



City of Osawatomie

REQUEST FOR PROPOSALS  
FOR COMMUNITY HOUSING  
LEVERAGING CITY-OWNED LAND

**Issued by:**

City of Osawatomie  
439 Main St, PO Box 37  
Osawatomie, KS 66064

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Responses due: March 18, 2022

## Table of Contents

Introduction	Page 3
Eligible Respondents	Page 4
Project Scope	Page 5 – 6
Site Control	
Development Parameters	
Financial Terms and Assumptions	
Zoning and Land Use Requirements	
Other Legal Matters	
Evaluation and Selection Criteria	Page 7
City Contacts and Resources	Page 8
Disclosures and Changes to RFP Process	Page 8
City Properties under Consideration	Page 9
Request for Proposals Schedule	Page 10

# 1. INTRODUCTION

## General Information

The City of Osawatomie hereby requests proposals from qualified and experienced housing developers interested in developing community housing on City-owned properties. A list of properties is provided on **Page 9** of this Request for Proposals (RFP).

The city is seeking housing developers capable of developing high quality community housing and demonstrate an understanding of the Osawatomie community, its affordable housing needs, and the unique attributes and opportunities of the Osawatomie area. Developers should provide evidence of successful experience in developing and managing community housing projects and a commitment to an inclusive and informative public participation process regarding proposed developments.

The selected developers must submit a detailed proposal for the proposed development. Proposals will be reviewed by staff and approved by City Council. If the proposal results in an approved project, the City and selected developer will negotiate a Development Agreement for conveyance of City-Owned property for the project. The Agreement will set forth additional detail regarding the property disposition, performance milestones for the developer, project development timeline, indemnities and insurance requirements, financing plan, economic incentives and any other City requirements for the development.

## City Objectives

Through various resolutions and actions, the City Council has identified “Creating and building housing of all types” as one of five important goals for the community. Additionally, the City Council passed the following Resolutions and Ordinances to spur housing development in the Community.

<b>Resolution 783 (et. al.)</b>	New Housing Construction Incentives
<b>Resolution 799</b>	Establishing a Planning Framework for Osawatomie
<b>Ordinance 3659</b>	Neighborhood Revitalization Plan (Established in 2008)
<b>Resolution 930 &amp; 937</b>	Acquisition of 10-Acres and “Hay’s Hill Parcel”

Another one of the City’s objectives is to adhere to the best-practice of leveraging City-Owned land for the development of community housing. The City desires to facilitate the development of community housing that will:

- Provide a mix of affordable/mixed income housing units;
- Be attractive and compatible with the character of the surrounding neighborhood and larger community, and be both aesthetically attractive and functional;
- Utilize environmentally friendly and sustainable principles in development design and construction; and
- Incorporate community input on the proposed developments.

## 2. ELIGIBLE RESPONDENTS

Eligible respondents may include one entity or a development team, including for-profit and non-profit housing developers. Respondents that include several entities must include a lead entity which has demonstrated experience and capacity in the development and management of affordable/mixed income housing and shall have successfully completed at least three housing developments of similar size and complexity as the proposed development. The three developments must have been completed within the past three years in order for a proposal to be deemed eligible for review. It is preferred, although not required, that some of the prior successful development activity has taken place in the Kansas City area and/or rural Kansas. Developers with prior experience building affordable/mixed income housing developments in the Kansas City area are encouraged to submit proposals.

Developer's capacity and experience will be evaluated based on, but not limited to the following:

- Prior experience and technical competence of the developer in completing and managing community housing developments of similar scope, complexity, and magnitude;
- Developer's experience in partnering with the City of Osawatomie or other municipalities and local agencies;
- Developer's track record in use of public funds, land, or other public resources;
- Developer's experience in working with the community to garner support for community housing developments.
- Developer's financial standing as evidenced by financial references, the review of materials such as audited financial statements, and other financial status information.
- Developer's capacity to work cooperatively with City representatives and the community in the design and completion of the proposed development; and
- Developer's track record in obtaining required financing, regulatory approvals, and permits within project schedules and time frames set forth in development proposals. Consideration will also be given to the developer's track record on similar developments.
- Developer submitting proposal that is consistent with the City's current neighborhood revitalization efforts.

### 3. PROJECT SCOPE

The city is soliciting well thought out proposals from qualified developers committed to and experienced in the development of community housing. The scope of each proposal must reflect the below information.

#### Site Control

The city is open to a variety of site conveyance options including fee simple ownership and a long-term ground lease. The former is preferred for homeownership proposals while the latter is preferred for proposed rental developments.

#### Development Parameters

##### A. Project Size

Proposed developments may include up to the maximum allowable number of units consistent with land use policies, objectives, guidelines, and the goals of this RFP. Should a proposal require a site zoning different from the existing zoning, such a need should be reflected in the proposal with the understanding that the selected developer would undertake the desired rezoning.

##### B. Unit Size

All units are expected to be of a size comparable to similar types of units. Proposals shall explain the basis for the proposed mix of unit sizes in the.

##### C. On-Site Amenities

Proposals that include resident amenities (parks, sidewalks, and trails) within the development, consistent with City zoning to improve the quality of life of future residents of the proposed housing development and/or the surrounding neighborhood, are encouraged.

#### Financial Terms and Assumptions

##### A. Terms

Proposals will be evaluated on a variety of financial factors including the viability of the proposal financing structure, desirability of the public benefits of the proposed development, and financial feasibility to the City. The proposed sale price for homeownership proposals or rent levels for rental proposals shall be included in the proposal along with a development budget, Sources & Uses Schedule, and 20-year financial pro forma. If any City funds or financial incentives are contemplated in the proposal's financing plan, the proposal shall indicate what type of City funding or incentives are contemplated, the amount to be requested, and proposed use. A timeline indicating when such funds would be required by the developer should also be included in the proposal.

## **B. Assumptions**

The following assumptions should be used when preparing the development budget and 20-year pro forma unless alternative funding sources are subject to different or more restrictive terms.

- Contingencies: Use at least 5% for hard construction and soft costs.
- Leverage: It is anticipated that the selected developer will obtain the majority of financing for development of the project from non-City sources (leverage). The amount of leverage included in the proposed financing plan will be evaluated competitively against other proposals received, with proposals with higher leverage ratios evaluated favorably; and
- Federal requirements: If the proposed financing plan includes federal funding sources such as CDBG, or Housing Vouchers, include costs and time for compliance with all applicable federal requirements (Section 3, Davis Bacon, etc.) in the development's 20-year pro-forma and timeline.

## **Zoning and Land Use Requirements**

The project site(s) are subject to the zoning provisions and the developer shall take full responsibility for any required rezoning. The City may consider being party to rezoning partitions. The City's municipal codes and Comprehensive Plan are available by contacting City Hall (online where?)

## **Other Legal Matters**

The property disposition contemplated through subsequent agreements would not be a surplus property sale, but rather a city-sponsored development of a community housing development on City property. Any selected developer will be required to take full responsibility for the costs and execution of any activities needed to take possession of and develop the development site, which may need to be cleared of structures, vegetation, or other debris. The property will be offered "as is" to the selected developer, who may have full responsibility for completing/updating a survey, environmental review, site preparation, permits, environmental remediation, if needed, and any other predevelopment activity. Any property tax liability during the term of a ground lease or following developer's taking possession of the project site shall be the sole responsibility of the Developer.

#### 4. EVALUATION AND SELECTION CRITERIA

Staff will evaluate proposals received by the submittal deadline. Based on the qualifications of the development proposals, types of proposed developments, and how well the proposals respond to the requested criteria, City staff will make recommendations to City Council for approval consideration.

#### 5. SUBMITTAL REQUIREMENTS

RFP response packages be submitted via electronic drop box and must include a cover letter with a signature from a principal or executive director of development entity.

**PLEASE NOTE:** *The City may, at its sole discretion, request that proposers modify or supplement their proposal with additional information following initial submittal. The City reserves the right to reject any or all proposals submitted, to cancel this RFP, and/or to modify and reissue the RFP at any time.*

**PUBLIC RECORDS:** *Pursuant to the Kansas Open Records Act, all documents submitted in response to this RFP will be considered public records and will be made available to the public upon request.*

- 1. Statement of Interest:** Provide a statement of developer's interest in development of the site; highlights of the developer's qualifications; developer's understanding of the objectives of the RFP; and a brief description of development team. Please limit Statement of Interest to three pages.
- 2. Applicant Qualifications:** Provide an organizational chart describing the entities and key personnel on the team; resumes for lead personnel, and a brief description of similar projects completed by the team in the past fifteen years. Provide at least three letters of reference for each entity included on the development team from parties or agencies involved in the developments listed.
- 3. Project Description:** Provide a narrative description of the general development concept of the affordable/mixed income housing proposed development. The following should be provided as noted in Section 1 of this RFP, unit mix, target population, financing plan, etc. Also describe how the proposed concept addresses the City's affordable/mixed housing objectives. Renderings, site plan, elevations and other graphic portrayals of the proposed development are required.

**Deadline to Submit: 12:00 P.M. on March 18, 2022.**

Proposals received after this time will not be considered. Submit proposals to Mike Scanlon ([mscanlon@osawatomieks.org](mailto:mscanlon@osawatomieks.org)) with a copy to Ed Beaudry ([ebeaudry@osawatomieks.org](mailto:ebeaudry@osawatomieks.org)) and Samantha Moon ([smoon@osawatomieks.org](mailto:smoon@osawatomieks.org)).

## **6. CITY CONTACTS AND RESOURCES**

For further information about this RFP, please contact Mike Scanlon, City Manager at [mscanlon@osawatomieks.org](mailto:mscanlon@osawatomieks.org).

For information regarding the City's development review procedures, zoning, and other Planning information relevant to the Project Site, contact Ed Beaudry, Director of Community Development at [ebeaudry@osawatomieks.org](mailto:ebeaudry@osawatomieks.org).

## **7. DISCLOSURES AND CHANGES TO RFP PROCESS**

All proposals will become the property of the City and may be reproduced in full or in part and/or published online and/or on paper for public review and will not be returned to the proposers. Proposals will be public records. Please do not submit any information that is confidential.

The City of Osawatomie reserves the right to request additional information from applicants, reject all submittals, waive any irregularities in the submittal requirements, or cancel, suspend, or amend the provisions of this RFP at any time. If such an action occurs, the City will notify all applicants, and any other parties requesting such notice, by posting updates online at [www.osawatomieks.org](http://www.osawatomieks.org).

**8. CITY PROPERTIES UNDER CONSIDERATION FOR COMMUNITY HOUSING PROJECTS:**

Parcel No.	Location	Parcel ID	Acreage	Map ID
1	707 Pacific	1711103010001000 1711103010002000 1711103010003000	TOTAL 28,400 Sq Ft	Attachment A
2	831 Pacific	1721004019002000	9,750 Sq Ft	Attachment B
3	Various Addresses  North of Kelly Rd / East of 6th Street	1711103023020000 (Parcel 1) 1711103023028000 (Parcel 2) 1711103023006000 (Parcel 3)	TOTAL 10.0 Acres	Attachment C
4	33300 Bethel Church Rd	1493200000001010 (Parcel 1) And a portion of City property to the north.	TOTAL 6.0 Acres	Attachment D
5	32821 Bethel Church Rd	1483300000005000 Portion of the Parcel	TOTAL 8.5 Acres	Attachment E
6	West 343 <sup>rd</sup> Street	1710100004003000	89.43 Acres	Attachment F

## 9. Request for Proposals Schedule

Activity	Scheduled Date
Post RFP	February 18, 2022
Proposal Submission Deadline	March 18, 2022
Staff Review	March 19 – April 8, 2022
Staff Recommendation	April 8 – April 22, 2022
City Council Consideration	April 28, 2022
Notification of Preferred Proposals	April 29, 2022
Finalization of Development Agreements	April 29 – May 19, 2022
Development Agreement Considerations / Approvals	City Council Dates May 26, June 8, June 22

# Attachment A

## Parcel #1

Structure has been removed.



## Attachment B

### Parcel #2

Structure has been removed.



# Attachment C

## Parcel #3

Three parcels totaling approx. 10 acres



Parcel 2



Parcel 1



Parcel 3

## Attachment D

### Parcel #4

Three parcels totaling approx. 6 acres



## Attachment E

### Parcel #5

Three parcels totaling approx. 8.5 acres (Blue Shaded)



Attachment F

Parcel #6

