

## Request for Proposals (RFP) #19-24: Heights District



ISSUED: March 8, 2024

PROPOSALS DUE: May 17, 2024

Proposals submitted must be submitted through the City's Procurement portal:  
[cityofvancouver.bonfirehub.com](https://cityofvancouver.bonfirehub.com).

Proposals submitted In Person or by FAX or EMAIL will NOT be accepted.



## **EXECUTIVE SUMMARY**

The City of Vancouver (“City”) is pleased to present this Request for Proposal (“RFP”) for the first three city-owned development sites in the Heights District (“District”) generally located at Mill Plain Boulevard and Devine Road. The three sites are referred to individually as Site B (“B”), Site C (“C”) and Site P (“P”), collectively as the “Sites” and identified in Figure 2 below. The development of the Sites represents the first phase of redevelopment envisioned in the Heights District Plan (“District Plan”). The District is a 205-acre area of Central Vancouver with easy access to commercial uses, social services, schools, places of worship and downtown. The City of Vancouver is leading the redevelopment of the district to create a mixed-use 20-minute walkable neighborhood that is climate friendly and intentionally inclusive. The development will include mixed-income housing, retail, engaging public spaces and multi-modal travel options.

The heart of the District is the 63-acre Tower Mall Redevelopment Area (“TMRA”). The City owns 60% of the land within the TMRA, creating an unprecedented opportunity for the City to bring new investment to Central Vancouver and ensure that the new development provides benefits and opportunities for all.

Vancouver has experienced tremendous growth over the last decade, most notably in the Waterfront and East Vancouver. However, Central Vancouver has not experienced the same level of investment as other parts of the city. The Heights District and surrounding neighborhoods include a diverse mix of income levels with some of the most racially and ethnically diverse populations in Clark County, as well as some of the most affluent neighborhoods in the city. The socioeconomic diversity of this part of Central Vancouver therefore requires a redevelopment approach that attracts significant investment without unleashing further displacement.

This RFP has been prepared by the Heights Community Investment Committee (“HCIC”). The HCIC comprises Vancouver residents who collectively hold over 50 years of experience in real estate development and financing and represent Central Vancouver businesses and organizations. The HCIC’s role is to lead the Heights District

redevelopment process on behalf of the City by overseeing the selection of development partners and negotiation of development agreements, to ensure the objectives of the Heights District Equitable Development Plan are met. The HCIC will review and evaluate the responses to this RFP and make a formal recommendation to Vancouver City Council ("City Council") on the selected development proposals.

The City and HCIC are looking for development partner(s) who are mission driven and equally committed to the Heights District vision. We invite innovative and financially feasible proposals to employ strategies highlighted in the Heights District Equitable Development Plan and meet the goals of the District Plan.

## **SECTION 1 CITY OF VANCOUVER OVERVIEW**

Vancouver encompasses approximately 52 square miles and has a population of nearly 200,000 and is projected to increase to 268,000 within the next 10 years, making it the fourth largest city in Washington State and one of the fastest growing cities in the country. Located on the I-5 corridor and extended along the north shores of the Columbia River, the city lies across the river from Portland, Oregon and is the southern gateway to the State of Washington. Approximately an hour east of the Pacific Ocean and west of the Cascade Mountain Range, Vancouver enjoys breathtaking views of the Mt. Hood and Mount St. Helens, historic sites, waterfront access, and an active downtown.

Over the last 10 years Vancouver has seen a 64% increase in our communities of color. Additionally, the diversified economy of Vancouver and Clark County, built on healthcare, manufacturing, food processing, trade and high tech, outpaced metro Portland, Washington state and the U.S. over the past decade in adding new jobs and businesses. Major non-government employers in and around Vancouver include Peace Health, Vancouver Clinic, Fisher Investments, Vancouver Public Schools, Bonneville Power, HP, Kaiser Permanente and Clark College to name a few.

The city is responsible for vital municipal infrastructure and urban services. It builds and repairs roads, maintains water and sewer service, provides fire and police protection as well as parks and recreation programs, administers land use policy and takes an active role in Vancouver's commercial and industrial development.

Vancouver has a Council/Manager form of government with a City Council comprised of the Mayor and six council members who set policy and direction. The City Manager oversees the day-to-day operations of the city.

More information about Vancouver can be found in our community profile document in the Appendices.

## SECTION 2 SITES OVERVIEW

The Heights District (“The District”) is a 205-acre area in Central Vancouver roughly bounded by Mill Plain Blvd., MacArthur Blvd., and N. Andresen Road outlined in red in Figure 1 below. The District represents an opportunity to create a new vibrant mixed-use urban neighborhood strategically located in the heart of Vancouver. Surrounded by stable yet growing neighborhoods, the District is recognized by many local residents as an area with a quiet character, where people have lived for many generations and are exceptionally friendly.



Figure 1: Heights District Boundary Map

At the center of the District is the 63-acre former Tower Mall site (“Tower Mall Redevelopment Area” or “TMRA”), bounded by Mill Plain Blvd, MacArthur Blvd and Devine Road and highlighted in yellow in Figure 1. The TMRA consists of multiple parcels under different ownership, with the City being the majority land owner.

The Heights District represents the spectrum of the City’s economic and social diversity, surrounded by both affluent and vulnerable neighborhoods. Please refer to “Appendix D Heights Market Study” in the Equitable Development Plan for more information regarding the District’s demographics.

The Sites are located on Mill Plain Blvd., a busy east west arterial connecting east Vancouver to downtown Vancouver. Sites B and C are currently a single vacant parking lot and P is vacant open space adjacent to the Park Hill Cemetery. The Sites are currently part of two tax lots, 37910148 and 37909805, which will be separated into their own legal lots. B is 1.92 acres, C is 1.27 acres and P is 1.87 acres. Approximately 1,600 square feet of the northwest corner of B is currently owned by the adjacent property owner, Tower Mall Properties LLC. The City is working with the property owner to obtain this small section of land to complete Site B's development block.



Figure 2: Tower Mall Redevelopment Area Site Plan  
(Note: the TMRA plan in the Heights District Plan was revised. The Civic Plaza and Neighborhood Park were relocated, and the Grand Loop was extended to MacArthur Blvd.)

### Property History

Sites B and C form part of the former Tower Mall site which was acquired by the City in 2017. The mall was demolished in 2022 and the property is now vacant. Site P was an unused part of the Park Hill Cemetery, owned by the City, but removed from the cemetery dedication area in 2018. P is north of another City-owned property currently occupied by the Vanco Golf Range. The golf range lease with the City terminates December 31, 2024, in anticipation of planned infrastructure improvements on the property to support development on P.

### Amenities

The Sites are conveniently located near a variety of amenities. There are a range of restaurants and cafes within the TMRA, including the popular coffee spots, River Maiden Coffee and Great North Coffee. More shopping centers are located further along Mill Plain Blvd that include Safeway and Walmart grocery stores, Starbucks Coffee and Planet Fitness. Within a half a mile is an access point to the Burnt Bridge Creek Trail, an 8-mile paved trail which links to several greenspaces and The Waterfront Renaissance Trail that spans the Vancouver Waterfront is 3 miles away.

### Schools

The Sites are located in close proximity to several schools including Martin Luther King Jr (MLK). Elementary School (0.5 miles), McLoughlin Middle School (0.3 miles), George C Marshall Elementary School (0.5 miles), and Fort Vancouver High School Center for International Studies (0.9 miles) making access for families with kids of a variety of ages convenient. Vancouver Public Schools recently invested \$170 million in building new schools for MLK Elementary, McLoughlin Middle School and Marshall Elementary to increase the capacity of each school.

There are also two daycare facilities within the TMRA and a Boys and Girls Club of Southwest Washington a mile away.

### Public Transit Access

The Sites are conveniently located to transit with the C-TRAN Red Line, connecting Downtown Vancouver and the Mill Plain Transit Center, running along Mill Plain Blvd directly adjacent to the Sites. The Sites are also within a 20-minute walk from the C-TRAN 30 and 32 lines which provide access to the Fisher's Landing Transit Center and Van Mall Transit Center respectively.

### Environmental and Soil Conditions

The City conducted environmental site assessments in 2017. A Phase 2 Site Assessment was triggered concluding that no further action was required. Copies of the Phase I and Phase II Environmental Site Assessments are included in the Appendices.

A geotechnical report was also completed for the entire Heights District, a copy of which is included in the Appendices.

### Archeology

An archeological study prepared on behalf of the City identified no archeological sites within the Heights District and no additional work was recommended. P was an unused part of the Park Hill Cemetery but removed from the cemetery dedication area in 2018.

Disposition of Land and Valuation

The City is open to selling or ground leasing the Sites, and is committed to disposition agreements that facilitate developments that maximize public benefits for the District. Applicants should demonstrate their preference in their responses. Property valuations will be issued as supplemental information within 2 weeks of advertisement of this RFP.

Public Infrastructure

The District is projected to develop over the next 10-20 years. The City is leading the design of the public infrastructure, which includes the new street network and parks in the TMRA and safety improvements to existing streets. Below is an estimated best-case scenario construction schedule for the initial phase of redevelopment of the TMRA over the next 5 years. The timeline for infrastructure improvements is contingent on the City securing funding for its share of the costs.

Milestone	2024				2025				2026				2027				2028			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Construction of Mill Plain Blvd/MacArthur Blvd Intersection		■	■	■	■	■														
Construction of Grand Loop (North & East sections)					■	■	■	■	■	■										
Construction of Phase 1 of private development									■	■	■	■	■	■	■	■	■	■	■	■
Construction of Civic Plaza													■	■	■	■	■	■		
Construction of Northern Half Devine Road													■	■	■	■				

Figure 3: Projected schedule of public infrastructure improvements

For reference, “Phase 1 of private development” means development of the Sites under this RFP. The improvements to the northern half of Devine Road include the intersection at Mill Plain Blvd. and Devine Road.



The City completed a preliminary 30% design of all the infrastructure improvements within the Heights District and is phasing the advancement of design to construction ready drawings based on the City’s sequencing plan for redevelopment in the TMRA. The following road designs will be fully designed by Summer 2024 and constructed by the end of 2026 to support this initial phase of private development.

- i. Intersection at Mill Plain Blvd and MacArthur Blvd extending to Blandford Drive (colored in green in the map below)
- ii. North and East sections of the Grand Loop (colored in blue and orange respectively in the map below)



Figure 4: Infrastructure projects under full design

The City intends on fully designing and constructing the Civic Plaza and northern half of Devine Road (between Mill Plain Blvd intersection and Grand Loop East intersection). The estimated construction schedule is outlined in the timeline above.

The intersection at MacArthur Blvd and Lieser Road, which will be reconstructed into a roundabout (colored in pink in the map), is also under full design. The construction schedule for this project is to be determined and subject to securing financing.

This RFP represents the first phase of development of publicly owned land in the District. The disposition of other city-owned property will go through subsequent RFP processes.

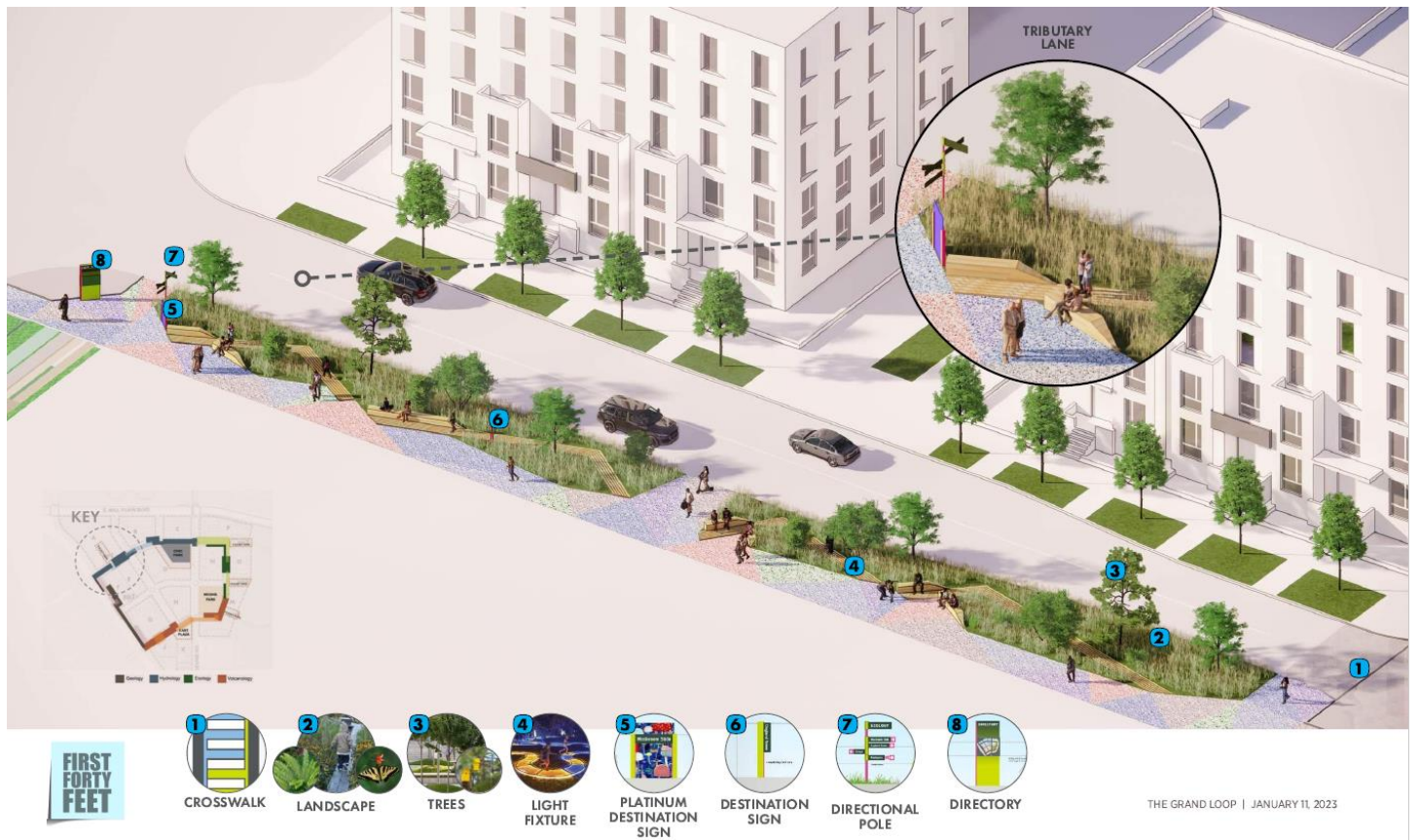


Figure 5: Grand Loop North Rendering at Blandford Drive and MacArthur Blvd.

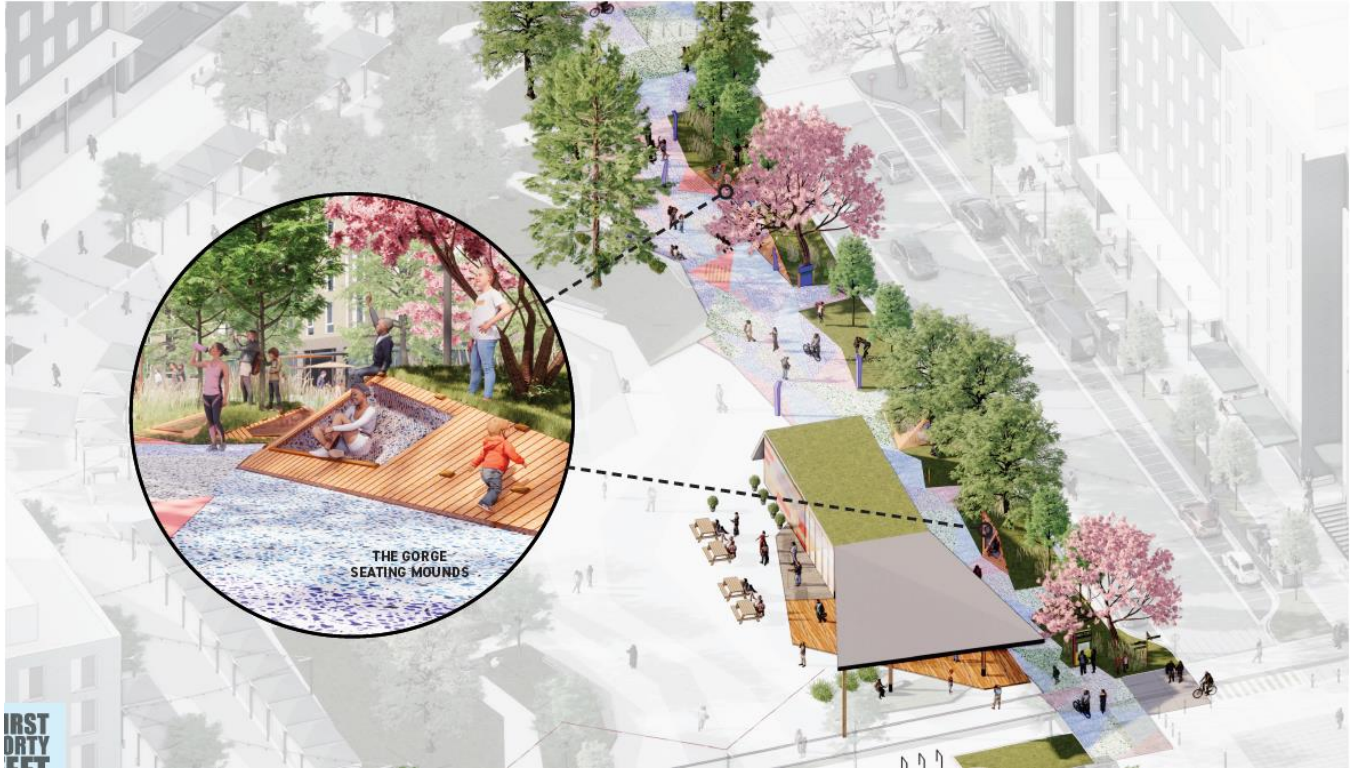


Figure 6: Grand Loop North Rendering adjacent to the Civic Plaza

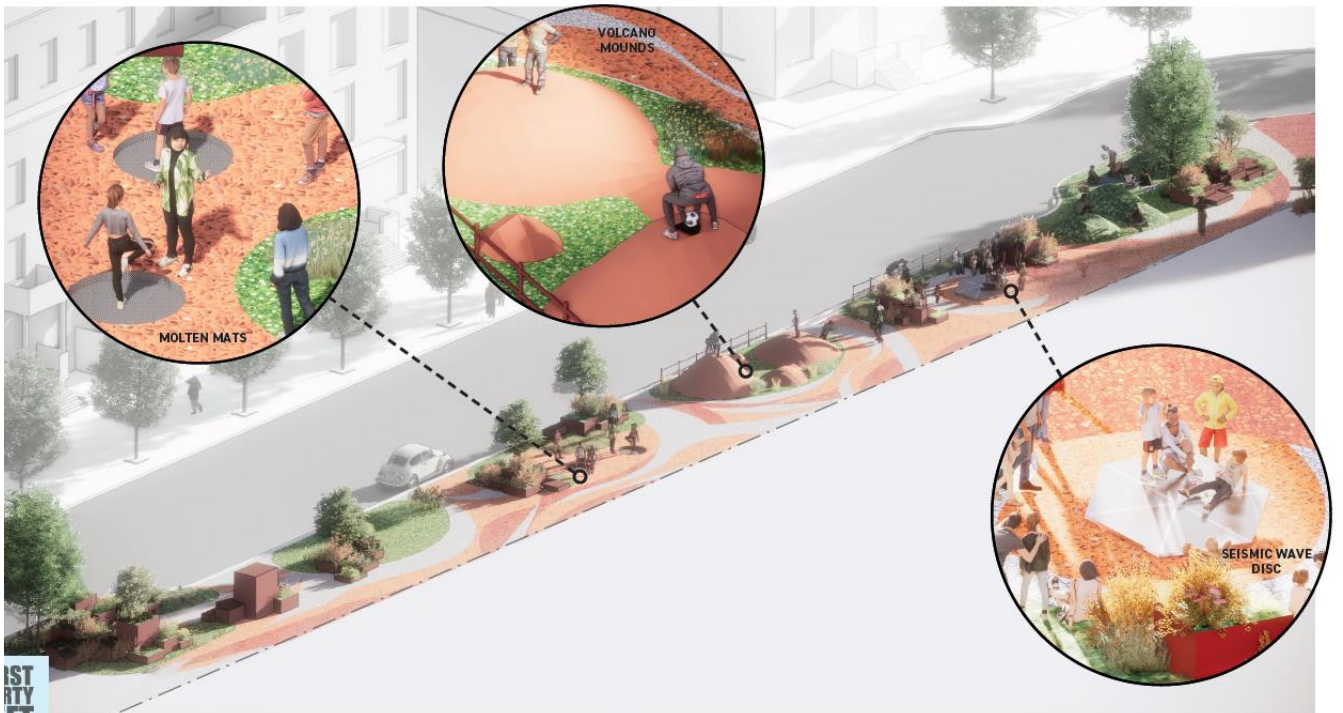


Figure 7: Grand Loop East Rendering

## SECTION 3 VISION

The District Plan was adopted in 2020 following a rigorous, multiyear community planning effort that established a set of guiding principles that reflect the community's aspirations and needs.

Envisioned as a 20-minute walkable neighborhood with a mix of uses and network of public amenities linked by multi-modal travel options, the District will be a safe, inclusive and sustainable neighborhood center.

### **Vision Statement**

"The Heights District is a vibrant, connected neighborhood center. The center seeks to promote community health, wellness and a shared identity. This identity reflects the value placed on the past and current community with an eye toward welcoming future generations in an inclusive, respectful and equitable manner."

Figure 8: Aerial of potential future build out of TMRA



## Guiding Principles



### CONNECTIVITY

To strengthen multi-modal connections and improve accessibility throughout the District and within the 20-minute walkshed.



### COMMUNITY HEALTH, WELLNESS, AND EQUITY

To embrace and promote healthy living, universal design, and social equity as core values of the district.



### SUSTAINABILITY

To reflect social, economic, and environmental responsibilities.



### THE PUBLIC REALM

To create a variety of vibrant community spaces to enrich the quality of life for all residents and visitors.



### ARTS & CULTURE

To promote arts and culture in the district.



### URBAN CHARACTER/FORM

To promote good urban form that invites high-quality design and supports safe and vibrant public spaces.



### ECONOMIC DEVELOPMENT

To attract private investment and deliver equitable public benefit, including housing and amenities that serve residents of diverse racial/ethnic and socioeconomic backgrounds.

## *Overarching Driver*



### MIXED-INCOME HOUSING

To provide for a variety of housing types, affordable to people of different incomes.

## District Plan Objectives

Based on the above Guiding Principles, projects within the District should collectively seek to achieve the following objectives:

- Provide an equitable distribution of unit types and affordability level for households at all income levels
- Ensure local residents can continue to live in the District
- Retain and attract locally owned businesses

- Create opportunities for business owners from historically marginalized groups
- Attract businesses that meet needs of District residents
- Offer variety of accessible employment opportunities that pay living wage; and
- Connect residents to community services / amenities that benefit all.

Achieving the Heights District vision and objectives will require the use of models and approaches that are not common in typical mixed-use developments. The City initiated the Heights District Equitable Development Plan (“Equitable Development Plan”) to provide a range of recommendations and strategies to achieve the District Plan goals. This plan will serve as the guiding document for redevelopment of all publicly-owned land in the Heights District.

## SECTION 4 PRIORITIES FOR ALL SITES

The Heights District Plan was crafted to attract mixed use development at significant scale that delivers affordable housing at all income levels and provides substantial community benefits to Central Vancouver. The City invites creative development proposals that help meet the goals of the District Plan and employ strategies highlighted in the Equitable Development Plan. While individual projects may not meet all District goals independently, the aim is for all projects to collectively achieve the desired District outcomes. Proposals must assume compliance with the City's Green Building Policy and Climate Action Framework and should include details on how they incorporate recommendations from the Equitable Development Plan.

Desired features for all proposals:

- A. **A project that maximizes density<sup>1</sup> within the existing zoning** - The City prepared a Development Capacity Study to demonstrate the TMRA's approximate scale of development based on the zoning. A copy of the study can be found in the Appendices as reference to the targeted scale of development but should not be viewed as definitive.
- B. **Identification of potential funding sources** – Proposals should include any desired city financing tools outlined in the “FINANCIAL CONSIDERATIONS” section below necessary to maximize the quantity and affordability of the proposed unit mix.
- C. **Building designs that reflect the racial, ethnic, and cultural diversity of Central Vancouver** and incorporate high quality, original design without monolithic form - Please refer to the Design Guidelines attached in the Appendices for additional detail. Submittal of renderings is also encouraged.
- D. **Willingness to work collaboratively and expeditiously with the City throughout the entire project** – This request includes but is not limited to the preparation and execution of a site plan and supporting documentation in a timely manner that meets permit review requirements, and requirements for submittal of funding requests. Basic site development issues such as access, infrastructure, sewer, water, and other utilities must be coordinated with the City.
- E. **Readiness to move quickly and start construction shortly after permit approval** - Projects should be in a position to start construction no later than the end of 2026. The City seeks to have an approved development agreement(s) with the selected developer(s) by the end of 2024.
- F. **A proposal that minimizes surface or at grade structured parking** through subsurface parking or other means to provide the best pedestrian experience throughout the community.

- G. **Project teams with a demonstrated commitment to equitable outcomes** in public engagement, design, construction, and project delivery in past or current projects.
  
- H. **Use of alternative financing mechanisms and ownership structures that may be better suited to achieving the desired outcomes for the District than conventional approaches** - The alternative development models included in Appendix F: Feasibility Analysis from the Equitable Development Plan represent examples to consider but are not meant to be a comprehensive list of models that could be employed to achieve the goals of the Equitable Development Plan.



## SECTION 5 SITE SPECIFIC PRIORITIES

The City's priorities for each individual Site are outlined in the table below. Proposals that maximize density within existing zoning will be reviewed favorably.

Site	Affordability of Units	Ground Floor Commercial
B	Mixed income is encouraged.	Providing opportunities for local and small businesses in some or all of the ground floor retail space is encouraged.
C	100% of units designated as affordable is preferred.	Providing opportunities for local and small businesses in some or all of the ground floor retail space is encouraged.
P	100% of units designated as affordable is preferred with at least 10% of units, and preferably 20%, designated for those at or below 30% Median Family Income (MFI).	Ground floor commercial and/or community space that serves the residents and the community is encouraged.

## **SECTION 6 RESPONSIBILITIES OF SELECTED DEVELOPER(S)**

The selected developer(s) will be required to meet the following requirements. Other issues may be identified through the development agreement negotiations and/or the City's permitting review process.

- A. City Development Standards. Redevelopment of the property must comply with all applicable City of Vancouver zoning and development regulations. The zoning standards for the Heights District are available in Vancouver Municipal Code Chapter 20.670 The Heights (HX) Plan District.
- B. Installation of Utilities. All utility improvements on the Sites, including but limited to water, sewer, stormwater, power and cable is the developer's responsibility and to be coordinated with the City.
- C. Site Access. The developer is required to work directly with the City to develop coordinated site access and circulation plans in accordance with the Heights (HX) Plan District zoning code. The City intends on constructing the North and East Grand Loop roads and internal street between B and C.
- D. Washington State Environmental Policy Act (SEPA) Regulations. The District is covered by a Planned Action Ordinance. Developers must submit a SEPA checklist to the City to confirm that the proposal impacts are covered under the Planned Action Ordinance and associated mitigation measures.

## SECTION 7 SUBMISSION REQUIREMENTS

This RFP advertises three individual development sites under one solicitation to allow flexibility and originality in responses. Applicants may propose on one or more parcels provided they meet the requirements detailed in this RFP.

All proposals must include the following:

- A. Identification of which parcels the proposal is addressing.
- B. Development Team information.
  1. Background and experience of all known team members, including the developer/owner and its lead staff person for this development, architect/designer, landscape architect, and if available, general contractor or builder, engineering consultants, property manager, and lender.
  2. A description of each team member's experience and qualifications in the development and construction of medium to high density urban housing and mixed-use projects, particularly projects of a comparable size and density as proposed for this development site.
  3. Evidence of success in achieving equitable outcomes and how any lessons learned from past experiences will be incorporated in this project.
  4. Experience with public/private partnerships and mixed-use projects.
  5. Experience working with diverse and local teams.
  6. A description of the applicant's financial position and recent track record for securing financing for similar projects.
  7. A plan for incorporating diverse workforce development initiatives.

Primary applicants with deep connections to Central Vancouver communities but without significant experience in the areas outlined above are encouraged to apply through partnerships that collectively meet the above requirements.

- B. Project Description. Provide a general description of the project including:
  1. A description of how the proposal responds to the development program and other goals and objectives stated in this RFP and supporting documents.
  2. Overall vision and description of the affordable housing, including unit mix, affordability level, and special population focus, if any.
  3. Overall vision and description of the commercial space.
  4. Estimated building square footage.
  5. Proposed program and coordination with other key project partners (if any).
  6. Design approach, including open space and parking integration and the project's connections with the broader Heights District.
  7. Description of anticipated development standards or other provisions that would be sought in a Development Agreement, such as parking ratios and maximum density.

- C. Project Development Budget, Schedule, and Operating Pro-forma.
1. Estimate of Total Project Development Costs and a Financing Plan for the Proposed Project. Proposals must contain:
    - i. A preliminary development budget that includes separate analysis for each parcel, all expected costs associated with the site and building development, including design, infrastructure, building construction, permits, marketing, financing, developer fee, contingency, etc.
    - ii. Explanation of the basis or key assumptions for estimating project costs.
    - iii. Any financial efficiencies gained from being awarded multiple parcels if applicable.
    - iv. Proposed financing including key terms for any bridge/construction and permanent financing, and the basis for such terms.
    - v. A description and value of all public subsidies or other funding needed to make the project feasible. If Low Income Housing Tax Credits (LIHTC) are proposed, applicants should provide a LIHTC calculation and self-score.
    - vi. Assumptions relating to land ownership structures, fee waivers and financial incentives must be included.
  2. Affordability. Proposals must include the proposed unit and affordability mix including a description of the types and size of units, and their projected rents. Describe the rent or sales structure and levels of affordability that will be achieved, and any anticipated subsidies for the operations, rents, or services.
  3. Operating Pro-Forma. Proposals must include estimated operating income, expenses and cash flow for each of the first fifteen (15) years of operation.
  4. Project Schedule. Proposals must include a schedule of key milestones to implement the project, and the approximate dates by which they will be accomplished. The schedule must include the proposed public engagement process and key milestones for funding/grants, permit approval, and construction.
  5. Management Plan. For projects intended for rental, describe the proposed property management of the development upon completion and occupancy. Identify who will manage the units and include their experience in property management.
  6. Marketing Plan. Describe the anticipated process for marketing the units for sale or rent.
- D. Preliminary project designs. The following design documents are required with the submittal unless noted otherwise. The City may entertain a request to waive some of these submittals, if the cost of the preliminary design presents a significant barrier to an applicant.
1. Schematic site plans. Plans must show all proposed building locations; automobile and pedestrian access and circulation; parking; landscaping (including preservation of existing trees); sewer and water utility mains; and stormwater facilities. Access and utility mains should be shown on portions of the property. Any other infrastructure requirements should also be included.
  2. Typical building elevations showing proposed materials and finishes.

3. Typical floor plans of each floor and unit type being proposed. Each plan to include square footage calculations for each unit type shown.
4. Photographs of existing buildings that illustrate the architectural style intended by the developer for the project may be included but are not required.

Applicants who are invited for an in-person interview may bring renderings that illustrate their proposed development to the interview.



Figure 9: Civic Plaza Rendering

## SECTION 8 SELECTION PROCESS

- A. Schedule. Applicants will have approximately 75 days to submit proposals. The schedule for the selection process is as follows:

Date	Action
Week of March 4, 2024	City of Vancouver advertises the Request for Proposals.
March 18, 2024	Applicants Briefing Session
May 3, 2024	Deadline for RFP Questions
May 17, 2024	RFP Deadline
June 10, 2024	City to announce the short list of finalists
Week of June 17, 2024	City to schedule interviews with finalists
By July 31, 2024	City Council consent on development partner(s)
By Dec 31, 2024	Executed development agreements

- B. Applicants Briefing Session. Development teams are encouraged to work with City of Vancouver's main contacts on this RFP, Amy Zoltie ([amy.zoltie@cityofvancouver.us](mailto:amy.zoltie@cityofvancouver.us)) and Patrick Quinton ([Patrick.Quinton@cityofvancouver.us](mailto:Patrick.Quinton@cityofvancouver.us)) as questions arise.

There will be an Applicant's Briefing Session held virtually via Microsoft Teams on **March 18, 2024 at 10.30-11.30am PT**. Any party considering submittal of a proposal should strongly consider attending this meeting. Following a brief introduction, City and HCIC representatives will be available to answer questions about the development requirements. Meeting connection information is below:

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 238 788 079 491

Passcode: jjZCuw

**Or call in (audio only)**

1(347) 941-5324

Phone Conference ID: 539 904 292#

- C. Submission Deadline. Proposals must be received no later than **May 17, 2024 at 5pm PT**.
- D. Review of the RFP Submittals. The HCIC will serve as the review committee and determine which applicants will be invited to individual interviews to provide more detailed information on their proposals. Following interviews, the HCIC will make a decision on chosen development partners and present to City Council for Council's feedback and consent.

- E. Development Agreement. The selected applicants will work with City staff and the HCIC on negotiating a development agreement. The City will provide its template form which will include details such as development commitments and timelines for construction. The applicant must be prepared to work quickly to have an agreed upon development agreement within six months of selection.

## SECTION 9 EVALUATION CRITERIA

Projects will be evaluated based on the degree to which applicants address the following items.

- A. Affordability of Units. The City's priority is to provide housing for very low- and low-income households. In evaluating proposals, affordability will be measured at several levels.
  1. The number of units at 30%, 50%, 60% and 80% MFI.
  2. The length of the term of affordability (affordability in perpetuity is preferred, 50-year affordability period is required).
- B. Density. The City desires projects that maximize the number of bedrooms, balanced with affordability, quality design and diversity of unit sizes.
- C. Project Team Experience and Qualifications. The City is seeking diverse development, construction and property management teams with experience on similar projects. Submittals will be evaluated on the proven ability of the project team to successfully develop high quality, high density mixed-use developments. Experience successfully building affordable housing will be a plus. Evidence of this may be demonstrated by the success of past comparable projects. Additionally, consideration will be given to the depth of experience with previous projects that achieved equitable outcomes and applicants that demonstrate a clear commitment to equity either within the organization and/or in their work. Creative development partnerships addressing gaps in experience, financial capacity or community benefits are encouraged, depending on developer profile.
- D. Alternative Approaches. Priority will be given to proposals that offer alternative ownership and financing models as exemplified in "Appendix F Feasibility Analysis" of the Equitable Development Plan as well as innovative ways to achieve the inclusive redevelopment strategies in the Equitable Development Plan.
- E. Financial Feasibility. Proposals will be evaluated on the feasibility of the project including proposed financing and delivery schedule, the capability of the development team to secure financing, and resources necessary to complete the proposed project promptly and within budget. Public resources for affordable residential and commercial development are limited and competitive, and the City is sensitive to concerns that development in the Heights District will absorb a disproportionate share of traditional sources of subsidy. Therefore, proposals that limit the use of public resources while maximizing the community benefit will be prioritized.
- F. Quality of design. Proposals that include high quality, original design without monolithic form will be evaluated highly.



<u>Criteria</u>	<u>Weight</u>
A. Affordability of Units	20 pts
B. Density	15 pts
C. Project Team Experience and Qualifications	25 pts
D. Alternative Approaches	10 pts
E. Financial Feasibility	15 pts
F. Quality Design	15 pts
<b>Total</b>	<b>100pts</b>

## SECTION 10 FINANCIAL CONSIDERATIONS

The City of Vancouver offers several programs to assist the financing of affordable housing development. Programs are described below for informational purposes. Each program involves a separate application, and it is the selected developer's responsibility to apply.

- A. Multi-Family Tax Exemption Program (MFTE). The City of Vancouver offers a tax exemption for developers that assist in meeting the community needs for additional housing in designated residential target areas across the city. The Multi-Family Housing Tax Exemption (MFTE) Program, which is authorized under state law ([RCW 84.14](#)) and codified in [Chapter 3.22 of the Vancouver Municipal Code](#), allows for an 8 or 12-year tax exemption for the approved value of newly constructed or rehabbed residential units.
- B. Affordable Housing Fund (AHF) supports people experiencing very low-income in Vancouver through affordable housing development, rental assistance and homelessness services. In 2016, voters approved a \$42 million property tax levy to support AHF projects through 2023. In 2023, this levy was renewed by voters to provide \$100 million in AHF funding from 2024 through 2033. The City provides funding to community partners for projects and programs that:
  - Build and preserve long-term affordable housing in Vancouver for units affordable to households earning 50% MFI or less
  - Provide temporary shelter to people experiencing homelessness
  - Provide rental assistance and services to help households avoid an eviction or access a rental unit for households that earn 50% MFI or less
  - Homeownership assistance for households in Vancouver that earn up to 80% MFI
- C. Impact Fee Exemption/Waiver. The city may grant a total or partial exemption or waiver from impact fees for housing developments qualifying as low-income housing under RCW 82.02.060(2). Impact fees are generally granted as a partial exemption of not more than 80% of impact fees. No such impact fee exemption and/or waiver shall be granted for any low-income housing that has been granted a property tax exemption under MFTE program.
- D. Construction Sales Tax Exemption Program allows for a sales and use tax exemption for new affordable housing developed on underdeveloped urban land, defined as land used as a surface parking lot of motor vehicles off the street, which is open to public use with or without charge, as of June 9, 2022. This exemption is authorized under state law SB5755. This program is projected for City Council's approval by May 2024. Only sites B and C are eligible for this program.
- E. HUD HOME Funds. HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing. HOME funds activities such as building, buying, and/or rehabilitating affordable housing for rent

(affordable to 60% MFI) or homeownership (up to 80% MFI) or providing direct rental assistance to people experiencing low income. Each year, the City of Vancouver receives approximately \$750K from HUD each year and considers applications in a competitive process starting each October.

## **SECTION 11 OTHER REQUIREMENTS AND INFORMATION**

The City of Vancouver reserves the right to modify the selection process at its sole discretion. All persons who have received the RFP will be notified of modifications, as applicable.

In the event any part of the RFP is revised prior to the RFP deadline addenda will be posted on the City's website. It is the responsibility of the respondents to regularly check the web page for updates.

There will be no real estate commission paid by the City on the disposition of the properties.

### **Contact Information**

City of Vancouver Project Leads:

Amy Zoltie, [Amy.Zoltie@cityofvancouver.us](mailto:Amy.Zoltie@cityofvancouver.us)

Patrick Quinton, [Patrick.Quinton@cityofvancouver.us](mailto:Patrick.Quinton@cityofvancouver.us)

### **Appendices**

[Vancouver Community Profile](#)

Heights District Plan

Heights District Equitable Development Plan

Tower Mall Redevelopment Area Site Plan

Existing Conditions Overlay Map

Tower Mall Redevelopment Area Utilities Map

CAD files for each Site

Phase I and Phase II Environmental Site Assessments

Geotechnical Report

Preliminary Title Commitment

Climate Action Framework

Interim Green Building Policy

Heights District Design Guidelines