

Minot National Disaster Resilience Program Residential Lots for the Resilient Neighborhood Affordable Single-Family Housing Program Request for Proposal (RFP)

Advertisement for Bids

The City of Minot is soliciting proposals from property owners who own vacant residential lots (35 vacant, buildable residential lots in no more than 2 separate subdivisions, with a desired maximum density of not more than 5 to 6 units per acre. A future RFP may be issued for higher density property) and would like to submit their property to be evaluated for the NDR Resilient Neighborhood Affordable Single-Family Housing program. Construction on these lots will begin in the spring of 2018 and will proceed as expeditiously as possible for the 18 months that follow with a goal of completing 35 new single-family homes by the end of September 2019.

Proposal instructions are included in the request for proposal package which may be obtained at the CDM Smith Disaster Recovery Office located at Arrowhead Mall, 1600 2nd Ave SW, Ste 27, Minot, North Dakota. **Deadline for receipt of proposal responses is 4:00 p.m., on October 30, 2017.** Proposals will be received in the City Clerk's Office at the Minot City Hall, 515 2nd Avenue SW, Minot, ND 58702. If the proposal is submitted by mail the address is P.O. Box 5006, Minot, ND 58702. Sealed bid packages will be accepted prior to this deadline, packages received after the deadline will not be accepted.

A voluntary pre-proposal meeting on this RFP will be held:

October 11th, 2017 from 3:00 – 4:30 p.m. in Room 301 of the Minot Auditorium. Information regarding the meeting will be available on the City of Minot website and through various media outlets including the Minot daily newspaper. The City and NDR staff will be present at this meeting to answer questions about this RFP. Proposers are not required to attend this session.

Once the RFP has been issued, all questions concerning this RFP, the application package, review process, or any other aspect of the RFP must be directed in writing to: John Zakian, NDR Program Director at john.zakian@minotnd.org All questions regarding the RFP must be submitted within six (6) days of the bid opening and will be addressed weekly in writing so that all potential responders can review any questions that are submitted and the responses to these questions. All updates to the RFP and all questions and answers will be posted on the City of Minot website. You are responsible for checking the website to find updates to the RFP or any RFP questions and responses.

The project is funded with CDBG-NDR funds. Therefore, the Bidder will be required to comply with all Federal, State and Local regulations. These requirements include compliance with Section 3 employment plan, and the Contractor must ensure that employees and applicants for employment are not discriminated against because of their race, color, religion, sex or national origin. The City of Minot reserves the right to determine the lowest responsible and eligible bidder, to waive irregularities and to reject any or all bids.

City of Minot Residential Lots for the Resilient Neighborhood Affordable Single Family Housing Program Request for Proposal (RFP)

Introduction

The City of Minot was awarded \$74.3 Million from the National Disaster Resilience Competition (NDR) to be used for projects included in the City's NDR application. The City's application was developed based upon unmet recovery needs and a resilient vision of Minot determined by residents in over 70 public and stakeholder meetings held during the application process. The Minot NDR application and a subsequent Housing Supply and Demand Analysis Update documented the need for affordable single family housing for Minot's low and moderate income households, particularly those impacted by the construction of the flood control and flood mitigation projects.

Project Description

The availability of quality, workforce housing is important to Minot's ongoing recovery and the region's economic prosperity and resilience. The City of Minot, in accordance with their NDR application, desires to facilitate the construction of new affordable single family housing within a resilient neighborhood(s) to encourage those affected by the flood and the subsequent flood control buy-out program to *Buy-In to Minot*. These architecturally designed homes will provide the quality designs and quality construction standards envisioned by Minot residents in the NDR stakeholder meetings. Qualified buyers may be eligible to receive a resilient homebuyer incentive to help them purchase these homes.

Based on careful analysis of current housing market conditions, continued monitoring of market data and trends, and ongoing discussions with members of the real estate community, bankers, builders and developers, the City has determined the current single family housing market could support the construction of up to 35 new, affordable single family homes at this time. The City has retained EAPC to develop a plan book that will provide plans and specifications for these high quality homes based on design themes found in the area of the city that flooded in 2011.

There are existing subdivisions in Minot with a number of vacant residential lots, many of these subdivisions have infrastructure, roads, and other amenities already in place. The City desires to evaluate residential properties to select a location(s) for a resilient neighborhood as described in the City's NDR application. Minot is requesting interested property owners to submit their vacant residential lots to be evaluated and scored to participate in this single family new construction program. The selection factors to evaluate the resilient neighborhood(s) are included in this Request for Proposal (RFP)

Residential lots in the selected resilient neighborhood will be marketed to eligible homebuyers. These homebuyers will be pre-approved for financing through a NDHFA certified local lender selected by the buyer, the homebuyer will select a plan from the EAPC plan book, a bid and specifications package would be prepared and qualified builders would be invited to bid on the construction of a new home on a lot selected by the buyer in the resilient neighborhood. The selected proposal must convey lots by deed acceptable to local lenders and NDHFA. Terms of sale and payment for all lots selected through this RFP will be negotiated with the proposal property owner, local lenders, NDHFA covered in an agreement to purchase.

A Builder qualification process will be announced in a future solicitation after future discussions with local homebuilders. Bids for construction of these homes will be advertised in early spring 2018, all construction will be inspected during the construction process by EAPC.

There will be a due diligence period after a proposal is selected to allow for actions deemed necessary to inspect the property included in the proposal, including environmental testing, wetlands review or determination, title examination, structural and geotechnical investigations, and other testing and studies that are deemed necessary to document the condition of the property. The selected property must meet HUD requirements. Local lenders and NDHFA will determine the testing and studies required and the cost for these investigations will be the responsibility of the property owner.

The features of resilient neighborhoods identified through NDR stakeholder meetings include:

- properties must be outside of the 2011 flood inundation area
- the neighborhood must be walkable and reasonably connected to the city's existing walking trail network
- quality site plan and quality home designs for existing housing with landscaping and shared community open space
- safe, well maintained neighborhood(s) and play areas
- proximity to transit and community amenities such as parks, recreation areas, and trails; and accessible to services including grocery stores, health care, commercial services, education, etc.
- environmental quality and smart growth principals

The City of Minot has developed a resilient neighborhood site evaluation tool using GIS data and professional field review. Points for resilient neighborhood factors will be determined using this site evaluation tool. A copy of the evaluation factors calculated by the tool will be available on the City of Minot website.

Submission of Proposals:

The City of Minot is seeking proposals from property owners with available vacant residential building lots who are interested in submitting their property for evaluation and possible selection as the resilient neighborhood(s) where new single family homes will be constructed. All proposals must include a one-page cover letter containing a brief description of the proposed property, the number of available residential lots included in the proposal, and the letter must be signed and dated by the property owner(s).

The minimum property requirement for this RFP are:

- a. The property proposed is inside the corporate limits of the City of Minot
- b. The property proposed is outside of the new 100-year flood plain recently released by FEMA
- c. The property owner can provide a clear, marketable title to all the proposed lots
- d. The property must be free of any hazardous materials or non-engineered fill materials that would impact the development and construct of residential homes
- e. All City of Minot taxes currently due must be paid

Proposers should include information for the property they are submitting in their proposal that provides information and documentation that demonstrates their property meets all of the minimum property requirements. Proposers must also provide the following information in their proposal package to facilitate the evaluation of the proposed property. This information will be used to score the submitted properties based on the evaluation criteria included in this RFP.

- 1) A map of the property showing the location of the proposed property within the City of Minot and a map of all of the proposed lots within residential subdivision or area must be provided.
- 2) The property owner(s) must provide evidence they have good and clear marketable title that will be satisfactory to local lenders and NDHFA and must have title insurance from a title insurance company acceptable to the lenders and NDHFA with normal premium rates if required.
- 3) The property owner(s) must provide a map showing all easements, restrictions and reservations of record, if any, that may affect or interfere with the use of and access to each of the lots offered and any of the amenities within the subdivision.
- 4) The property owner should provide a map showing all amenities within the subdivision where the proposed lots are located including walking paths, play areas, common shared green space, and other property amenities that will be available to homes build on the proposed lots.
- 5) The lots to be offered must have all necessary public utilities (water, wastewater, natural gas, and electric) currently installed to the property line of each of the lots being offered. The existing public utilities must have adequate existing capacity to serve the 35 homes to be constructed and the total number of remaining lots within the development. All infrastructure must be connected to the public utility system and necessary distribution, collection, treatment, etc. services. The property owner or their engineer must provide a brief written description of the existing infrastructure, provide a detailed map stamped by the engineer of record showing the location, pipe size, etc. for all on-site infrastructure within the entire subdivision and to each lot proposed to be a part of this project.
- 6) Public streets serving the lots to be offered must meet the City's current standards. If the streets serving the lots to be offered have not been completed, the property owner(s) must provide a detailed schedule for completion and provide surety to the city that will cover the full cost of completing these streets if the streets accessing the lots to be offered are not completed within the schedule that will be included in a final agreement for this program.
- 7) Any approved or pending Special Assessments for utilities must be disclosed. The dollar amount of each individual assessment and the time period covered by the special assessment payment for each lot must be disclosed in writing and a map showing the special assessment for each lot must be provided.
- 8) The property being offered must be free and clear of hazardous materials. The property being offered must be free and clear of fill material except engineered fill placed in accordance with a site plan that was prepared and inspected by a licensed engineer. A copy of the site plan and engineered fill description must be provided in this proposal. The City may require property owners to provide soil boring data for the property being offered if there are concerns about previous fill, buried debris, or other materials placed on the site that would affect the development of the lots or the use of the site.

- 9) Proposer must provide a map that shows the location and configuration of all wetlands on or adjacent to the proposed lots
- 10) The property will be subject to an environmental review process that meets HUD's rules and regulations before the project can proceed. Property owner(s) should provide copies of environmental studies, reports, soils analysis, compactions tests, or other environmental documents prepared for the property being offered. The HUD environmental review will be completed by the City of Minot at no cost to the property owner, any successful proposal must receive clearance through this process.
- 11) Any design standards, covenants, or other site or building standards or restrictions that restrict or govern the lot size, housing cost, design style, or other standards or restrictions that would affect the use or development of this property for residential purposes must be disclosed and copies of the standards, covenants, etc. provided in the proposal
- 12) The lots must have the proper residential zoning in place and a copy of the current zoning classification and restrictions must be provided in the submission
- 13) A copy of the current subdivision map and the final plat map must be submitted. Site plan(s) including elevations, renderings, site layouts, dedicated common areas, dedicated play areas, and other site features must be submitted in the proposal
- 14) The property owner(s) must provide an offer price for each lot that will be a firm and total price for each lot effective from March 2018 through September 2019. By mutual agreement this price may be extended for an additional 12 month period.
- 15) The selected property must pass an inspection to ensure the property is suitable for the intended purpose stated in the RFP and the available infrastructure will support the proposed development so that construction can proceed without major repairs or improvements

The successful proposer must comply with all applicable federal, state, and local laws and regulations related to real estate transactions. The City of Minot and its partners may conduct field inspections of proposed properties to verify information provided in the proposals. Proposers, by submitting this proposal in response to the RFP agree to allow the City reasonable access to the property. The City of Minot may request additional information for any and all proposers if it is deemed necessary to identify the best proposal for this program.

The successful property owner must be prepared to enter into an agreement within 60 days from the selection of the proposal. Final agreements regarding selection and payment for lots will be negotiated with the City and its partners which include local lenders and the North Dakota Housing Finance Agency.

The Proposal Document:

Proposers should submit three (3) hard copies of their proposal unbound with each copy secured by a clip at the top and copies sealed in an envelope with the words, "**Minot NDR Residential Lots for Single Family Housing Program**" written on the outside of the envelope. An electronic copy of the proposal should also be included in the sealed envelope.

The project proposal must be delivered to: Kelly Matalka, in the City Clerk's Office, Minot City Hall, 515 2nd Avenue SW, Minot, North Dakota 58702; or submitted by mail by the deadline to Attn. Kelly Matalka, City of Minot, P. O. Box 5006, Minot, ND 58702.

Project proposals must be received in the Office of the City Clerk at 515 2nd Avenue SW, Minot, ND by 4:00 p.m. on October 30th, 2017.

Review Process:

All proposals will be reviewed by the NDR Technical Review Committee and by the City of Minot NDR Review Committee. The NDR Technical Review Committee will review each proposal for completeness and will prepare a spreadsheet based on the evaluation criteria and the resilient neighborhood site evaluation tool developed with the input of all City of Minot senior staff. This information will be provided to the City of Minot NDR Review Committee who will determine how best to conduct their review of the proposals and once their review is completed they will provide a project selection recommendation to the Minot City Council. The members of both committees will be made available and posted on the city's NDR website page prior to start of review. City Council will make the final selection.

The City reserves the right to reject any and all proposals.

Evaluation Criteria for Residential Lots and the Resilient Neighborhood for Affordable Single Family Housing Program

All proposals submitted in response to this RFP will be reviewed to determine if the required documentation and information is included in the proposal. Proposals that do not contain the required information and documentation will be identified and the proposal will be considered "Incomplete" and will not proceed in the review process. Representations made by applicants for which points are given will be binding.

Complete proposals submitted to the City will be reviewed, evaluated and scored based on the following criteria:

1. Minimum Criteria: Each proposed property must meet all of the following criteria in order to be considered for further evaluation. The proposed should ensure they provide adequate information so that the City can determine their property meets these minimum requirements. Properties that do not meet all of the following criteria will not be considered:
 - f. The property proposed is inside the corporate limits of the City of Minot
 - g. The property proposed is outside of the new 100-year flood plain recently released by FEMA
 - h. The property owner can provide a clear, marketable title to all the proposed lots
 - i. The property must be free of any hazardous materials or non-engineered fill materials that would impact the development and construct of residential homes
 - j. All City of Minot taxes currently due must be paid
2. Public Utilities
 - a. Public utilities (water, wastewater, electric, and natural gas) have been installed and are available to the property line for each of the lots included in the proposal – 10 points

- b. Public utilities (water, wastewater, electric, and natural gas) are not currently installed to the property line of each of the lots included in the proposal but are available within 100 feet of the public street that fronts the proposed lots and does not require utility easement across any property not owned by the proposer and utility extensions are not impeded by natural or man-made features – 2 points
 - c. Public utilities are not installed to the property line of the proposed lots and access to these utilities would require extending utilities more than 100 feet and utility easements that cross property not owned by the proposed and/or natural or man-made features – 0 points
- 3. Public Streets
 - a. The proposed lots have direct frontage on and access to a city-accepted paved public street(s) that meets all City of Minot standards – 10 points
 - b. The proposed lots have direct frontage on and access to a city-accepted paved public street(s) that lacks only the final top coat and otherwise meets all City of Minot standards. Proposer must provide surety and a schedule for the final surface paving – 8
 - c. The proposed lots have direct frontage on and access to a city-accepted public street(s) with base stone installed. Proposer must provide surety, signed design plans and specifications from their engineer for the street(s), and schedule for the construction and completion of the street(s) that will provide access to the proposed lots that will meet all City of Minot standards – 4 points
- 4. Easements and rights-of-way
 - a. There are no easements or rights-of-way over or under the proposed lots – 10 points
 - b. The proposer has demonstrated there are rights-of-way or easements over or under the proposed property but those rights-of-way or easements would not impede the development and construction of residential homes and all rights-of-way and easements on the property are clearly shown and described on a map prepared by a licensed engineer or registered surveyor – 8 points
 - c. There are easements and/or right-of-way over or under the proposed property that would impede the development and construction of residential homes on the proposed lots – 0 points
- 5. Lot conditions and size
 - a. The proposed lots contain at least 8,712 square feet, do not have excessive slope, and are reasonably uniform in shape to accommodate development and construction of a residential home – 10 points
 - b. The proposed lots contain between 7,260 and 8,711 square feet, do not have excessive slope, and are reasonably uniform in shape to accommodate development and construction of a residential home – 8 points
 - c. The proposed lots contain less than 7,260 square feet, do not have excessive slope, and are reasonably uniform in shape to accommodate development and construction of a residential

home. In this case each proposal review team will provide a written recommendation for the award of points between 7 – 0.

6. Offer Price to Purchase Proposed Lots

Offer Price to Purchase each Proposed Lot – The selected offer price to purchase each proposed lot will be subject to review to confirm the lots are at or below fair market. If there are approved or pending Special Utility Assessments on the proposed property, the amount of the special assessment on each proposed lot will be added to the offer price for this evaluation. The proposer should provide a map showing each lot included in their proposal and the offer price for each lot. The lowest and best offer price for purchase of the proposed property will be determined based on:

- The average of the actual offer price to purchase each individual lot included in the proposal divided by the number of lots the proposer has included in the proposal
- The average acreage of each of the individual lots included in the proposal divided by the number of lots the proposer has included in the proposal
- The availability of public utilities to each of the proposed lots with an adjustment made for lots that do not receive the full 10 points for utility access
- Lot access to a public street, adjustment will be made for lots that did not receive the full 10 points for public street access to the proposed lots

The proposal with the lowest and best offer price for purchase of the proposed lots (using the average price as outlined above), will receive 20 points. The proposal with the next lowest and best offer price will receive 15 points; the proposal with the next lowest and best offer price will receive 10 points. Based on the offer price included in the proposal the city reserves the right to revise this scoring to reflect offer prices that are more closely clustered, the lowest and best offer price would still receive 20 points however the point ranking would be revised so that next lowest and best offer price will receive 18 points, the next 16 points and so on.

7. Resilient Neighborhood Features Evaluation

The City of Minot has developed a resilient neighborhood site evaluation tool using GIS and field data. This tool will be used to evaluate the resilient features of each proposed property using the desired resilient features identified by Minot residents during the NDR application process. All of the submitted properties will be evaluated using the tool, the property with the highest score will receive 20 points, and the next highest scoring property will receive a proportional number of points using a proportional analysis of all property scores. The next highest scoring property will receive a proportional number of points using a proportional analysis of all property scores.

8. Property zoning

- a. Proposed lots with the appropriate residential zoning in place will receive 10 points
- b. Proposed lots that are not zoned for residential use will receive 0 points