REQUEST FOR PROPOSALS (RFP) #274-050123SA-R

15 Summit Avenue Development Pre-Proposal Conference

January 6, 2025





Pre-Proposal Conference Format

Site and Opportunity Overview – City of Raleigh team

Q&A* – Attendees

- All questions submitted during this Conference and via email will receive public written responses from staff by **Jan 31**, at the latest.
- The deadline to submit written questions is **Jan 17**.

City Representatives

HOUSING & NEIGHBORHOODS



Jess Brandes Assistant Director



Angelina Blackmon* Community Development Planner



Pat Dawson Community Development Planner

*Staff contact for questions + submittals angelina.blackmon@raleighnc.gov

PLANNING & DEVELOPMENT URBAN PROJECTS GROUP



Jake Levitas Planning Supervisor



Mary Elizabeth Russell Senior Planner

Site Development Opportunity

The intention of this RFP is to identify a development partner eager to work with a team of City staff to collaboratively determine and develop the most suitable project for these sites.

After the City and the selected partner agree on a concept, the partner would lead the design, permitting, financing, and development of the project, with City support.

Affordability is a City priority for the site, and both for-profit and non-profit developers are eligible to apply.





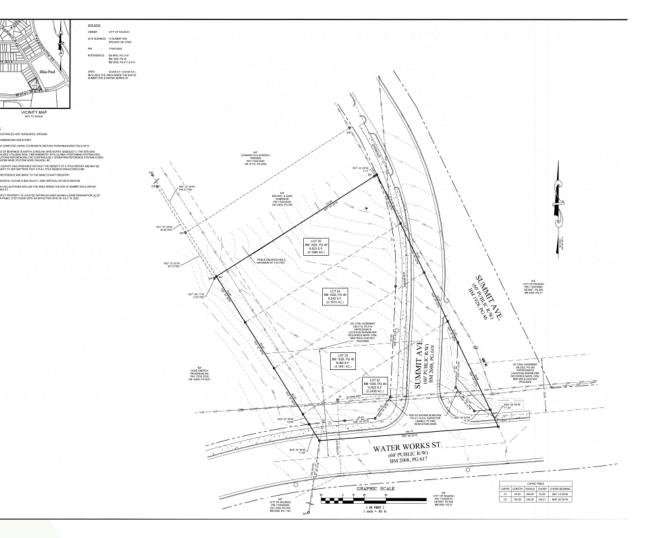
Site and RFP History

- RFP initially issued in June 2023
 - City staff elected not to move forward with any of the submitted proposals.
- Staff performed additional due diligence analysis and interviewed local developers to identify key challenges with the site and mitigation strategies
 - Feedback determined that there was benefit to having the site rezoned for higher use.
 - Site rezoning was presented to City Council in February 2024: Case Z-64-23 Summit Ave (prior zoning was RX-4-UL)
 - Rezoning request was approved, and new site zoning is RX-4.
- Staff updated the RFP format to increase the likelihood of success

Boundary

<u>Survey</u>

The two parcels included are vacant and have access to paved public streets as well as access to City water and sewer.



Current Zoning

Residential Mixed-Use (RX-4)

Height Permitted	Four (4) stories
Development Permitted	Townhouses, cottage court, multifamily, and mixed-use buildings (retail is subject to use standards)
Overlay Districts	Special Highway District-2
Other	Frequent Transit Area Southern Gateway OZ



High Quality of Life in Raleigh

#3 Best Place to Live in the U.S.

- U.S. News & World Report (2023-24)

#3 Best Performing Large City

- Milkin Institue, 2024

#6 Top Tech City in the U.S.

- Cloudwards (2024)

#2 Hottest U.S. Housing Market

#3 Happiest City in the U.S.

- Men's Health 2021

#5 Best City for Job Seekers

- Indeed (2024)

Questions?

Please type any questions in the chat!





City Priorities and Participation

The City's preference is for rental housing development to be constructed on the parcels, but for-sale housing is also an option. The City's primary goals for the site are:

- 1. Housing Low/Moderate-Income Families
- 2. Promoting Integration and Permanent Housing
- 3. Preserving Long-Term Affordability
- 4. Optimizing Density
- 5. Collaborating with Development Team



Affordability Requirements

The minimum affordability requirement is to provide **20% of the total development units as affordable housing at no greater than 60% AMI for a minimum of 50 years.**



Additional Requirements

This RFP has a set-aside and tenant referral Requirement. **Proposals should include at minimum one (1) unit and up to 10% of units set aside for City of Raleigh referrals.**

The Housing and Neighborhoods Department prioritizes alignment with the philosophy of the State's Olmstead Settlement Agreement, which promotes housing choice and integration for people with disabilities.



Site Control

The City's preference is to provide site control to the selected partner via **ground lease** with a **minimum 50-year term** at a nominal rate.

A fee simple sale with negotiated affordability restrictions is also an alternative option that could be considered.

The final method of disposition will be guided by applicable state laws and will be determined by the City, subject to City Council approval.



Gap Financing

The City is offering **up to \$75,000 of subsidy per affordable unit** for construction-to-permanent gap financing to support the construction of affordable units on this site.

The City gap financing loan term can be 20/30/40 years. The loan term is subject to staff review and City Council approval.



Questions?

Please type any questions in the chat!





RFP Process

- The RFP responses will be evaluated and ranked by a City review committee against the criteria set forth in the RFP.
- There may be a round of interviews for select candidates.
- The review team will use the scoring criteria and other considerations to recommend a proposal to City Council, who will make the final selection of the development proposal. The scoring criteria are intended as a guide, and the City is not obligated to recommend or select the highest-scoring proposal.
- After approval by City Council, the selected developer and the City will enter into negotiations on the final terms of the agreement.

RFP Schedule

RFP Process Step	Due Date	Time
RFP Advertisement Date	12/11/2024	5:00 PM
Non-Mandatory Pre-Proposal Conference	1/06/2025	2:00 PM
Deadline for Written Questions	1/17/2025	5:00 PM
City Responses to Questions (anticipated)	1/31/2025	5:00 PM
Proposals Due via Email	2/14/2025	5:00 PM
Interviews Begin of Select Candidates (If needed)	3/3/2025	9:00 AM
City Staff Identify Recommendation for Council	3/25/2025	5:00 PM
City Council Vote to Confirm Selected Development Team (anticipated)	April 2025	

RFP Submittal Instructions

Proposals must be complete and submitted as a PDF via email using the following instructions. Incomplete Proposals or those received after the due date and time will not be considered.

Email Subject: 15 Summit RFP – Development Team Name

Email to: Angelina Blackmon Public-Private Partnership Coordinator, Housing & Neighborhoods Department Angelina.Blackmon@raleighnc.gov

Written Questions & Answers: Please send any additional questions via email to the contact above. All questions submitted via email or shared during the Pre-Proposal Conference will be answered in the posted RFP Addendum online on the stated date.

RFP Evaluation & Scoring

- The Proposals received will be evaluated and ranked by the Proposal Evaluation Team in accordance with the process and evaluation criteria contained in the RFP (see evaluation table).
- A final selection for recommendation will be made by the Evaluation Team after each Proposal is evaluated and assigned a score.
- This is not a bid and there will not be a public opening.

Evaluation Criteria	Points
Alignment with City Goals	40
Maximize affordable units	10
Maximize project density	10
Depth of affordability	10
Design creativity	10
Project Viability and Financial Feasibility	30
Compatibility with UDO	10
Project complexity, cost reasonableness and risk management	10
City subsidy request and other funding commitments	10
Development Team Experience	30
Demonstration of development team experience	20
Demonstration of team capacity	10
Maximum Possible Points	100

RFP Checklist Items

Written Submission Requirements

(See RFP proposal for all 19 total items)

- 1. Cover Letter
- 2. Development Team Experience
- 3. Project Proposal/Description
- 4. Overview of Financial Strategy

Attachments Downloadable on City's Website

- 1. Proposer Questionnaire Form (submit signed copy)
- 2. Reference Questionnaire Form (min. 3 references)
- 3. Acknowledgment of MWBE Policy (submit signed copy)
- 4. Exceptions to the RFP Form (submit signed copy)
- 5. Tenant Income Certification (not required)

Optional

Detailed plans with elevations, and/or renderings (not required, submit as optional)

Final Questions?

Please type any questions in the chat!





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