



Request for Proposals (RFP) 12233P Development of City-Owned Property (2022 - Phase 2)

Yakima County Assessor Tax No: 191320-32484



Submit Proposals To:

Yakima City Hall
City Clerk's Office
129 N 2nd Street
Yakima, WA 98901

Issue Date: June 27, 2022

Proposals Due: July 25, 2022
11:00 a.m. PST

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City of Yakima
Request for Proposals (RFP) 12233P
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Section 1 Project Summary

The City of Yakima (“City”) is seeking development proposals (“Proposals”) from qualified firms, developers or individuals (individually and collectively referred to as “Developer” or “Developers”, respectively) for the opportunity to purchase and develop a City-owned property in Yakima into residential units per this RFP. The property is a single vacant lot located at 501 S 12th Street across the street from Kiwanis Park.

Development Vision

The City will look at proposals and evaluate them based on pre-determined criteria which will include: price, types of housing created (i.e. affordable or market rate), number of housing units created (single family or duplex), and best benefit to the City. Although the property is zoned General Commercial, all respondents to this RFP agree to construct a residential use on the property and will agree to a covenant being placed on the property’s title indicating that the property shall remain as a residential use until the adjacent properties are converted to a commercial use, at which point in time the covenant will expire. Note: the final award determination will be made by the City Council.

Section 2 Project Introduction

Community Overview

The City of Yakima, county seat of Yakima County, was incorporated in 1886 and is located in central Washington State. It encompasses 28.7 square miles in an area of rich volcanic soil. The City is 145 miles southeast of Seattle, and 200 miles southwest of Spokane, Washington. The region is served by rail, highway and air transportation facilities, which have helped develop the City as the commercial and business center of Central Washington. With a 2020 population of 96,968, Yakima is the eleventh largest city in the State of Washington.

Community Housing Needs Overview

The following is a brief summary of housing needs in the City of Yakima. The most recent City of Yakima housing needs assessment data is contained in the city’s recent [Housing Action Plan](#).

The City of Yakima has grown since 2010, with a current estimated population of 96,968 residents and is expected to continue growing to 110,387 people by 2040.

The average household size in Yakima is 2.71, slightly larger than the statewide average of 2.55. While the average household size is larger relative to the state, more than half (58%) of the city’s residents live in single or two-member households. Renters are more likely to be single-person households than owners.

There is a housing shortage in Yakima. Vacancy rates for both apartments and homes for sale are extremely low, below 1%. When vacancy rates are so low, people looking for new homes have fewer options, increasing competition for the limited supply of units available. This drives up both rents and home prices.

Local housing prices are rising faster than local incomes. The median home value in Yakima has risen by 38% between 2010 and 2019. Over the same period, the median family income has increased by 19%. This indicates that homeownership is getting further and further out of reach for many prospective buyers.

In the last 3 years, the city grew by an annual average of 530 new residents, a greater annual amount compared to 2010-2017 at 386 persons per year. To achieve its growth target, the city is projected to add about 745 persons per year over the next 20 years.

The average household size in Yakima is 2.71. If applying a 2.7 household size to the remaining population target, about 5,517 dwelling units would be needed between 2020 and 2040.

Many households in Yakima are cost burdened. Between 2012 and 2016, 36% of all households in Yakima were cost burdened. Cost-burdened households spend a large portion (over 30%) of their available income on housing costs. This leaves less money available for other important needs like food, transportation, clothing, and education. With rising housing costs, the number of cost-burdened households has almost certainly increased during the past few years.

Cost burden is not evenly distributed across households. For example, renters are more cost-burdened than owners. Nearly 50% of renter households were cost-burdened, compared to about a quarter of all homeowners.

Needs are greatest among low-income households. About three fourths of all households with incomes below 50% of the county median family income are cost-burdened. Nearly half of these households are severely cost-burdened, meaning they spend over 50% of their income on housing costs. While there are low-income households living in neighborhoods across the city, the greatest concentration of low-income households is in eastern Yakima, and many of these households are Hispanic/Latino ethnicity.

Yakima needs more housing diversity. Over 65% of all housing units in Yakima are single-family homes. Not all households require or can afford that much space. For example, about 30% of all households in Yakima are singles living alone, yet only 5% of housing units in Yakima are studios and only 13% have just one bedroom. Increasing the diversity of housing options available will increase housing supply and provide more choices for residents seeking more affordable housing that meets their current needs.

Site Overview

The site consists of one tax parcel, Yakima County Tax Assessor Parcels 191320-32484. The site is located at 501 South 12 Street, across from Kiwanis Park. It is currently a vacant lot.

- **Site size and topography:** The site is approximately .15 acres, with level topography. It has approximately 48 ft of frontage on S. 12th St. and 140 ft. of frontage on E. Maple St.
- **Zoning:** The property is zoned General Commercial (GC), which allows for residential development. The GC does not have a density minimum or maximum. The size of the parcel makes it appropriate for a single family residence or a duplex.
- **Parking:** The off-street parking requirement is 2 spaces per dwelling unit. Note there are code provisions a developer could take advantage of to reduce the off-street parking requirements in the event the developer is developing subsidized low-income housing as outlined in Yakima Municipal Code Section 15.06.040(D).
- **Lot coverage:** Allowable lot coverage in the GC is 100%.

- **Setbacks:** East Maple Lane and South 12th Street are designated as Local Access roads, which require a 30 ft front yard (or side yard) setback from the centerline of the road; the alley to the East of the property has no setback requirement.
- **Close to transit:** South Fair Avenue is a major bus line and is located within approximately 500 feet of the property.
- **Utilities:** This site is served with public water, stormwater, and public sewer.

Available Analysis

The City has not completed any environmental review, technical analysis, or other feasibility studies regarding this site. The selected Developer may need to pursue studies to support their proposed project. The City Council will need to declare the property surplus. Additional environmental review and procedure will be required for development pursuant to state and local law.

This property has not been surplussed as of the date of this RFP. The City anticipates that the surplus will be finalized at the same time or shortly after the successful proposal is approved by the City Council. Additional environmental review and procedure may be required for development pursuant to state and local law.

Section 3 General Project Comments/Standard Condition of Approval

The intended outcome of this Request for Proposals (“RFP”) process is the entry by the Parties into a Purchase and Sale Agreement and a Covenant restricting the use of the property to residential (until other adjacent properties are converted to commercial use).

Access to the Property

During the RFP period, Developers and their employees, agents or representatives shall have the right to reasonable access to the City Parcels, undertaking any necessary soils test and otherwise conducting due diligence to ensure that the City Parcels are suitable for Developer’s intended use. Developer agrees to the Indemnification Clause below during the due diligence period associated with this RFP when accessing the property for any purpose.

INDEMNIFICATION CLAUSE

NOTWITHSTANDING ANYTHING ELSE IN THIS RFP, DEVELOPER AGREES TO RELEASE, INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY, ITS ELECTED AND APPOINTED OFFICIALS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, INSURERS, ATTORNEYS, AND VOLUNTEERS FROM ALL LIABILITIES, LOSSES, DAMAGES, AND EXPENSES RELATED TO ALL CLAIMS ARISING OUT OF THE EXERCISE BY THE DEVELOPER OF THIS RIGHT OF ACCESS, EXCEPT FOR CLAIMS CAUSED BY THE CITY’S SOLE NEGLIGENCE.

Minimum Price

THE MINIMUM PROPOSAL PRICE FOR THIS PROPERTY IS FORTY-FIVE THOUSAND DOLLARS (\$45,000.00). ANY PROPOSAL OFFERING LESS THAN THE MINIMUM PRICE WILL BE REJECTED.

Covenant

The successful proposer will be required to sign a Covenant attached hereto as Attachment A.

Section 4 Proposal Submittal Instructions

The following minimum information should be provided in each proposal and will be utilized in evaluating each proposal submitted. To expedite the evaluation of proposals, submittals should be no more than thirty (30) pages. Proposals should include the following items:

1. Letter of Introduction: Indicate and the price that is proposed to be paid for the property, the number of dwelling units to be constructed (single family or duplex), whether the property will be rented or sold as affordable, and any other information that would assist the City in making its selection. If a corporation or business entity is responding to the RFP, a principal or officer of the corporation or entity authorized to execute contracts or other similar documents on the firm's behalf must sign the letter.
2. Financial Capability

Proposer shall submit an explanation of how it intends to pay for the property and construction. For example, would payment be a cash sale, or would the Proposer need financing. If the project is going to be financed, please indicate (and provide proof if you have it) that financing for purchasing the property and constructing the dwelling unit(s) has already been obtained.
3. Detailed completion of Questions 1 and 2 in Section 5 below.
 - a. Standard statements:
 - (i) A statement that this RFP shall be incorporated in its entirety as a part of any resulting agreement, if necessary.
 - (ii) A single and separate section "EXCEPTIONS TO THE CITY'S REQUEST FOR PROPOSAL". This section shall include a complete and detailed description of any/all of the exceptions to the provisions and conditions of this Request for Proposal upon which the proposal is contingent, including exceptions to the proposed Purchase and Sale Agreement, attached hereto as Attachment B. **The City will only accept or negotiate exceptions if it is in the best interest of the City to do so.**
 - (iii) A statement that the Developer will not discriminate against any contractor or subcontractor for the construction of the dwelling unit(s), or purchaser and/or renter of the constructed housing, because of race, color, religion, gender identity, sex, national origin, or any protected class under federal or state law.
 - (iv) A statement that the Developer believes its Proposal meets all the requirements set forth in the RFP.
 - (v) A statement acknowledging that the Developer agrees to sign the Covenant which restricts uses on the property to residential until neighboring properties ceased to be used as residential properties, as required by this RFP.
 - (vi) A statement that the individual signing the Proposal is authorized to make decisions as to the details of the Proposal for the Developer and all of the partners and/or team members associated with the Proposal.

Developers responding to this RFP must comply with the requirements herein. The City reserves the right to exclude any responses from consideration that do not follow the required format or include all required documents.

Section 5 Proposal Questions/Request for Information

To evaluate the alternatives and select the appropriate Developer, the City is requesting development proposals that will help the City finalize its vision and move ahead with property disposition and development. Proposals must include responses to the following questions (please be thorough in your answers):

1. Description of the Developer’s proposed project:
 - a. Price you offer to pay for the property;
 - a. Square footage of dwelling unit(s);
 - b. Whether you are proposing a single family residence or duplex;
 - c. Percentage of housing units that will be considered affordable to low-income and very-low-income households as defined in RCW 43.63A.510, if any;
 - d. Whether a parking variance will be sought or if YMC 15.06.040(D) will be used, or any other code waivers that may be requested for modification or exemption;
 - e. Conceptual site plan for the property showing the proposed location of the dwelling unit(s), location of parking and location and size of the yards/green spaces.
 - f. Anticipated timeline from time of property transfer to completion of construction and occupancy of unit(s).

2. Detailed description of the Developer’s experience constructing single family housing or duplexes elsewhere and the names and contact information for two references who have direct firsthand knowledge of that experience. These references will be contacted by the City as part of the evaluation of this proposal.

Section 6 Project Timeline

Time is of the essence in completing this project and the City is seeking a developer to start work immediately and complete the construction and obtain a certificate of occupancy as soon as practicable.

Project Milestone	Anticipated Date
RFP Issued	June 27 2022
Deadline for Submittal of Proposals	11: a.m. on July 25, 2022
Evaluation of Submittals by City	July 25 through August 5, 2022
Interviews Begin (if requested)	August 1, 2022
Recommendation to City Council and consideration of surplus resolution and entry into purchase and sale agreement	August 16, 2022
Project Awarded	September 6, 2022
Purchase and Sale Agreement approved by City Council.	September 6, 2022

Section 7 Inquiries

All inquiries regarding this RFP may be directed to Maria Mayhue, Purchasing Manager at: Maria.Mayhue@yakimawa.gov .

Section 8 Addenda

The City may determine it is necessary to revise any part of this solicitation. Revisions will be made by written addenda and it is the Developer’s responsibility to understand and comply with any addenda to this solicitation.

If a Developer discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the Developer has an affirmative duty to immediately notify the City of such concern and request consideration of modification or clarification of the RFP document. Any questions should be submitted via email to the contact person listed in Section 7.

All material questions will be answered in the form of an addendum and emailed to all firms on the City’s Consultant roster for this RFP.

Section 9 Submittal

Submit RFPs to City of Yakima Clerk’s Office: 129 N 2nd Street, Yakima, WA 98901, no later than **11:00 a.m. on July 25, 2022**. All submittals shall be clearly titled: “RFP 12233P (2002 Phase 2) – Development of City-Owned Property”.

Section 10 Evaluation Criteria

Proposals may be awarded up to 100 points, as follows:

Criteria	Maximum Number of Points
Offer price to purchase the property*	40
How the property purchase and construction will be financed	20
Number of dwelling units proposed	10 points for duplex; 5 points for single family
Proposed project timeline from purchase to habitability	15
Prior experience constructing single family and/or duplex housing units, including references	15
Proposed project timeline and availability	5

*Note, minimum price must be \$45,000.00 or higher

Evaluation of proposals may be by a committee which evaluates the proposals based on the criteria listed above and will make a recommendation to the City Council.

Final award determination will be made by the City Council.

Section 11 Notification of Award

The City Council will approve or deny the recommended proposal at its August 16, 2022 City Council meeting. An approval of the proposal makes a tentative award and allows the City and the Developer to finalize a Purchase and Sale Agreement for the purchase and sale of the property. The City and Developer have until September 6, 2022 to finalize that agreement for the City Council’s approval unless an extension is granted. If the property has not previously been surplus, the City Council will also address the surplus of the property on September 6, 2022, concurrent with the Purchase and Sale Agreement. (Timeline is subject to change.)

Section 12 Developer's Responsibilities and Scope of Services

Following the execution of the Purchase and Sale Agreement, Developer shall proceed with detailed due diligence, pre-development, and construction of the housing unit(s) pursuant to the timeline proposed in Developer's proposal, which will be incorporated into the Purchase and Sale Agreement.

Developer is responsible for all necessary costs and actions associated with the required environmental review, planning, permitting, design, approvals, grading, construction and all permits, fees and approvals associated therewith.

Section 13 RFP General Terms and Conditions

Public Disclosure

Per Washington State Public Disclosure Act (RCW 42.56 et seq.), documents submitted under this Specification shall be considered public records and, with limited exceptions, will be made available for inspection and copying by the public.

Respondents should be aware that any records they submit to the City or that are used by the City, even if the Respondents possess the records, may be public records under the Washington Public Records Act (RCW 42.56). The City must promptly disclose public records upon request unless a statute exempts them from disclosure. Respondents should also be aware that if even a portion of a record is exempt from disclosure, generally, the rest of the record must be disclosed. Exemptions, including those for trade secrets and "valuable formula," are narrow and specific.

Appropriately identified trade secrets will be kept confidential to the extent permitted by law. Any proposal section alleged to contain proprietary information will be identified by the proposer in boldface text at the top and bottom as "PROPRIETARY." Designating the entire proposal as proprietary is not acceptable and will not be honored. Submission of a proposal will constitute an agreement to this provision for public records. Pricing information is not considered proprietary information.

It is the intention of the City to maintain an open and public process in the solicitation, submission, review and approval of this RFP. RFP proposal openings and review will be public.

Retention of Rights

The City reserves the right to cancel this RFP or accept or reject any or all proposals submitted or to waive any minor formalities of this call if the best interest of the City would be served.

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal, regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the proposing Developer of the conditions contained in this RFP, unless clearly and specifically noted.

Costs for developing responses

The City will not reimburse Respondents for any costs involved in the preparation and submission of responses to this RFP or in the preparation for and attendance at subsequent interviews. Furthermore, this RFP does not obligate the City to accept or contract for any expressed or implied services. The City reserves the right to request any Respondent to clarify their Proposal or to supply any additional material deemed necessary to assist in the evaluation of the Respondent. All responses and accompanying material will become the property of the City and will not be returned.

Cooperative Purchasing

The Washington State Interlocal Cooperative Act (RCW 39.34) provides that other governmental agencies may purchase goods or services on this solicitation or contract in accordance with the terms and prices indicated therein if all parties agree. The City of Yakima does not accept any responsibility or involvement in the purchase orders or contracts issued by other public agencies.

Non-Discrimination

The City hereby notifies all Respondents that it will affirmatively ensure compliance with WA State Law Against Discrimination (RCW chapter 49.60) & the Americans with Disabilities Act (42 USC 12101 et set.)

Developer will be in compliance with the applicable provisions of the Americans with Disabilities Act of 1990, and will be an equal opportunity employer as defined in Title VII of the Civil Rights Act of 1964, and applicable Washington State law. As such, Developer will not discriminate against any person on the basis of race, religious creed, color, national origin, ancestry, disability, medical condition, marital status, age, gender identity, or sex with respect to hiring, application for employment, tenure or terms and conditions of employment. Developer agrees to abide by all federal, state and local laws, regulations, ordinances and resolutions.

ATTACHMENT A

COVENANT

(Separate Attachment)

ATTACHMENT B

PURCHASE AND SALE AGREEMENT

(Separate Attachment)