development NOFA in late November or early December. Projects may apply for additional Skagit County funding at that time, although projects that do not need additional subsidy will be given priority under this RFP.

### IV. Site Selection

The project sponsor will be responsible for selecting and securing the development site.

**The American Legion Memorial Post 91, located at 721 E. Fairhaven Avenue, Burlington, WA has generously offered its site as location for this project.** If the American Legion site is used, the Project Sponsor would be responsible for ensuring the Post’s current space is retained and/or rebuilt using funds other than those offered in this RFP, but no other land costs would be required. The project sponsor would negotiate the land ownership structure with the American Legion, in partnership with the County. The American Legion Memorial Post 91 reserves the right to negotiate with the project sponsor and withdraw this land offer at its sole and absolute discretion, prior to entering into a written agreement with the project sponsor.

A project sponsor may forgo the American Legion land opportunity should a readily developable site be available elsewhere. Any site must be located in the City of Burlington, in close proximity to transit, groceries, and other services residents need to thrive. The site must be free of environmental contaminants and other serious environmental hazards, as demonstrated through a Phase 1 Assessment.

If the sponsor selects a site in a floodplain, the sponsor must demonstrate flood insurance and a building design that will successfully mitigate the impacts of any flood on tenants or the structure. 721 E. Fairhaven Avenue is located in the 100 year floodplain.

The City of Burlington will offer priority review for permitting, assist with shepherding this project through the permitting process, and will update applicants on any code changes that may benefit or impact the proposal. Brad Johnson, Senior Planner at the City of Burlington will be present at the October 25<sup>th</sup> informational session.

**If the Project Sponsor is interested in exploring and/or using the American Legion Memorial Post site, please contact Kayla Schott-Bresler at [kaylasb@co.skagit.wa.us](mailto:kaylasb@co.skagit.wa.us) prior to submitting a letter of intent. Do not contact the American Legion directly. As multiple applicants may seek use of this site, Skagit County staff will coordinate all conversation between applicants and the American Legion after receiving the applicant's letter of interest.**

## **V. Proposal Submission Requirements**

Skagit County will accept the Washington State Combined Funders Application. Please submit with your application only the following portions of the application:

### NARRATIVE

- Section 1: Project Summary
- Section 2: Project Narrative **–only:**
  - Project physical characteristics
  - Non-residential space
  - Neighborhood/off site amenities
  - Zoning
  - Existing Structures
  - Historical elements
  - Phase 1 Environmental Site Assessment (ESA)
  - Site/parcel characteristics
  - Potential Development or timing obstacles
- Section 9: Development Team

## CFA FORMS

**Only** submit:

- Tab 1
- Tab 2a & 2b
- Tab 3
- Tab 4
- Tab 5
- Tab 6A, 6B
- Tab 7A & 7B
- Tab 8A, 8B, 8C, 8D, & 8E
- Tab 9A, 9B, 9C, 9D, & 9E

### **VI. Proposal Evaluation Process**

Skagit County and the City of Burlington will select the proposal which is the most qualified to meet local needs. The proposal submitted must fully address the requirements listed in this solicitation and the proposer's degree of experience, knowledge, and ability to provide experienced and qualified services as proposed.

Staff will conduct an initial review to eliminate any proposals that do not meet minimum qualifications. Following this review, staff will provide all proposals that meet minimum qualifications to a Selection Committee, comprised of management from Skagit County, the City of Burlington, and a member of the Skagit County Veterans' Advisory Council. The Selection Committee will vote and make a recommendation on funding to the Board of County Commissioners. Via resolution, the Commissioners make the final decision on funding for the proposed project.

### **VII. Proposal Evaluation Criteria**

Proposals that meet the minimum qualification criteria will be ranked according to their strength in meeting the following criteria:

- Strength of project concept in meeting County and City Priorities
- Strength of development team
  - Demonstrated experience of the applicant in developing, owning and operating affordable housing.
  - Capacity of lead staff to manage the project in the proposed timeframe.

- Project feasibility
  - Reasonableness of financing and cost assumptions.
  - If a capital campaign or private debt is anticipated, the ability of the organization to achieve fundraising goals.
  - Sustainability of the operations budget.
- Project readiness and timeline

Subsequent to review of written submittals, the Selection Committee may do interviews. If the County and City opt to do this, identical questions will be prepared and distributed to each applicant to be interviewed, as well as questions that are customized for each applicant. Each applicant's demonstrated experience, qualifications, completeness, clarity, communication, and professionalism as demonstrated through its oral presentation and answers to questions will be used in ranking teams in order of preference.

The County and City reserve the right to require evidence of managerial, financial, or other abilities prior to award of the contract.

**Attachment A: Letter of Interest**

Please type or print all information. Return the completed and signed form to Kayla Schott-Bresler Skagit County Public Health, 700 S Second Street, #301, Mount Vernon, WA 98273. Forms may also be emailed to Kayla Schott-Bresler or [kaylasb@co.skagit.wa.us](mailto:kaylasb@co.skagit.wa.us).

**IDENTIFYING INFORMATION**

**Project Sponsor's Name & Organization** \_\_\_\_\_

Address \_\_\_\_\_

Street or Box # \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

Email Address \_\_\_\_\_

Signature below indicates an interest in becoming a contractor for Skagit County. I understand that signing this letter does not bind me to submission of a full application. All information submitted in this letter of intent is true to the best of my knowledge and belief. I fully understand that any significant misstatement in or omission from this application may constitute cause for denial of participation.

**PROJECT SPONSOR**

\_\_\_\_\_  
**Name and Title (print or type)**  
\_\_\_\_\_

**Signature**

**Date**