

**CITY OF FEDERAL WAY
REQUEST FOR PROPOSAL
HOUSING ACTION PLAN IMPLEMENTATION**

I. PURPOSE OF REQUEST.

The City of Federal Way (“City”) is requesting proposals for the purpose of implementing new incentives and process improvements to improve the production of new housing units in the City. The City’s needs are outlined in the following Request for Proposal (“RFP”).

II. SELECTION SCHEDULE.

The City will generally follow the following timetable:

Issue RFP	2/3/2022
Deadline for Submittal of Proposals	2/25/2022 4:00PM
Interviews	3/7/2022 – 3/11/2022
Notify Firm/Team Chosen (tentative)	3/21/2022
Start Date	3/28/2022

III. INSTRUCTIONS TO PROPOSERS.

A. All proposals should be sent to:

Chaney Skadsen, Associate Planner
City of Federal Way
33325 8th Ave S
Federal Way, WA 98003-6325
(253) 835-2644
Chaney.skadsen@cityoffederalway.com

B. All proposals must be submitted via email to chaney.skadsen@cityoffederalway.com with the subject line “Federal Way Housing Action Plan Implementation.” No faxed or telephone statements will be accepted. If needed, the City will provide a secure FTP Portal for applications that exceed the size limits submitted over email, as requested.

C. All proposals must be received by **February 25, 2022, 4:00pm**. Late proposals will not be considered.

D. Proposals should be prepared simply and economically, providing a straight forward, concise description of provider capabilities to satisfy the requirements of the request. Emphasis should be on completeness and clarity of content.

E. Any questions concerning the City’s specifications or Request process shall be

directed to Chaney Skadsen, Associate Planner, or Keith Niven, Planning Manager. Chaney Skadsen, Associate Planner or representative will notify the firm selected by the date stated in II. Time Schedule.

F. All proposals must include the following information:

1. Firm/Team or Person Introduction. Information such as form of organization, length of time in business, office location(s), number of staff, and a general summary of qualifications documenting the strengths of the firm or person, areas of expertise, and licensing.
2. Project Experience. List specific experience of individuals that is relevant to the services requested by the City of Federal Way. Project experience should list the type of work provided. If a team approach or sub-consultants are proposed, include information on joint work and relevant experience.
3. Examples. Provide relevant examples of work completed.
4. Work Plan. Provide detailed work plan with estimated hours by task and personnel.
5. Key Staff. Identify Principal-in-Charge and key staff. Include resumes or CVs for each project member.
6. References. Provide client references for similar projects within the past 5 years, that have working experience with the project team. Furnish the name, title, address, email and telephone number of the person(s) at the client reference who is most knowledgeable about the work performed and can comment on the professional qualifications/expertise of the project team.
7. Disclosure. Provide any past, ongoing, or potential conflicts of interest or conflicts of scheduling that the firm or person may have in performing the anticipated work.
8. Budget. Include hourly rates for all staff working on the project, anticipated billable costs, and overall project budget.

IV. **SELECTION CRITERIA.**

Selected firms/teams will be required to give a 15-minute presentation followed by approximately 30 minutes of questions by City. Interview days and locations will be determined at a later date.

<u>Factor</u>	<u>Weight Given</u>
1. Firm/Team Qualifications:	10%
2. Project Team Experience:	20%
3. Quality Assurance:	10%
4. Responsiveness to RFP:	10%
5. Interview:	30%
6. References:	15%

7. Budget:	<u>5%</u>
Total Criteria Weight	100%

Each proposal will be independently evaluated on factors one through seven.

V. TERMS AND CONDITIONS.

- A. The City reserves the right to reject any and all proposals, and to waive minor irregularities in any proposal.
- B. The City reserves the right to request clarification of information submitted, and to request additional information from any proposer.
- C. The City reserves the right to award any contract to the next most qualified contractor, if the successful contractor does not execute a contract within thirty (30) days after the award of the proposal.
- D. Any proposal may be withdrawn up until the date and time set above for opening of the proposals. Any proposal not so timely withdrawn shall constitute an irrevocable offer, for a period of ninety (90) days to sell to the City, the services described in the attached specifications, or until one or more of the proposals have been approved by the City administration, whichever occurs first.
- E. The contract resulting from acceptance of a proposal by the City shall be in a form supplied or approved by the City, and shall reflect the specifications in this RFP. A copy of the contract is available for review and shall include requirements to comply with ADA, Civil Rights Act, and EEO requirements. The City reserves the right to reject any proposed agreement or contract that does not conform to the specifications contained in this RFP, and which is not approved by the City Attorney's office.
- F. The City, as a recipient of federal funding, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises as defined at 49 CFR Part 26 will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, national origin, or sex in consideration for an award.
- G. The City shall not be responsible for any costs incurred by the firm in preparing, submitting or presenting its response to the RFP.

VI. BACKGROUND

In October, 2021, the City Council approved the Federal Way Housing Action Plan (HAP). This plan provides a strategic road map for actions to encourage housing production, greater housing diversity, and expand housing choices for residents of all income levels. The HAP includes an assessment of housing needs, community and stakeholder engagement, and housing policy and code review used to inform objectives and implement strategies to address housing needs.

The City's adopted 2021 Housing Action Plan can be found here: <https://www.cityoffederalway.com/sites/default/files/Documents/Department/CD/Planning/Land%20Use/Final%20Draft%20Housing%20Action%20Plan.pdf>

At the end of 2021, the City was granted \$100,000 by the Washington Department of Commerce for Housing Action Plan Implementation (HAPI). Attached to this RFP is a copy of the City's application for HAPI funding.

The total available budget for this work is \$90,000. Proposals may not be considered if their budget exceeds the grant award.

VII. SCOPE OF SERVICES.

- A. Community Engagement Integration: The Federal Way HAPI project will build off of the adopted HAP and will seek to involve the broad public, community stakeholders, and industry professionals in this effort. The firm/team will be expected to engage in community outreach including:
- a. (3) 1-hour focus group discussions facilitated by the Consultant with stakeholders, city representatives and industry professionals
 - i. June - Sept 2022: Gap Analysis and Remediation Report Condo Developers
 - ii. June - Sept 2022: Gap Analysis and Remediation Report HAP Advisory Group
 - iii. June - Sept 2022: Gap Analysis and Remediation Report MF developers, architects and real estate experts
 - b. (1) 2-hour Community Event and Policy Discussion
 - i. Feb 2023: Open House Co-hosted with the City
 - c. (3) Public Meeting Presentations (dates TBD)
 - i. Planning Commission
 - ii. Land Use and Transportation Committee
 - iii. City Council

The selected firm/team will integrate community input and feedback throughout each deliverable for the development of the project.

The HAPI project will be conducted concurrently with Federal Way's Comprehensive Plan periodic update and an update to the City Center Subarea Plan, and new South Station Subarea Plan. Noteworthy community outreach overlap between these projects is expected. There may be an opportunity to integrate these community outreach processes, though this strategy would need to be identified.

- B. Existing Conditions:
- a. Evaluate effectiveness of existing City incentives to facilitate housing production. Priority codes to evaluate are: mandatory inclusionary zoning [FWRC 19.110.010(2)], optional density bonus [FWRC 19.110.010 (3)(a)], and the city's multifamily dwelling unit limited property tax exemption (also known as MFTE) program (FWRC 3.30).
 - b. Conduct multifamily development feasibility study including market analysis of property values and market conditions for 2024 target year to account for impacts from opening LRT station in City Center. Provide current construction costs for targeted housing types (4+ stories with structured parking – ownership and rental). Include project costs for land, required open space, parking, permitting and impact fees, and any other significant City-specific project costs.
 - c. Review influence of impact fees, system development charges and permitting practices relative to peer cities and the degree of impact of this on-site selection.
- C. Gap Analysis: Address the findings from part B above, to increase housing production and effectively facilitate a more balanced housing mix in the city while meeting policy goals.
- a. Identify impediments (financial and regulatory gaps/barriers) and significance of each impediment to housing production in Federal Way meeting 2044 housing target.
 - b. Review housing development incentives permitted under state law and current City Code.
 - c. Identify strategies to attract condominium development to increase homeownership opportunities in mixed-use zones.
- D. Recommended Remediation Report: Develop strategy the City can implement to address the identified gaps. Identify and prioritize measure such as code sections to be updated and adopted by June 2023 and future development regulation extending to 2024.
- E. Draft Development Regulations: Propose development regulation amendments for adoption. The inclusionary zoning, bonus density, and MFTE Program are anticipated at a minimum. Amendments to the requirements for parking and open space are likely.
- F. Policy Audit: Identify misalignments between Recommended Remediations and Comprehensive Plan policies. The selected team will be expected to ensure

consistency among the Comprehensive Plan periodic update, including the Housing Element, City Center Subarea Plan, and new South Station Subarea Plan.

G. Performance Template: Prepare a program benchmark template to track the use and effectiveness of the city’s development incentive program(s) and annual housing production as a function of reaching adopted City targets. The performance template will be in a format that is compatible with City resources such as Excel or Word.

H. Required Deliverables & Deadlines:

- a. Existing Conditions & Gap Analysis (October 2022)
- b. Recommended Remediations Report (December 2022)
- c. Draft Development Regulations (February 2023)
- d. Policy Audit & Program Benchmark Template (May 2023)

VIII. COMPENSATION.

- A. State the firm’s proposed fee for the Scope of Services inclusive of Washington state sales tax and any other applicable governmental charges.
- B. Payment by the City for the services will only be made after the services have been performed, an itemized billing statement is submitted in the form specified by the City and approved by the appropriate City representative, which shall specifically set forth the services performed, the name of the person performing such services, and the hourly labor charge rate for such person. Payment shall be made on a monthly basis, thirty (30) days after receipt of such billing statement.

IX. PUBLICATION.

Name of Publication:

Dates:

Seattle Daily Journal of Commerce

2/11/2022 & 2/18/2022

Puget Sound Business Journal

2/11/2022 & 2/18/2022

Grant Objective: HAP implementation of Strategy #5: Ensure that financial and regulatory incentives for mixed-income housing are effective and Strategy #6: Review school impact fees on multifamily housing. Evaluate stagnation in multifamily housing development examining existing incentives and barriers to the production of new housing and proposing new incentives and process improvements that will facilitate a more balanced housing mix in the City while meeting policy goals.

Steps/ Deliverables	Description	Start Date	End Date
Action 1a	Evaluate effectiveness of existing incentives developed by the City to facilitate housing production & review permitting prioritization effects.	4/1/2022	6/1/2022
Step 1.1	Evaluate mandatory inclusionary zoning per FWRC 19.110.010(2) regulations that requires that developments with 25 units or more provide 5% of total of rental units be affordable for households with incomes at 50% AMI.	4/1/2022	6/1/2022
Step 1.2	Evaluate optional density bonus per FWRC 19.110.010 (3)(a) that allows one bonus market-rate unit for each affordable unit included in the project; up to 10% above the maximum density of the underlying zoning district.	4/1/2022	6/1/2022
Step 1.3	Review the city's multifamily dwelling unit limited property tax exemption (also known as MFTE) program per FWRC 3.30 serving 80- 115% AMI.	4/1/2022	6/1/2022
Step 1.4	Review permitting practices of peer cities regarding prioritization of housing permits.	4/1/2022	6/1/2022
Action 1b	Market evaluation and multifamily development feasibility study	4/1/2022	6/1/2022
Step 1.5	Evaluate property values and market conditions for 2024 target year to account for impacts from operating LRT.	4/1/2022	6/1/2022
Step 1.6	Provide construction costs for targeted housing types (4+ stories with structured parking – ownership and rental). Include cost of required open space, parking, etc.	4/1/2022	6/1/2022
Action 1c	Review influence of impact fees and system development charges on multifamily housing.	4/1/2022	9/1/2022
Step 1.7	Engage with residential developers to understand the influence impact fees have on their project proforma for multifamily and single family.	6/1/2022	9/1/2022
Action 1d	Draft findings of development regulation and incentive review, market study, and impact fee analysis	5/1/2022	7/1/2022

Step 1.8	Present draft analysis to the Planning Commission at Study Session meeting	7/15/2022	8/3/2022
Action 1e	Gap analysis: Address the findings from the development regulation and incentive review, market study, and impact fee analysis to effectively facilitate a more balanced housing mix in the City while meeting policy goals.	7/1/2022	10/1/2022
Step 1.9	Quantify impediments (financial and regulatory gaps/barriers) to housing development meeting 2044 housing target.	7/1/2022	9/1/2022
Step 1.10	Review potential new housing development incentives permitted under state law.	7/1/2022	9/1/2022
Step 1.11	Identify strategies to attract condominium development to increase homeownership opportunities in mixed-use zones.	7/1/2022	9/1/2022
Deliverable 1	Existing Conditions Report & Gap Analysis	8/1/2022	10/30/2022
Action 2c	Remediation Recommendation Report to address gaps to achieving a more balanced housing mix	7/1/2022	11/16/2022
Step 2.5	Develop strategy the City can implement to address the identified gaps. Identify code sections to be updated and adopted by June 2023 and future development regulations extending to 2024.	7/1/2022	11/1/2022
Step 2.6	Seek feedback from stakeholders and community.	6/1/2022	9/1/2022
Step 2.7	Present remediation recommendations draft to the Planning Commission at Study Session meeting	11/1/2022	11/16/2022
Deliverable 2	Final remediation recommendations report to address gaps to achieving a more balanced housing mix.	5/1/2022	12/31/2022
Action 3a	Prepare a program benchmark template to track the use and effectiveness of the city's development incentive program(s).	8/1/2022	2/1/2023
Step 3.1	Develop City tracking tool to track annual housing production as a function of reaching adopted targets.	8/1/2022	2/1/2023
Action 3b	Policy audit and alignment for high opportunity mixed use zones (CC-C, CC-F, BC)	12/1/2022	4/1/2023
Step 3.2	Identify misalignments between remediation recommendations and Comprehensive Plan policies for high opportunity mixed use zones that create barriers to meeting housing target and desired housing development.	12/1/2022	2/1/2023
Step 2.6	Seek feedback from stakeholders and community.	2/1/2023	3/1/2023
Deliverable 3a	Draft Program benchmark template and Policy Recommendations	8/1/2022	4/1/2023

Step 3.2	Internal review among City Departments	4/1/2023	4/15/2023
Deliverable 3b	Final Program benchmark template and Policy Recommendations	4/1/2023	5/31/2023
Action 4	Amend development regulations to implement the remediation recommendations report that address the identified gaps. Amendments to the inclusionary zoning, bonus density, and MFTE Program are anticipated at a minimum.	11/1/2022	6/1/2023
Step 4.1	Provide city staff, leadership, stakeholders, and the public an opportunity to review and comment on proposed code amendments.	11/1/2022	2/1/2023
Deliverable 4a	Draft development regulations to implement remediation recommendations to improve financial and regulatory incentives and impact fees for mixed-income housing, including amendments to inclusionary zoning, bonus density and MFTE program	11/1/2022	3/15/2023
Step 4.2	SEPA, Dept Commerce Notice, Planning Commission Public Hearing	2/8/2023	3/15/2023
Step 4.3	LUTC	3/24/2023	4/3/2023
Step 4.4	Proposed code amendments presented to City Council for adoption	5/1/2023	6/1/2023
Deliverable 4b	Adopted ordinances to implement remediation recommendations to improve financial and regulatory incentives and impact fees for mixed-income housing , including amendments to inclusionary zoning, bonus density and MFTE program	3/1/2023	6/1/2023