

Request for Qualifications and Concepts

Kelly Transit Oriented Development Site | Affordable Housing Redevelopment

Published: March 10, 2025 Responses due by: June 2, 2025, 5:00 p.m. (PST)

Section I: Introduction



The City of Bellevue's Office of Housing is seeking proposals from a qualified development partner ("Development Partner") to submit qualifications and concepts (the "Proposal") to design, finance, construct, and operate a mixed-use, affordable housing development. Key objectives for the mixed-use development include:

- Long-term lease of City-owned property located adjacent to the BelRed Link light rail station at 1500 130th Ave NE (AFN: 2825059058). The parcel is the former Kelly's Auto Body shop, composed of 1.15 acres with approximately 33,000 sq. ft of developable area and zoning: Bellevue Land Use Code BR-RC-1 (the "Kelly Parcel").
- 2. Develop a mixed-use, affordable housing project in accordance with the BelRed Land Use Code (the "Project").

Section II: Timing and Process

The City shall make a final developer selection based on its evaluation of the proposals it receives, and the City's ultimate determination that the Proposal is most advantageous to the City. At the City's discretion, a proposer ("Proposer") may be invited to participate in an interview as part of the developer selection process. The interview may be used to clarify

Proposals, assess alignment with the City's objectives, and further evaluate the Proposer's experience, approach, and capabilities.

The submittal requirements (**see Appendix A**) provide a detailed list of the documents needed to respond to this RFQ. Additional details, including submission instructions, evaluation criteria, and proposal contents, are provided in this RFQ document starting in Section VIII. Upon selection of a Proposer, the City intends to negotiate and execute a Lease Agreement with the selected Proposer in accordance with the attached Summary of Offering (**See Appendix B**). If the City and the selected Proposer are unable to come to mutual agreement on the terms of the Lease Agreement, the City shall have the right to terminate the negotiations with the Proposer.

The City otherwise reserves the right to terminate the negotiation process at any time, and to begin contract negotiations with the Proposer submitting the next-highest ranked Proposal. The transfer of site control will be subject to Bellevue City Council authorization. The City anticipates that ground lease and development agreement negotiations will be completed within two months of selecting the Development Team.

By November 2025, the City expects the Bellevue City Council to approve the ground lease and development agreement. Upon Council approval, the agreement will be promptly executed, enabling the Development Team to begin the Kelly Site development process immediately.

Target Dates for Selection, Agreement Negotiations, and Approvals

The City will review Proposals to select a Proposer by July 14, 2025. The selected Proposer will work with the City to solidify the Project concept and development deliverables as well as negotiate all deal terms. The Lease Agreement terms and conditions will require Bellevue City Council authorization.

DATE	MILESTONE
March 10, 2025	RFQ Release
April 11, 2025	Written questions due
April 25, 2025	Addendum issued (if needed)
June 2, 2025	Submittals Due
Week of June 16, 2025	Interviews (if conducted)
July 2025	Development Team Selection
October 2025	Agreements in final form
November 2025	City Council Review and Approval

Proposed Schedule

Section III. Site Information and Context

- A. Due Diligence Reports
- <u>Title Report:</u> First American Title Report completed in 2023. (See Appendix D)
- <u>ALTA Survey:</u> The City of Bellevue's Land Survey Division completed an ALTA survey of the property in 2019 and updated exhibits in 2023. **(See Appendix E)**
- <u>Phase I & II Environmental Reports:</u> Sound Transit hired Shannon & Wilson to complete a Phase I (2015) and Phase II (2016) environmental analysis (See Appendix F & G). The Phase I findings indicated that A) an Underground Storage Tank ("UST") had been removed from the Kelly Parcel in 1990, B) since about 1962, the Kelly Parcel has been used for truck and auto repair and C) residual soil contamination (petroleum) and a deed restriction exist on the adjacent property to the Northeast of the site. Groundwater contamination was also noted; however, it was not observed in the well closest to the subject property. The Phase II assessment indicated that there does not appear to be contamination from the UST, it does not appear that petroleum contamination documented on the adjacent parcel has impacted the Kelly Parcel, and that Chloroform detected in groundwater is below its Model Toxic Control Act Method B Criterion and does not appear to be a concern.
- <u>Geotechnical Report</u>: Associated Earth Sciences, Inc. completed a subsurface exploration analysis for the City of Bellevue in 2019 (See Appendix H). The purpose of the assessment was to assess potential petroleum-impacted soil and groundwater from potential releases associated with the former underground storage tank (UST), and historical automotive repair operations. Field-screening methods performed by AESI did not indicate impacts to soil or groundwater during the field program. The groundwater at the Site did not require cleanup at the time of assessment.
- Wetland Reconnaissance Study: The City of Bellevue hired The Watershed Company to screen for jurisdictional wetlands within the subject parcel in 2019 (See Appendix I). A small wetland was identified on the northeast corner of the Kelly Parcel. The City of Bellevue received verbal confirmation that this area has already been redeveloped and is no longer a potential issue.
- <u>Kelly Parcel Appraisal</u>: The City of Bellevue hired McKee Appraisal to complete a report in February 2024 (**See Appendix J**). The City is offering a long-term ground lease of the parcel. Following this competitive solicitation, the City reserves the right to negotiate a real estate transaction with the selected Development Team that would

convey title in lieu of negotiating a long-term ground lease. In such event, and subject to prior Council approval of a policy governing sale of City-owned real property for affordable housing development, it is possible that the Kelly Parcel could be conveyed at \$0 purchase price.

B. BelRed Land Use Code

In 2009, in anticipation of the East Link light rail, the City Council adopted a new subarea plan and land use code for the BelRed area. The City is currently reviewing the plan and land use code to determine if the BelRed vision is being achieved. On October 22, 2024, the City Council adopted the <u>BelRed Look Forward</u> Comprehensive Plan Amendment (CPA) through Ordinance No. 6810, which saw updates to the BelRed Subarea Plan. A Land Use Code Amendment (LUCA) process is now underway and is expected to be adopted by the end of 2025.

According to the <u>Future Land Use Map</u> in the Comprehensive Plan, the site is designated as 'Highrise Residential Mixed Use,' which would allow building heights of up to 250 feet. It is anticipated that this designation will be adopted as part of the LUCA process.

Given the active consideration of these changes, it may be strategic to assume this land use designation and height limit when analyzing site capacity and planning development scenarios. This approach would align with the anticipated zoning updates and provide a more accurate assessment of the site's potential.

C. Easements

The Kelly Site has been subject to several right of way dedications and easements in recent years as part of the construction of light rail, Spring Boulevard and future street designs to implement the Bel-Red plan. There is an easement on the west side of the Kelly Site for the widening of 130th Ave NE to accommodate a rebuilt street with bike lanes and reconfigured as a pedestrian-oriented retail street. On the east side of the Kelly Site, the future 131st Avenue NE local street is partially built as part of the Legacy Partners' Bellevue Station project, planned for completion in 2025. The Project would be required to construct the other half of the 131st Avenue NE street. Per code, there are Bel-Red District urban design requirements calling for a required build-to-line, required sidewalk-oriented development and required ground floor uses.

D. Affordable Housing Incentives

Development projects proposing 100% affordable housing units are incentivized through special programs, expedited review process, and flexibility within the Land Use Code.

The City's <u>Affordable Housing Permit Review and Inspection Fee Reduction Program</u> provides qualifying projects with a 100% fee reduction for certain Development Services permit and inspections fees.

In addition to this program, the City is considering changes that would expedite and prioritize City permit review for affordable housing projects. A formal expedited review process is under development with a dedicated team of reviewers focused on designing a system that considers the sensitive timing requirements of affordable housing funding deadlines and the intensive project management needs. The City has had an opportunity to pilot elements of expedited review for an affordable housing project currently under review. This project will be eligible for expedited review.

The Land Use code offers flexibility for site constraints at various levels. The general development code contains provisions for the following:

- Reduced parking requirement for affordable housing units in proximity to highly served transit stop(s)
- Further parking reduction for studio and one-bedroom affordable housing units available to households earning 60% or less of the median income
- Director's administrative approval for site design exceptions such as loading space reduction and alternative landscaping option (ALO)

The City of Bellevue expects the selected developer to demonstrate a commitment and willingness to working with Development Services and other permitting agencies in the following ways:

- Preparation of a site plan and supporting documentation in a timely manner that meets permit review requirements and requirements for submitting funding requests.
- Basic site development issues such as access, infrastructure, drainage, sewer, water, and other utilities must be coordinated with the City.

E. BelRed Neighborhood Context

The BelRed Arts District, formally recognized by the City of Bellevue in 2009 as part of the BelRed Subarea Plan **(See Appendix L)** and subsequent 2024 Subarea Plan **(See Appendix M)**, has long been known as a hub for arts and culture. The City's 2022 BelRed Arts District Implementation Plan outlined clear strategies and action items for developing the district's arts and cultural presence, drawing on best practices from successful arts districts across the country. As part of this effort, the BelRed Arts District Community Alliance was formed in 2023, achieving non-profit status and taking an active role in promoting the district. This

organization has already helped lead programming and events, including activities at the BelRed Station during the Light Rail 2 Line opening.

Today the neighborhood is home to more than 100 creative businesses and cultural organizations including Theater33, Yuan Ru Art Gallery, Fruit Events Co., Pacific Northwest Ballet, and many others. While the BelRed Arts District was first formally recognized in the 2009 BelRed Subarea Plan, the neighborhood had been known as a hotbed of arts and culture activities long before that. Early work recognized the need for affordable housing, especially for artists and the creative workforce. Affordable creative spaces, cultural venues, and community space to serve future residents are also highly desired.

The property is a prime opportunity for affordable, transit-oriented housing, adjacent to a light rail stop. In addition, the Kelly Site has long been identified as an opportunity to build a creative anchor in the BelRed Arts District. Beyond housing, this Project should play a significant role in the local economy and have a long-term interest in seeing the local arts community thrive.



Since 2017, the City has put significant effort into helping highlight and organize the many creative businesses and cultural organizations that give the area its low-key creative identity. Significant feasibility and planning efforts have helped to more fully realize the vision of the BelRed Arts District through a concrete implementation strategy. The City has provided a summary of those efforts in the following table, and more information is included in the document Appendix:

Attachments	Study Purpose
2010 BRINC BelRed Incubator Analysis– Community led (See Appendix N)	Early real estate strategy and analysis for Mixed Use Redevelopment.
2017 Preliminary Feasibility Report by Artspace Consulting (See Appendix O)	Evaluates the potential for long-term affordable space solutions for the creative sector.
2018 Creative Economy Strategy – City of Bellevue (See Appendix P)	Sets forward a framework of goals, outcomes, short-term and mid-term strategies, and actions to foster a thriving creative sector.
2020 BelRed Arts District Project Report by Katie Miller, Creative Consultant (See Appendix Q)	Research and community outreach to create the foundation for the BelRed Arts District Implementation Plan.
2022 BelRed Arts District Implementation Plan – City of Bellevue (See Appendix R)	Sets clear strategies and action items to be completed by both the City of Bellevue and the BelRed arts community.
2022 Arts Market Study by Artspace Consulting (See Appendix S)	Arts Market Study (AMS) to test the market for affordable, artist live/work units and to identify arts organizations that might lease private and/or shared creative spaces.

The City is interested in how the Kelly Site can support catalytic placemaking that preserves and continues the creative spirit of the BelRed Arts District and enhances a growing transitoriented community.

Section IV. Project Priorities

The City's project priorities reflect the broader goals of stakeholders, community interests, and regulatory requirements, serving as guiding principles for the planning, design, and execution of the development project.

• Provide Affordable Housing:

Create and sustain housing that is accessible and affordable for low- to moderateincome households, fostering inclusive communities and providing long-term affordability.

• Leverage Public and Other Funds:

Maximize incentives by seeking out and creatively leveraging available public and other funds to achieve more deeply affordable housing.

• Prioritize Transit Oriented Development in the BelRed Growth Center:

Support the transformation of the BelRed neighborhood by encouraging a vibrant mix of uses. The project will demonstrate transit-oriented development practices by maximizing the development capacity of the site consistent with allowances for parcels adjacent to transit stations.

• Catalyze the BelRed Arts District:

Support and enhance the BelRed Arts District by fostering spaces that celebrate local arts, encourage creative expression, and strengthen the district's identity as a vibrant creative economy, and a cultural and community hub.

• Integrate Sustainable Practices:

Design and build a project that minimizes environmental impact, maximizes energy efficiency, and promotes resilience, all while supporting healthy living environments and aligning with long-term sustainability objectives.

• Grow Small Businesses:

Foster economic diversity and community engagement by creating opportunities for small local businesses and entrepreneurs to actively participate in the project, providing provisions such as dedicated retail spaces, flexible leasing terms, and tailored support to help them thrive.

Section V. Project Requirements

A. Affordable Housing:

City of Bellevue envisions a development of approximately 140-300 units of affordable housing, prioritizing 1-bedroom units & 2-bedroom units. The minimum unit count of 140 is an approximation based on massing models conducted by the City of Bellevue and could change if more large household units and/or artist housing are integrated into the development plans. Additional requirements include:

- All units are to be affordable to households earning less than 80% of area median income (AMI). Preference will be given to projects providing a mix of income levels with the greatest proportion of affordable units at or below 60% AMI. The actual level of affordability will be determined based on the project's feasibility including available financing resources.
- Maximize the impact of City funding. Proposals should demonstrate efficiencies in their development costs and maximize the leverage of any City financial contribution.
- Invite community engagement and integrate resident services.

• Proposals must meet the current version of the Evergreen Sustainable Development Standard (ESDS). The Evergreen Sustainable Development Standard was developed to comply with Chapter 39.35D.080 RCW. This building performance standard is required of all projects that receive capital funding through the State Housing Trust Fund Program.

Section VI. Preferred Amenities

Preferred Amenities represent additional features or enhancements that align with the overarching goals of the project. By meeting all or a portion of these amenities, proposers demonstrate a deeper commitment to the project's objectives, strengthening their proposals and potentially gaining a competitive edge.

A. Affordable Artist Housing:

A portion of the affordable housing units within the development may be designed as artist housing units, which are intended to provide affordable living spaces tailored to the needs of artists and creative professionals. The integration of artist housing units aims to support and enhance the creative community within the development, promoting diversity, culture, and a vibrant arts scene. Developers are encouraged to incorporate artist housing as an option, aligning with broader affordable housing goals while fostering an inclusive, artistfriendly environment.

<u>Artist Housing Design:</u> As a subset of affordable housing, artist housing emphasizes specific considerations related to the physical space and finishes of the units that cater to the needs of people co-locating a creative practice with their living area. Many of these elements not only support artists and creatives but also enhance the overall appeal of the units for all residents. Affordable artist housing design could include functional living spaces that support both residential and creative needs. This may consist of live/work units with integrated studio spaces, ample natural light, or soundproofing to accommodate musical work. The design would prioritize flexibility, allowing for various art forms, including visual and performing arts. It would also include shared community spaces to encourage collaboration and interaction among residents.

For example:

Standard Unit	Artist Supporting
Standard drop-in sink	Deep stainless-steel sink for cleaning tools
Standard chrome faucet	Tall pull-down faucet to clean tools
Wall to wall carpeting	Polished concrete for easy cleanup
Standard insulation	Sound dampening
Standard floor height	Taller units for more wall space
Standard hallways	Wider hallways to accommodate
	the movement of artwork and equipment

Generally, artist-supporting units have additional square footage to accommodate the colocation of a creative practice with living quarters.

<u>Building Design Elements</u>: As an anchor to the BelRed Arts District on a particularly visible site, the City encourages proposals that consider the physical appearance and architecture of the building with creativity.

<u>Artist Community Development:</u> Beyond physical considerations, Projects that have seen the best results in catalyzing arts districts and creating thriving creative communities consider the engagement and development of the residents in a way that fosters in-building collaboration as well as interaction with the broader creative community. Artist Housing developments often organize public group art shows or allow a panel of residents to oversee hanging art in the hallways. Proposals should address their approach to fostering a collaborative, creative community within both the residents and surrounding population.

B. Creative Spaces:

Bellevue's arts scene, particularly in the neighborhood near the BelRed Station, is growing, though it remains under-resourced. With the area's increased property values due to the new light rail station and redevelopment, creative businesses are feeling economic pressure. The Pacific Northwest Ballet's Francia Russell Center currently serves as a key anchor for the arts, and the City is seeking an additional anchor in the area. Proposals that incorporate prominent artistic or civic uses on the lower levels are encouraged. The City recommends partnerships with arts & culture non-profits to ensure long-term support for arts-focused initiatives.

For creative spaces, the City encourages proposals to include art facilities or communitycentric spaces on the ground floor. This space may be developed in collaboration with a local organization for uses such as art installations, workshops, and other community activities. Additionally, the space could foster small business opportunities, contributing to the district's cultural and economic vitality.

C. Small Business Space:

Proposers are encouraged to incorporate dedicated space at ground level to support small businesses, particularly those that contribute to the vibrancy of the local community. These spaces should be designed to accommodate a variety of small-scale, community-oriented businesses, with a focus on fostering economic diversity, promoting local entrepreneurship, and enhancing the overall appeal of the development. Proposers should consider providing flexible lease terms, affordable rents, and adaptable spaces to support diverse small businesses, including those owned by underrepresented groups. The integration of small businesses at the ground level will not only activate the street frontage but also contribute to the broader goals of community engagement, economic resilience, and neighborhood vitality.

Section VII. Financial Incentives

Your submittal of a response to this solicitation is <u>NOT</u> an application for the below funding sources. The amount and availability of capital funding award for development and construction of the Affordable Units depends on the extent to which the selected Respondent's proposed project meets the requirements applicable to such funding.

The funding sources below are available under programs and policies with their own requirements and conditions. Please review program information for the applicable competitive funding process and selection:

Local Funding Assistance. Projects that rely on funds from a combination of sources, including the City of Bellevue's Housing Stability Program, King County, the Department of Commerce, Washington State Housing Finance bond programs, and/or 501(c)(3) non-profit tax-exempt bonds are encouraged.

- <u>City of Bellevue Housing Stability Program (HSP)</u>: The Housing Stability Program, sales tax revenue authorized under <u>RCW 82.14.530 (HB 1590)</u>, invests capital funding into targeted affordable and supportive housing developments in Bellevue that serve the City's most vulnerable residents and funds services critical for stable living. Applicants may request funding for capital investment and/or for building-related operations, maintenance and on-site services in Bellevue. City Council direction has established the following priorities:
 - a. Provide housing for households earning below 30% of the area median income (AMI);
 - b. Address and prevent homelessness and housing instability; and,
 - c. Focus on underserved, vulnerable residents in Bellevue.

HSP funds are advertised annually in Q2, with submission deadlines in Q3/Q4. Depending on the degree to which the submitted proposal addresses the funding priorities, up to \$10 million of funding could be awarded to the project. Application for HSP funding is separate and a commitment will **not** be made directly through a response to the Kelly TOD RFQ. The selected Developer Team will be subject to the established competitive funding process.

- 2. **ARCH Housing Trust Fund:** Funds from the ARCH Trust Fund cannot be assumed to be available for this project. However, the developer(s) is encouraged to apply for funding from the <u>ARCH Housing Trust Fund</u>.
- 3. **BelRed Fee-In-Lieu Fund:** The City's bonus Floor Area Ratio (FAR) program with a fee-inlieu option allows developers to exceed the standard building limits in exchange for provided public benefits, such as affordable housing or other amenities. Instead of directly providing the amenity, developers have the option to pay a fee. This fee is then used by the City of Bellevue to fund the required amenities elsewhere in the BelRed subarea. Up to \$5 million of these funds can be made available for affordable housing development in the BelRed subarea, subject to certain requirements. The City is currently undergoing process and criteria development for this fund, which will be communicated once finalized. Funding will be subject to a Council Approval process.
- 4. **Amazon Housing Equity Fund (HEF):** The Amazon HEF funds the creation and preservation of thousands of affordable homes across three of the communities that Amazon calls home, including the Puget Sound region. Amazon established HEF to help fund the creation or preservation of affordable homes for individuals and families earning moderate to low incomes (30% 80% AMI).

Amazon may provide reduced-interest, long-term subordinate financing to developers to promote the construction of affordable housing in Bellevue, WA. Amazon's Housing Equity Fund will prioritize projects on an expedited timeframe with preference for projects expected to break ground by the end of 2027.

To model Amazon Housing Equity Funds, prospective development partners should assume subordinate debt with full repayment at the end of an investment term of up to 20 years. Amazon evaluates potential projects on a case-by-case basis and determines its funding based on a variety of factors, including sponsor qualifications, project need and affordable benefits delivered.

Amazon will determine interest rates depending on the current interest rate environment, project affordability (30-80% AMI) levels, and additional underwriting criteria. Amazon utilizes a "but-for" evaluation of projects – in other words, production of affordable units that would not otherwise occur without Amazon investment. Amazon prioritizes long term affordability (99 years), with affordability for units ranging from 30% to 80% AMI. Amazon is not a party to the RFQ solicitation process. The City of Bellevue is not a party to investment agreements. Projects may submit general questions related to the Amazon Housing Equity Fund through the City's RFQ site, however the City will not and is not able to respond to project-specific financing questions. Do not contact Amazon directly. Development partners selected via the City's RFQ solicitation process may apply directly to Amazon following award.

- 5. Capital Funding for Development and Construction of an Art or Cultural Facility: Developers partnering with an arts or cultural organization for the delivery of a ground floor creative space are encouraged to apply for the City of Bellevue <u>Art and Cultural</u> <u>Facility Grant Program</u>. Capital funding either through the competitive process of the established grant program or through a separate process could be available. Any award of funding would be subject to City Council approval.
- 6. Local Funding Assistance. Projects that rely on funds from a combination of sources, including the City of Bellevue's Housing Stability Program, King County, the Department of Commerce, Washington State Housing Finance bond programs, and/or 501(c)(3) non-profit tax-exempt bonds are encouraged. Funds from the ARCH Trust Fund cannot be assumed to be available for this project. However, the developer(s) is encouraged to apply for funding from the <u>ARCH Housing Trust Fund</u>.
- 7. **Green Building Technical Assistance.** Projects seeking to go beyond Washington State green building requirements for affordable housing (the Evergreen Sustainable Development Standard) will be eligible to apply for funds under the City of Bellevue's *Green Building Technical Assistance* program. This program is intended to reduce costs associated with 3rd-party green building certification programs such as Built Green or LEED (Leadership in Energy and Environmental Design). Examples of eligible uses are additional design work, energy modeling, and project certification. Technical assistance provided by this program can also include supporting projects in identifying and applying for other financial incentives from State, local, and private-sector sources. This program is currently in development and will be a separate application process independent from this RFQ or other financial incentives described herein.
- 8. **Electric Vehicle Assistance Program.** Projects seeking to go beyond Washington State and City of Bellevue code requirements for electric vehicle (EV) infrastructure will be eligible to apply for funds under the City of Bellevue's *EV Incentive* and *EV Technical Assistance* programs. The EV Incentive program supports affordable housing projects with direct financial support to reduce the cost of installing additional EV infrastructure,

beyond what is required by code. The EV Technical Assistance program supports affordable housing projects by providing EV Charging Assessments and other technical assistance. This program is currently in development and will be a separate application process independent from this RFQ or other financial incentives described herein.

Section VIII. Submission Instructions

Instructions for Proposals:

Submittals are hereby solicited and will be received no later than **5:00 p.m.** on June 2, 2025. Proposals must be submitted electronically in PDF format to the Office of Housing at housing@bellevuewa.gov. Please title the email "Kelly TOD Site – RFQ Response" and include a link to One Drive, Google Drive, Dropbox or other file sharing services. All files should be clearly labeled. Sections with more than one document should have an independent folder with the title of the section. For questions, please contact the Office of Housing via email at housing@bellevuewa.gov.

The City of Bellevue is committed to increasing opportunities for Women- and Minority-Owned Businesses (WMBE), nonprofit, and community-based developers, and encourages responses from these firms.

Questions: City staff are prohibited from speaking with potential Proposers about the Project during the solicitation (Blackout Period). Once this RFQ is published, Proposers will be required to submit any questions in writing prior to the close of business April 11, 2025, for staff to prepare any response required to be answered by Addendum. Questions shall be sent via email directly to housing@bellevuewa.gov. All questions received will be answered and posted at www.bellevuewa.gov/affordable-housing-rfps no later than April 25, 2025.

Addendums: In the event it becomes necessary to revise any part of this RFQ, addenda will be created and posted at <u>www.bellevuewa.gov/affordable-housing-rfps</u>. Addenda will also be conveyed to those Proposers providing an accurate email address. Those interested in receiving updates should subscribe via the link in the City website referenced above or directly at this link: <u>Subscribe for Kelly TOD Site Addendum Updates</u>

Section IX. Evaluation Criteria

The City will review and evaluate Proposals in accordance with the following evaluation criteria ("Evaluation Criteria") with a weighted score applied according to the relative importance of each criterion, as follows:

No.	Criterion	Weight
1.	Experience, Qualifications of the Developer(s) and Key Individuals	25%
	Responses will be evaluated on the proven ability of the Developer(s) and the Development Team (including the architect, general contractor, other contractors, and additional key personnel) to successfully deliver high-quality, high-density housing developments in an urban setting. Experience successfully working to build affordable housing in King County will be a plus. Evidence of this ability shall be demonstrated by the success and quality of previous comparable developments including design, timely completion of projects within budget, and ongoing property management (for rentals).	
	Proposers should provide a detailed overview of the expertise, knowledge, and relevant experience of the key Development Team members responsible for delivering the proposed project, ensuring that all proposal contents outlined below are included.	
	Additionally, the evaluation will assess the Development Team's ability to operate as a unified, coordinated team working toward shared project goals. Proposers should clearly define the roles and responsibilities of each Development Team member to demonstrate a well-integrated team structure. The organization of the Development Team and its ability to work with other contractors/developers/consultants in partnership to design and develop the site will also be considered.	
2.	Project Affordability and Engagement	30%
	Responses will be evaluated on how well the proposed development aligns with the City's Project Requirements in housing, transit access, sustainability, and public realm improvements. Proposals should demonstrate how the project contributes to the surrounding area and addresses community needs, including any innovative design, sustainability, or amenity approaches. The affordable housing component will be evaluated based on the number of units,	

	affordability levels, and long-term stability. The City desires the greatest allowable number of affordable units, balanced with affordability, quality design, and diversity of unit sizes. The inclusion and accessibility of community spaces, such as event or recreational areas, will also be considered. Additionally, the Engagement Strategy will be evaluated based on the Development Team's proven ability to conduct meaningful public outreach, build local support, and incorporate community input into the design process, with a focus on past examples where community needs were successfully integrated into project outcomes.	
3.	Project Feasibility and Financing Responses will be evaluated on the capability of the Development Team to secure the financing and resources necessary to complete the proposed project in a timely manner and within budget. This will include an evaluation of the Developer's ability to guide this project through the state and county funding cycles as well as the Low- Income Tax Credit process and a track record of bringing investors and lenders to the table to help finance projects.	25%
4.	Preferred Amenities Proposals will be evaluated on their strategies for meeting preferred amenities outlined in Section VI. Preferred Amenities. This includes affordable, community-centered artist housing that supports long-term affordability, innovative financing, and partnerships. Emphasis will be placed on the design of artist housing units and creative spaces, ensuring they are well-suited to meet artists' needs. Proposals should also include a clear management approach for artist housing, demonstrating outreach and support for a diverse artist community. Please also include an engagement strategy with local arts organizations and cultural representatives, both during planning and over the project lifecycle. Proposals will be evaluated on their plan for delivery and management of ground floor flexible creative spaces that can serve as a cultural anchor in the Arts District. Small business support will be considered under this criterion, particularly provisions for affordable retail spaces, micro-retail, to support local startups and minority-owned, and creative businesses. Finally, proposals should integrate public art and cultural elements that reflect the BelRed Arts District's character, enhancing the project's role as a community asset.	20%

Section X. Proposal Contents

Proposals shall include the current version of the Combined Funders Application (CFA Forms) spreadsheet and relevant attachments, as well as all additional attachments requested noted in the checklist provided **(See Appendix A)**:

Evaluation Criterion 1	Experience, Qualifications of the Developer(s) and Key
	Individuals

- 1. <u>Cover Letter</u>: A formal letter introducing the development team, highlighting interest in the project, and providing a summary of the qualifications and approach to the development opportunity.
- 2. <u>Development Team Profile</u>: Provide a description of the firm(s) that comprise the Development Team responsible for the development and delivery of the required project components.
 - a. **Organization Chart:** Include a visual organization chart along with a description of the roles and responsibilities of each firm and team member. Clearly outline the specific duties assigned to each team member and their respective organizations.
 - b. **Team Relationships:** Describe the relationships among Development Team members, emphasizing how collaboration is structured and facilitated within the team. Explain how the firm(s) and individuals interact and contribute to the success of the project.
- 3. <u>Team Experience and Qualifications</u>: Describe the qualifications, experience, and capabilities of the Development Team in delivering real estate development projects of similar size and scope. This should include prior collaboration or partnership with public sector entities.
 - a. **Firm Resumes:** Provide a brief resume for each firm on the Development Team, detailing their history, expertise, and relevant project experience aligned with their role on the project.
 - b. **Key Individual Resumes:** Include a brief resume for each key individual involved in the project, highlighting their previous roles in similar projects and how their experience relates to their responsibilities within the Development Team.
 - **c. Project Experience:** Provide a portfolio of completed projects (minimum of three) showcasing the Development Team's expertise in delivering housing, sustainable projects, and public realm improvements especially in similar mixed-use, transit-

oriented, or public-private partnership (PPP) developments. (CFA Forms Tab 9C & Attachments)

- I. For each project, include key details: project name, address, size, number of units, type, ownership structure, completion year, and roles of key team members. Highlight public realm improvements and community benefits, such as transit access or affordable housing, and note any significant challenges and solutions. Each example should reflect the team's skill in managing multifaceted projects, collaboration, and innovative solutions.
- II. A minimum participation on the Development Team of two (2) new construction and/or substantial rehab projects completed in Washington state within the past seven (7) years is required.
- 4. <u>Diversity, Equity and Inclusion</u>: Proposers should outline their approach to ensuring diversity, equity, and inclusion within the Development Team, workforce, and contractors.
- 5. <u>Claims, Lawsuits, Judgments, and Settlements:</u> Provide a list and description of the existence of past (within last 7 years) and current liens (non-mortgage) greater than \$50,000, claims, lawsuits, judgments, settlements, or obligations, and their status against any principal of the Development Team.
- 6. <u>References:</u> Contact information for past clients or public agencies for reference purposes. Letters of recommendation or testimonials from previous projects.
- 7. <u>Supplemental Experience and Qualifications</u>: Provide any additional experience and qualifications information that demonstrates the ability to successfully implement and complete the proposed Project.

Evaluation Criterion 2	Project Affordability and Engagement

- 1. <u>Project Vision and Concepts:</u> Provide a high-level project vision and approach to development that meets the City's required public benefits, specifically focusing on affordable housing. Please include detailed responses to the following:
 - a) **Alignment with City Project Requirements:** Describe how the proposed development will advance the City's goals in affordable housing, transit access, sustainability, and public realm enhancements. Explain how the Project contributes to the surrounding area and aligns with community needs and priorities. Describe

any unique or innovative approaches to design, sustainability, or amenities that will enhance the Project's value to the community.

- b) **Illustrative Examples:** Provide up to three visuals—such as concepts, diagrams, or precedent images—that help convey the project vision. Please **do not** submit site specific designs, renderings or models.
- c) **Affordable Housing:** Provide a detailed outline of the affordable housing component, including the number of units, proposed affordability levels, and duration of affordability. Describe how these units meet community housing needs and support residents' long-term stability. **(CFA Forms Tab 8A)**
- d) **Community Spaces:** Identify any public or community spaces included in the Project, such as recreational areas, or community meeting rooms, and explain their intended uses and accessibility.
- 2. <u>Engagement Strategy:</u> Outline the Development Team's approach to public engagement and community involvement. Successful applicants should have a proven ability to conduct meaningful outreach, build local support, and incorporate community input into the Project design. Provide examples where community needs were integrated into past project outcomes. Include details on outreach to underrepresented communities.

Evaluation Criterion 3	Project Feasibility and Financing

- <u>Project Timeline and Approach</u>: Provide a detailed proposed project timeline, including key milestones for phases such as design, permitting, construction, and financing. (CFA Forms Tab 5)
 - a. **Approach to Coordination**: Describe a clear and effective approach for coordinating the site design with the City, addressing development and installation of infrastructure and utilities, and ensuring compatibility with adjacent sites. The timeline should reflect proactive planning for coordination with City agencies and alignment with site requirements.
- 2. <u>Developer(s) Financing Capacity</u>: The Proposer must demonstrate their financial capacity to fund and sustain the proposed affordable housing project. Submittals should include:
 - a. Evidence of financial capacity, including the three most recent years of audited financial statements.
 - b. Real Estate Owned (REO) Schedule including property names, cashflow, outstanding loan amounts, and annual debt service payments.
 - c. Documentation confirming that the necessary financing will be available for project development, construction, completion, and management. This may

include certification from the developer's chief financial officer or an independent accountant, confirming the financial resources and project equity needed to successfully deliver the project.

- d. Proof of access to capital, such as letters from financial institutions, equity investors, or lenders, supporting the developer(s)' ability to secure financing for all stages of the Project.
- 3. <u>Funding Approach for Proposed Project</u>: Proposers must provide a comprehensive description of the funding approach for the proposed Project, including a summary of anticipated funding sources, financing structures, and any partnerships or commitments supporting financial feasibility. Proposals should outline the strategy for securing necessary capital, highlighting any innovative funding mechanisms or approaches that enhance alignment with the City's Project Requirements. Additionally, all Proposals must include construction, permanent and operating budgets that demonstrate the feasibility of the proposed financing package and ensure affordability targets are achievable and sustainable for the duration of the Project. **(CFA Forms Tabs 6A-7B, 8B-8D)**
- 4. <u>Funding Experience in Past Projects:</u> Proposers must provide examples of past projects where they successfully secured funding for comparable projects. This should include information on the types of financing sources utilized, the scale and complexity of the projects, and any partnerships or innovative funding approaches applied. Proposers should highlight how their experience demonstrates their capability to secure and manage funding for similar developments **(CFA Forms Tab 9C)**.

Evaluation Criterion 4	Preferred Amenities
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- 1. <u>Artist Housing Strategy:</u> Provide a detailed outline of the Proposer's strategy to meet the preferred amenity goal for the Project. This should include the following elements:
 - **Affordability Commitment:** Describe the approach to maintaining long-term affordability for artist housing units and any innovative financing models or partnerships that support sustainable rent levels.
 - **Space Design & Suitability for Artists:** Outline how the proposed housing units and associated art spaces will be specifically designed to meet the needs of artists. Include the number of proposed units prioritized for artists.
 - **Community Integration:** Describe how the proposed housing will foster a sense of community among artists, including common areas, shared workspaces, and other design features that support collaboration and community engagement.

- Artist Housing Program Approach: Include a summary of the proposed approach for artist and resident community engagement and development, outlining any strategies for fostering a creative, collaborative, and community-centered atmosphere.
- <u>Arts & Culture Community Engagement Strategy</u>: Submit a comprehensive plan for engaging with the arts and culture community throughout the project lifecycle, covering the following areas:
 - **Early Engagement and Needs Assessment:** Outline an approach to consulting with local artists, arts organizations, and cultural representatives during the planning and design phases to ensure that the housing and art spaces reflect the community's needs. Build on existing studies and outreach efforts already conducted by the City.
 - **Ongoing Communication and Involvement:** Detail how the Proposer plans to maintain ongoing communication with the arts community, including strategies for gathering feedback and addressing evolving needs over time.
- <u>Concepts for Creative Space</u>: Submit any available concepts for the creative space. These plans may be referenced in response to the Project Vision and Concept criteria, showcasing the proposed usage that will support artistic and community goals. Also include the following information.
 - **Flexibility for Artistic Use:** Explain the approach to creating flexible spaces suitable for a variety of artistic practices. Specify how the design will accommodate both visual and performing arts, if applicable, and any adaptable features that will support multiple art forms and activities.
 - **Arts District Anchor:** Describe how the facility will serve as an anchor for the Arts District and play a significant role in the local creative economy, catalyzing the Arts District and furthering the vision of the BelRed neighborhood
- <u>Creative Space Partnership and Management Approach</u>: Describe potential partnerships with arts organizations to support programming, community events, or other activities. Highlight how these collaborations will contribute to a vibrant and supportive environment for artists and the surrounding community. This should include the following elements:
 - Non-Profit Partnership Structure: Provide an outline of the proposed structure for partnerships with non-profit organizations to manage and potentially own the creative space. This should include details on how the design, funding, and construction of the creative space will be facilitated. Provide any background information on the non-profit partner that demonstrates experience and ability to manage creative spaces.

- <u>Small Business Support</u>: Outline provisions for supporting local and small businesses within the creative space. Describe any plans for dedicated retail spaces, opportunities for micro-retail, and flexible lease terms. Highlight any specific efforts to include minority-owned and creative economy businesses, local startups, or other community-centered enterprises.
- <u>Public Art and Cultural Elements</u>: Describe plans for integrating public art, cultural installations, or design elements into the overall building design that reflect the character and cultural heritage of the BelRed Arts District. Explain how these features will enhance the aesthetic appeal of the public realm and contribute to the Project's role as a community and cultural anchor.

Section XI. General Information - Disclaimers

- Conduct of Proposers: After the issuance of this RFQ, all bidders, proposers, contractors, consultants or individuals acting on their behalf are hereby prohibited from lobbying any City employee, official or representative at any time during the blackout period. For purposes of this prohibition, the relevant terms are defined as follows:
 - 1. **Lobbying**: The attempt to persuade or influence any City employees, officials, or representatives responsible for reviewing, evaluating, ranking or awarding the work or contract for goods or services for or against any solicitation; provided, however, that lobbying shall not include the submission of required materials in direct response to the solicitation according to the instructions to respondents in such solicitation.
 - 2. **Blackout Period**: The period between the time the RFQ is issued by the City and the time the City awards the contract.
- 2. Cost of Proposals: Proposers shall bear all costs of preparation of Proposals and all related expenses.
- 3. Claims: No Proposer shall have any claim against the City for any costs incurred in responding to the RFQ.
- 4. Reserved Rights: The City reserves the right to reject any or all Proposals that are deemed not responsive to its needs. In the event no Proposals are received or selected, the City reserves the right to negotiate directly with a Development Partner for redevelopment of the Parcel.
- 5. Waiver: The City reserves the right to waive immaterial defects in Proposals.

- 6. Cancellation: The City reserves the right to cancel the RFQ and initiate a new solicitation as may be needed to meet the City's objectives, as determined by the City in its sole discretion.
- 7. Public Records: Proposers understand and acknowledge that under the State of Washington's Public Records Act (RCW Chapter 42.56), all materials received by the City are considered public records, subject to disclosure upon request.
- 8. No Guaranty; Due Diligence: Information provided by the City with respect to this RFQ and/or the site is not a guaranty as to its accuracy. Proposers will need to conduct their own due diligence with respect to the property.

Section XII. Protests

Any protest relating to this RFQ shall be strictly subject to the limitations and procedures in this Section.

1. Protest of Contents of RFQ. The protest of any specification, term, requirement, condition, or any other item or process in connection with the RFQ must comply with the following:

- a. Protests must be filed no later than 10 business days prior to the deadline for submission of Proposals.
- b. Protests must be submitted to the RFQ Contact.
- c. If the protest decision results in a change to the RFQ, the City shall issue an addendum identifying the new or revised RFQ provisions.
- d. Proposers waive the right to challenge or protest any specification, term, requirement, condition, or any other item or process in connection with the RFQ by failing to strictly comply with this requirement.

2. Protest of Selection. The City will provide all Proposers notification of the highestranked Proposal and Proposer with whom the City will enter into negotiations for an ENA. After notification, Proposers who were not selected may only protest the selection decision by complying with the following process:

- a. Proposers may request a debriefing within 3 business days after selection notification.
- b. Proposers are required to participate in a debriefing as a pre-requisite for submitting a protest.
- c. Proposers must file a written protest within 5 business days after the debriefing.
- d. The grounds upon which a protest may be based are as follows:
 - A matter of bias, discrimination, or conflict of interest on the part of an evaluation committee member; and

- Substantial and material non-compliance with procedures described in the RFQ document.
- e. Protests shall not be based on the City's subjective determination that an individual Proposal is most advantageous to the City.
- f. Protests must be submitted in writing to RFQ Contact. The protest shall identify with particularity the nature and grounds of the protest.
- g. The City Community Development Director or designee will issue a response within ten (10) business days from the receipt of the protest, unless additional time is needed. The protesting Proposer shall be notified if additional time is required.
- h. The decision of the City Community Development Director or designee on any given protest is final.
- i. Proposers waive the right to challenge or protest any selection decision or related process in connection with the RFQ by failing to strictly comply with this requirement.

Section XI. Appendix

- A. Submission Checklist
- B. Summary of Offering
- C. Insurance Requirements
- D. Title Report
- E. ALTA Survey
- F. Phase I Environmental Site Assessment prepared by Shannon & Wilson, 2015
- G. Phase II Environmental Site Assessment prepared by Shannon & Wilson, 2016
- H. Environmental Subsurface Assessment prepared by Associated Earth Sciences, 2019
- I. Wetland Reconnaissance Study prepared by The Watershed Company, 2019
- J. Property Appraisal
- K. Household Income and Rents/Sale Prices based on Household Size
- L. 2009 BelRed Subarea Plan
- M. 2024 BelRed Subarea Plan
- N. 2010 BRINC BelRed Incubator Analysis- Community led
- O. 2017 Preliminary Feasibility Report by Artspace Consulting
- P. 2018 Creative Economy Strategy City of Bellevue
- Q. 2020 BelRed Arts District Project Report by Katie Miller, Creative Consultant
- R. 2022 BelRed Arts District Implementation Plan City of Bellevue
- S. 2022 Arts Market Study by Artspace Consulting