



SAN JUAN COUNTY DEPARTMENT OF HEALTH & COMMUNITY SERVICES
OCTOBER 2022

REQUEST FOR QUALIFICATION (RFQ)

TO ENTER INTO A DEVELOPER AGREEMENT TO DEVELOP 1.75 ACRES OF LAND SITUATED IN
FRIDAY HARBOR FOR AFFORDABLE HOUSING RENTAL UNITS.



Tax Parcel Numbers: 351391425000, 351391424000, 351391426000, 351391427000

Zoning: Multi-Family (pending)

Historic Preservation Overlay District: Transitional

Site Size: 76,370 Sq Ft (1.75 Acres) Combined

Timing:

Release Date: **Monday October 3rd, 2022**

Responses Due: **Friday December 9th, 2022**

Contact:

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1. Project Description

San Juan County seeks an experienced developer to partner with and enter into a long term, low to no cost lease agreement for a 1.75 acre parcel located on the corner of Argyle Avenue and Malcom Street in the Town of Friday Harbor. The site is within walking distance to major amenities in the Town of Friday Harbor including the ferry landing, schools, grocery stores, etc. The site presents a unique opportunity for a large scale affordable housing development serving a variety of income levels, primarily households that earn at or below 80% of Area Median Income (AMI).

The County wishes to enter into a developer agreement to create an affordable housing rental development that maintains the character and design of the historic Argyle neighborhood in Friday Harbor while maximizing allowable density for long-term affordable housing rental units, with restrictions to ensure permanent affordability.

2. Preferred Development

San Juan County welcomes proposals to develop rental housing for a variety of income levels including low to moderate income individuals and families, with a mix of low income units (80% AMI and below) and workforce housing units (80-115% AMI).

3. Site Characteristics

The parcel, owned by San Juan County, is undeveloped and mostly flat. Land use for the parcel is currently in the process of a rezone to Multifamily Residential (FHMC 17.24).

San Juan County will fund street frontage improvements necessary for the site.



4. Development Requirements and Incentives

The project site has all necessary infrastructure connections ready to develop, and the County is prepared to make significant financial contributions to the project to offset infrastructure costs. The Town of Friday Harbor is amenable to enter into a development agreement with the developer and if necessary, the County, to provide permanently affordable housing. The Friday Harbor Town Council has determined the following items are appropriate for an affordable housing project on the County owned parcel at the corner of Argyle and Malcom.

1. All Town regulations apply except as modified by items 2 through 9 below.
2. **Density.** Up to 24 units per acre.
3. **Historic Incentive.** Buildings fronting Argyle and Malcom shall incorporate Historic Form of streetscape and architecture. The project shall meet requirements in [FHMC 17.64.070 Incentive Program](#), except as modified by (6) Building Height. Design approval will follow procedures in FHMC 17.64 Historic Preservation. The General Guidelines for new residential construction in the Historic Preservation Manual must be followed. Internal buildings do not need to contain historic design elements; overall design shall be compatible (<http://fridayharbor.org/DocumentCenter/View/519/Historic-Preservation-Manual-PDF>).
4. **Affordable Income.** The proposed development must have a mix which includes moderate (at or below 115% of AMI), low (at or below 80% of AMI), very low (at or below 50% of AMI, and extremely low-income (30% AMI) households as defined in 36.70A. Moderate income household shall not be more than 50% of the total units. The remaining 50% of the total units shall be distributed between low, very low, and extremely low.
5. **Mixed House Type.** The buildings fronting Argyle and Malcom shall be attached Single family. Internal buildings shall be a mixture of unit sizes (4-12 units pers building)
6. **Building Height.** Minimum roof pitch is 5:12 and height may be allowed to 35 feet with 8:12 pitch or greater measure to the highest peak.
7. **Parking.** Off street parking will be a minimum of 1 per dwelling unit.
8. **Long-term Community Resiliency.** As feasible, provide solar arrays and energy-efficient buildings, appliances, and low-flow/water -efficient plumbing fixtures; this will not only help conserve our water resources, it will lower utility costs which will help maintain long-term affordability.
9. **Water Line credit.** A 1.5" water meter will be provided without a connection charge. If a larger meter size is required based on the water distribution size requirements in the current Uniform Plumbing Code, then the difference in cost between meter sizes is the responsibility of the developer.
10. **Rental CCRs.** At the time of the development agreement with the Town, the developer will provide for review and approval conditions, covenants, and restrictions that will govern rental requirements and tenant rules and regulations.
- 11, **Frontage Improvements.** The project will require frontage improvements as outlined in the [Town of Friday Harbor Engineering Design Standards](#) and [FHMC](#)

[12.03. Complete Streets Policy](#). Examples of frontage improvements are sidewalks, street trees, landscaping, planting strips, bulb outs, curb and gutter, and street lamps.

5. Pre-Application Meeting

Applicants are encouraged to schedule a meeting with the County prior to submitting an application for funding. In the meeting, applicants should demonstrate how the proposed project meets the County's goals and priorities. The County will provide feedback as to how the project aligns with available funding and program policies.

6. Proposal Requirements

Responses to this RFQ must include the following elements at a sufficient level of detail to allow the County to evaluate proposals. Your proposal will not be legally binding on either you or the County; however, it must be signed by an authorized officer or principle of your team.

Priority will be given to applicants that have demonstrated ability to develop, own, and/or manage affordable housing with income restrictions. Applicants that do not have previous experience in these areas will be expected to propose an appropriate relationship with an entity that does have this experience.

A. Capability of Development Team

1. Provide background information on your company/firm/non-profit (history, management team, expertise, etc.).
2. List and provide a biography of the people in your organization that will be involved with this project. Include any relevant background information
3. Provide a description of past and current development projects that demonstrate your firm's ability to manage projects of similar size and complexity from concept initiation to a successful outcome.
4. Provide information about anticipated funding for the development including the level of co-investment, third party equity, and debt.
5. References: include at least (3) project partner references that can speak to your firm's track record, expertise, and capabilities.

B. Development Concept

1. Proposed Development - Include square footage(s), unit counts/bedroom counts, etc.
2. Affordable Housing – Number of units proposed, and income levels targeted for affordable housing.
3. Bulk, Massing, and Design - Density and scale, building height, lot coverage, parking areas, consistency with design standards, etc.
4. Sustainability and Design Quality – Describe the character and quality of design you foresee for the site, including any sustainable building or low-impact development practices proposed.
5. Site Design – Explain how the building(s) orientation, proposed driveways and parking access, and building location consider topography and site conditions.

6. Tenant profile – A description of proposed tenants and their needs, household size, estimate and source of tenant income.
7. Management Plan – A description of proposed income verification methods to ensure affordable housing is served to appropriate populations.

C. Proposed Transaction Structure

1. Project Timing.
2. Proposed lease terms.
3. Transaction Commitment and Timing: indicate your desired closing date, your required conditions of closing the transaction, including any required approvals and the timing anticipated in obtaining such approvals.
4. Other material terms and conditions required by you if you are selected for negotiations, including what, if any, incentives, subsidies, or direct investments you are assuming in addition to those represented in this RFQ and supporting materials.

7. Evaluation Criteria

The following criteria will guide the selection of a preferred developer(s):

A. Capability of the Developer

- Materials submitted demonstrate financial strength and ability.
- Developer competence demonstrated through performance track record.
- Capacity to take on this project.
- Overall strength and experience of the development team.

B. Development Concept

- Compatibility with the community goals outlined in the San Juan County and Town of Friday Harbor Comprehensive Plans.
- Consistent with Town of Friday Harbor development regulations.
- Pedestrian orientation and enhanced connections between the property, existing historic neighborhood, and adjacent commercial area
- Achieves a high level of sustainability and quality design.
- Site layout, taking topography and site conditions into consideration.

C. Preferred Transaction Structure

- Defined plan and timing for investment and project build-out.
- Clearly illustrates how the preferred transaction structure best supports realization of a viable project that meets or exceeds the goals of the San Juan County Comprehensive Plan.

8. Selection Process

Responses to this RFQ will be evaluated in the following manner:

1. County Staff will evaluate responses and prepare initial recommendations based on the merits of the proposed projects, whether the project meets the priorities, goals and

strategies of the County's Comprehensive Plan, and whether the response meets the criteria of this RFQ.

2. Housing Advisory Committee (HAC) will review staff reports and present their recommendations to the County Council.

3. County Council will accept or reject the HAC recommendations. The County Council has final decisions-making authority and reserves the right to reject any and all proposals, and/or withdraw or subsequently modify or review the terms contained with this RFQ.

The County Council reserves the right to request supplemental information from any applicant after the RFQ submission deadline if necessary to make a funding decision.

Upon approval by the County Council, the preferred developer(s) and the County will enter into an Exclusive Negotiating Agreement (ENA) to negotiate a Developer Agreement. If the parties cannot execute a Developer Agreement within the time period specified by the ENA, the County reserves the right to enter into negotiations with one or more alternate development teams.

The selection process for this RFQ is outlined in the following tentative schedule. Dates are subject to change.

Issue RFQ: **October 3, 2022**
RFQ Responses Due: **December 9, 2022**

9. Submittal Requirements

Respondent must submit either:

- One (1) electronic PDF file(s) of the RFQ response
OR
- One (1) original unbound copy of the RFQ response

Electronic submittal of the PDF file(s) should be emailed to: ryanp@sanjuanco.com

Please tab sections for easy reference. Original unbound copies must be mailed or hand delivered to:

San Juan County Health & Community Services
P.O. Box 607
145 Rhone Street
Friday Harbor, WA 98250

Responses must be received by 5:00PM on December 9, 2022. The original unbound copy of the responses may be sent by mail or hand delivered; however, if sent by mail, the responsibility of their timely delivery is wholly upon the respondent.

Please note that all proposals are public records and all responses to this RFQ become property of San Juan County.