

DRAFT

TOWN OF WEST TISBURY REQUESTS FOR PROPOSALS (RFP) for the West Tisbury Community Housing Project at 401 State Road, West Tisbury, MA

The Town of West Tisbury, through its Board of Selectmen and with assistance from Affordable Housing Committee invites qualified responders to submit a proposal for affordable housing construction and, if applicable, rental management. The selected responder will be responsible for the construction of housing. Option 1-Three-2 bedroom and Five- 1-bedroom units or Option 2-Four -2 bedroom and Three 1-bedroom units. The structure(s) may be 1 or 2 stories high following height limits of Town. This project should also include a Recreational/Common facility containing a common room with a half bath and kitchen area. A patio off the facility is also requested. The units will be constructed on 401 State Rd., West Tisbury, MA; Assessor's Parcel 11-18 (the "Property"). The Property is approximately 2.6 acres. The constructed units shall be affordable rental units. The Town of West Tisbury will convey the property to the selected responder via a ground lease at payment of _____. The selected responder or its designee will be responsible for permitting, funding, demolition, construction and, if applicable, ongoing property management.

West Tisbury Town Meeting authorized the West Tisbury Board of Selectmen to take all necessary steps to create affordable housing on the 401 State Road property; any applicable reference in this RFP to the Town of West Tisbury means the Board of Selectmen or designee, West Tisbury Affordable Housing Committee, acting for the Town.

I. General Information

1) Proposals will be accepted at the West Tisbury Town Hall, Office of the Town Administrator, 1059 State Rd., P.O. Box 278, West Tisbury, MA 02575, until _____. Applicants must submit one original application, 12 (twelve) copies and a complete set of all materials in electronic format (PDF files) in a sealed envelope marked "West Tisbury Community Housing Project at 16 Old Courthouse Road". Faxed or e-mailed proposals will be deemed non-responsive and will be rejected. Submittals will be accepted until that date and time. Responses will be opened the following business day. If, at the time of the scheduled response opening, Town Hall is closed due to uncontrolled events such as fire, snow, ice, wind or building evacuation, the response opening will be postponed until 2:00 PM the next business day.

2) Award will be made within sixty (60) days after response opening unless otherwise stated in the specifications or the time for award is extended by mutual consent of all parties. All submittals shall be valid for a minimum period of sixty (60) calendar days following the date established for acceptance.

3) If any changes are made to this RFP, an addendum will be issued. Addenda will be e-mailed, mailed or faxed to all companies and individuals on record as having requested the RFP.

3) There will be a Bidders Conference on site, _____.

4) All inquiries or questions regarding this RFP should be submitted via e-mail no later than _____, to _____ Housing Consultant _____. Responses to inquiries and

questions will be mailed, faxed or emailed to all companies and individuals on record as having requested the RFP.

5) Responses may be modified, corrected or withdrawn only by written notice received by the Town of West Tisbury prior to the time and date set for the response opening. Modifications must be submitted in a sealed envelope clearly labeled "Modification No. ___" and must reference the original RFP response.

6) Responses received prior to the date of opening will be securely kept, unopened. No responsibility will be attached to an officer or person for the premature opening of a response not properly addressed and identified. Any submittals received after the advertised date and time for opening will be considered non-responsive and be returned to the responder unopened.

7) Proposals, which are incomplete, conditional or obscure, will be rejected. No award will be made to any proposer who cannot satisfy the Awarding Authority that he/she has sufficient ability and sufficient capital to enable him/her to meet the requirements of these specifications. The Awarding Authority's decision or judgment on these matters shall be final, conclusive and binding.

8) The Town of West Tisbury reserves the right to reject any and all responses and to waive any minor informality in responses received whenever such rejection or waiver is in its best interest.

9) The Town of West Tisbury may cancel this RFP, in whole or in part, or may reject all Proposals, or may procure only some goods and/or services outlined in this RFP whenever such action is determined to be fiscally advantageous, or if it is otherwise in the best interest of the Town of West Tisbury.

10) The Town of West Tisbury may request that supplementary information be furnished to assure the Town of West Tisbury that a proposer has the technical competence, the business and technical organization, and the financial resources adequate to successfully perform the necessary work.

11) The Town of West Tisbury will not be responsible for any expenses incurred in preparing and submitting responses. All submittals shall become the property of the Town of West Tisbury. All deliverables, reports, maps and other documents resulting from this contract shall become the property of the Town of West Tisbury.

12) The RFP, and any subsequent contract for the services, is hereby issued in accordance with M.G. L. c. 30B. The selected proposer shall be expected to comply with all applicable state and federal laws in performance of service and acceptance of the land from the Town of West Tisbury, including but not limited to M.G.L. c. 44, § 63A, M.G.L. c. 60, § 77A and M.G.L. c. 60, § 77B.

13) Response to this RFP acknowledges the proposer's acceptance of all sections and requirements of this document. The proposer's response to the RFP will be incorporated within the contract. If the proposer's proposal does not comply with the requirements of this RFP, or if an item is not understood in any way, a copy of that section of the RFP must then be included in the proposal and all its copies clearly stating the deviation, additions, or other comments.

14) The Town of West Tisbury makes no representations or warranties, express or implied, as to the accuracy and or completeness of the information included in this RFP. This RFP, including all attachments, supplements and/or future addendums, is made subject to errors, omissions, and

withdrawal without prior notice, and to changes to, additional, and different interpretations of laws and regulations.

15) The Tax Compliance Certification and the Certificate of Non-Collusion must be included with the response. These forms must be signed by the authorized individual(s).

II. Background

A. Housing Needs.

The Department of Housing and Community Development lists West Tisbury as having 1.8% of its year-round housing stock affordable to low-to-moderate income households. The state goal is 10%. Compared to other Vineyard towns (ranging from Aquinnah with 25.9% to Chilmark with 0.7%), West Tisbury has the second least affordable housing.

With a very high seasonal demand for rental housing, year-round stable affordable rentals are rare, if not virtually impossible, to find. With the large demand for summer homes the cost of purchasing a home has become virtually unattainable for those making median income or below.

B. 2021 Dukes County Area Median Incomes

The **2021 Dukes County Income Chart** below represents a compendium of housing programs for which household income is a function of household size and percentage of the County’s Median Family Income. Please feel free to contact the Housing Authority with any questions regarding the specific program you might be considering.

The 2021 HUD Median Family Income (MFI) for Dukes County is **\$104,700 ***

	30%	50%	60%	80%	100%	110%	120%	140%	150%
1 person	\$23,100	\$38,500	\$46,200	\$59,200	\$74,000	\$84,700	\$88,800	\$103,600	\$111,000
2 persons	\$26,400	\$44,000	\$52,800	\$67,650	\$84,600	\$96,800	\$101,520	\$118,440	\$126,900
3 persons	\$29,700	\$49,500	\$59,400	\$76,100	\$95,150	\$108,900	\$114,180	\$133,210	\$142,725
4 persons	\$33,000	\$55,000	\$66,000	\$84,550	\$104,700	\$121,000	\$125,640	\$146,580	\$157,050
5 persons	\$35,650	\$59,400	\$71,280	\$91,350	\$114,200	\$130,680	\$137,040	\$159,880	\$171,300
6 persons	\$38,300	\$63,800	\$76,560	\$98,100	\$122,650	\$140,360	\$147,180	\$171,710	\$183,975

* The US Department of Housing & Urban Development (HUD) determines Median Family Income for each County across the country. These figures are then utilized in a variety of housing programs on Martha’s Vineyard including those administered through state agencies such as Department of Housing & Community Development (DHCD) and Mass Housing Partnership (MHP).

(Program specific methodology accounts for mathematical differences within the chart)

Please visit huduser.com or mhp.net/resources for their 2022 Income Limits and documentation.

C. Affordable Rental Rates

2021 Household Income Limits* (80% of Dukes County Area Median Income)

One Person	\$59,200
Two Persons	\$67,650
Three Persons	\$76,100
Four Persons	\$84,550

2021 Maximum Rent Limits*	<u>Studio</u>	<u>1 Bedroom</u>	<u>2 Bedrooms</u>
With Utilities:	\$1,480	\$1,585	\$1,902
Split Utilities**	\$1,406	\$1,486	\$1,791
Without Utilities***	\$1,326	\$1,406	\$1,665

* Income and rent levels provided annually by the U.S. Department of Housing & Urban Development (HUD) and the Mass Housing Partnership (MHP).

** In order to charge the split utilities rental rate, the heating or electric (not both) must be the utility shared with the primary resident. One example would be a tenant who pays a monitor heater fuel bill while sharing an electric service with the landlord.

*** In order to charge the rental rate without utilities, all utilities must be separately metered and billed in the name of the tenant.

The West Tisbury Affordable Housing Committee has reviewed these guidelines.

III. Request for Proposals

1. Project Description

The Town of West Tisbury, through its Board of Selectmen and with assistance from Affordable Housing Committee invites qualified responders to submit a proposal for affordable housing construction and, if applicable, rental management. The selected responder will be responsible for the construction of **Option One or Option Two stated above** will be constructed on **401 State Road, West Tisbury, MA; Assessor’s Parcel 11-18** (the “Property”). The Property is approximately **2.6 acres**. The constructed units **will be** affordable rental units. The Town of West Tisbury will convey the property to the selected responder via a ground lease at _____. The selected responder or its designee will be responsible for permitting, funding, demolition, construction and ongoing property management.

The project must include **7 or 8** units. Total bedrooms in the aggregate must **not exceed** a total eleven **(11) bedrooms**. **Option One** calls for **3-2 bedrooms and 5-1 bedrooms**. **Option Two** calls for **4-2**

bedrooms and 3-1 bedrooms. Affordability must be for households earning at or below _____ of Duke’s County Area Median Income (note this is a maximum; affordability could be at lower levels). Units must be restricted affordable in perpetuity. **The occupancy target is for 50% senior housing or the maximum allowed preference.** The Town of West Tisbury will require that the Developer use best efforts to secure the maximum local preference allowed by law in the initial tenant selection process.

See Attachment A, Maps, Site Information and Town Meeting Vote

The purpose of this Request for Proposal (RFP) is to select a developer who can demonstrate the experience and capacity to timely and successfully:

- a) Enter into a Ground Lease with the Town of West Tisbury **upon completion of construction.**
- b) Conduct community outreach and design review. Before applying for permitting the draft plans and specifications shall be presented to the community and neighbors. The developer will work to be harmoniously with the neighborhood.
- c) Secure all appropriate approvals and permits, including Board of Health approval if using nitrogen credits. It is anticipated that this project will be permitted under the Town of West Tisbury Zoning Bylaw Section 4.4 “Housing” or under Massachusetts General Law Chapter 40B as a Local Initiative Program (LIP).
- d) If applicable, and for those units that are eligible, ensure all units are included on the Department of Housing and Community Development (DHCD) Subsidized Housing Inventory (SHI). This requirement may be waived at the discretion of the Town of West Tisbury
- e) If applicable, execute a Regulatory Agreement (**Land Disposition Agreement**) in a form acceptable to the Town of West Tisbury and the Department of Housing and Community Development.
- f)) Construct building/s for a total of **7 or 8** units. High quality construction is required.
- g) Work cooperatively through outreach, marketing, including lottery if necessary, utilizing the Town’s selection processes for future assignments.
- h) If applicable, effectively and productively manage the units of affordable rental housing, ensuring a quality, sustainable neighborhood; or at the approval of the Town of West Tisbury, hire a local management team under a management agreement approved by the Town of West Tisbury.

See Attachment B, Outline Specifications

See Attachment C, Sample Ground Lease, including Sample Management Agreement

See Attachment D, Sample Regulatory Agreement

See Attachment E, Sample Tenant Selection Policy and Tenant Lease, Condominium Agreement, Deed Rider and Applications

IV. Property Description

The property is approximately 2.6 acres parcel of land in West Tisbury located at 401 State Road, Assessor's Parcel 11-18. See Attachment A for Maps, Site Information and Town Meeting Vote. The Site Plan prepared by Vineyard Land Surveying & Engineering, Inc and dated July 27, 2021 presents an estimated build envelope.

Selected responder and the Town of West Tisbury will agree upon a Design Plan and Building Envelope prior to execution of the Land Disposition Agreement. The Design Plan must include details on the driveway and apron, and the developer must obtain approval for the driveway and the apron from the Planning Board's Road Inspector and the Town's Fire Chief.

Any substantive changes from the approved Design Plan and Building Envelope made after the execution of the Land Disposition Agreement will require approval of the West Tisbury Affordable Housing Committee. Any changes from the approved Design Plan and Building Envelope made after the execution of the Ground lease will require approval of the Board of Selectmen.

The West Tisbury Affordable Housing Committee and town officials will work with the developer to do what is needed and appropriate for this project to be done safely and correctly.

III. Goals and Guidelines

The Town of West Tisbury has established the following guidelines as a reflection of its goals for quality development of the property. Priority will be given to applicants who demonstrate the ability to best meet these goals, as determined by the evaluation criteria in this RFP

A. General Design and Construction Guidelines

All structures must comply with any local applicable code, including "stretch code", Massachusetts State Building Codes, Massachusetts Electrical Code, Massachusetts Plumbing and Heating Code, Massachusetts Fire Code, and Massachusetts Sanitary Code.

Modular, panelized construction or traditional "stick-built" construction. Must be in the character of the neighborhood.

*****To the greatest extent possible, building plans should be harmonious with the existing architecture of the neighborhood and the Town of West Tisbury.*****

B. Building and Unit Specifications

The ground floor living space in the units must meet ADA visitability standards, with one or two units meeting handicap ADA standards, including exterior walkways. The site plan must include parking spaces (2 parking spaces per unit according to Town standards).

C. Energy Efficiency and "Green" Construction

Proposals shall provide the most energy efficient residential project within the constraints of this development. Energy Star Standards shall be adhered to. The Town of West Tisbury encourages applicants to suggest in their design plans to improve the energy efficiency and maintenance of the housing units. It encourages applicants to suggest "green" technologies, LEED construction and/or near Net Zero and Net Zero Building, including, but not limited to, the addition of solar energy components.

D. Landscaping and Site Work

Proposals will include finish grade (taking into account appropriate and reasonable drainage techniques), lawn, shrubs and appropriate driveways. Proposals shall provide a landscape plan that includes an area along the property borders **of 50 feet if possible**.

E. Readiness to Proceed and Timelines

Developer shall show the ability to start on the project within a reasonable timeframe after award of this project. Start shall be evidenced by securing of a building permit. The ground lease will be executed after receipt of all building permits. Construction shall be completed, as evidenced by a Certificate of Occupancy, and the units shall be rented to eligible and qualified households, preferably earlier but no later than two years after building permits have been issued. Timelines may be extended by mutual agreement of the Developer and the Town of West Tisbury.

F. Financial

Selected responder shall be responsible for all costs associated with permitting, demolition, construction, household selection and ongoing rental maintenance and management, and shall demonstrate the financial capacity to manage and complete the Project. Assistance shall be provided by the Town of West Tisbury in the form of documentation for any grant applications or subsidies for which the selected responder may choose to apply.

G. Land Disposition and Ground Lease

The selected developer will enter into a Land Disposition Agreement with the Town of West Tisbury. When all necessary permits are in place developer and the Town of West Tisbury will enter into a Ground Lease. See Attachment C for a sample Ground Lease. The Ground Lease fee will be _____ (). This is a one-time fee? The area to be ground leased will be the "property", with exact specifications to be agreed upon before the Ground Lease is executed.

IV. Evaluation Criteria

The criteria to be used by the Town of West Tisbury in evaluating the proposals are as follows.

A. Minimum Threshold Criteria

The project must meet the minimum threshold criteria. Submittals failing to comply with one or more of the minimum criteria stated below shall be disqualified from further consideration:

1. The response must be complete and must conform to all submission requirements.
2. Proposal must be for apartments of bedrooms **one and two (not to exceed 11 bedrooms)** with total of **seven or eight (7 or 8)** apartments total. All of the ground floor living space in the units must meet ADA visitability standards, including exterior walkways.
3. Affordability (utilizing the Town's selection processes for future assignments): Units must be affordable to households earning at or below _____% of the Duke's County Median Income.
4. Responder must certify compliance on all state and local taxes (see Attachment F).

B. Comparative Evaluation Criteria:

Projects meeting the minimum criteria will be judged on the following additional comparative evaluation criteria. The Town of West Tisbury reserves the right to award the contract to the responsive and responsible proposal which best meets the Town's needs, considering qualifications, submittal quality and evaluation criteria. The awarding authority's decision or judgment on these matters shall be final; the Town of West Tisbury will use the comparative criterion for each separate rating area, and

based upon these criteria, will assign an overall rating to each proposal. Each of the criteria may contain ratings of:

- Unacceptable**
- Not Advantageous**
- Advantageous**
- Highly Advantageous**

An “Unacceptable” rating in any one of the criteria may eliminate the proposal from further consideration.

1. Strength of Development Team

Applicants will be evaluated on the strength of the development team as evidenced by the experience with similar projects. Experience evaluated will be that of the organization’s principal (executive director, chief executive officer, or similar position) and the individual designated to lead the Project (project manager or other similar position).

- Unacceptable: Either the organization’s principal or the project manager has had no experience with similar projects within the last 5 years.
- Not Advantageous: Either the organization’s principal or the project manager have had experience with only 1 similar project within the last 5 years.
- Advantageous: Both the organization’s principal and the project manager have had experience with 2 or more similar projects within the last 5 years.
- Highly Advantageous: Both the organization’s principal and the project manager have had experience with 3 or more similar projects within the last 5 years.

2. Construction Experience: Applicants will be evaluated based on the extent of the organization’s construction experience with residential new construction affordable rental projects.

- Unacceptable: Applicant has no construction experience with residential new construction affordable rental projects.
- Not Advantageous: applicant has less than 5 years of the above stated construction experience.
- Advantageous: Applicant has 5 to 8 years of the above stated construction experience.
- Highly Advantageous: Applicant has more than 8 years of the above stated construction experience.

3. Rental Property Management Experience (only applicable if the proposed development includes rental units): Development Team will be evaluated on the extent of the organization’s and/or the organization’s designated Management Group’s experience with Rental Property Management in the context of affordable housing.

- Unacceptable: Applicant has no experience with rental property management in the context of affordable housing.
- Advantageous: Applicant has less than 5 years’ experience with rental property management in the context of affordable housing.
- Highly Advantageous: Applicant has more than 5 years of experience with rental property management in the context of affordable housing.

4. Financial Experience and Capacity: Applicants will be evaluated on the extent to which financial references verify financial capacity of applicant and the extent of their financial strength to support the most favorable terms from a construction lender.

- Unacceptable: Applicant has not demonstrated financial capacity by providing adequate documentation to allow reviewers to determine financial viability.

- Not Advantageous: Applicant has provided basic documentation regarding financial capacity however it is not clear that applicant has the financing or cash flow to adequately complete the project.
- Advantageous: Applicant has provided sufficient documentation to demonstrate financial viability and cash flow to complete the project.
- Highly Advantageous: Applicant has provided ample documentation to demonstrate financial viability and cash flow with a lending letter of interest naming this project.

5. Project Discussion and Cost Projections Applicants will be evaluated on the extent of their project understanding, especially pertaining to the goals of creating quality affordable housing, as evidenced by Applicant’s Project Description and Project Proformas.

- Unacceptable - Proposal did not adequately convey Applicant’s understanding of the project goals and approach to completing the project successfully.
- Not Advantageous - The response indicates Applicant may understand the project goals, but the materials provided are not clear enough to make a determination. Applicant’s approach does not instill confidence in a plan to complete the project in a well thought out manner.
- Advantageous - The Project Description and Project Proformas indicate Applicant will meet the project goals and show the Applicant’s demonstrated understanding of the project and approach to the work required.
- Highly Advantageous - The Project Description and Project Proformas clearly indicate Applicant’s understanding of the project goals and ability to successfully meet these goals; shows the Applicant’s demonstrated understanding of the project; Applicant’s ability to bring leadership to the project and that their approach to the project demonstrates a creative and thorough process.

6. Project Discussion and Design Proposals Applicants will be evaluated on the extent of their project understanding, especially pertaining to the goals of creating quality affordable housing that is harmonious with the existing architecture of the neighborhood and the Town of West Tisbury, and meets the Goals and Guidelines in the RFP, as evidenced by Applicant’s Project Description, including Preliminary Site Plans and Architectural Plans.

- Unacceptable - Proposal did not adequately convey Applicant’s understanding of the project goals, and approach to designing the project successfully.
- Not Advantageous - The response indicates Applicant may understand the project goals, but the materials provided are not clear enough to make a determination. Applicant’s approach does not instill confidence in a plan to design the project in a well thought out manner.
- Advantageous - The Project Description provided indicate Applicant will meet the project goals and show the Applicant’s demonstrated understanding of the project and approach to the design.
- Highly Advantageous - The Project Description provided clearly indicate Applicant’s understanding of the project goals and ability to successfully meet these goals; shows the Applicant’s demonstrated understanding of the project; Applicant’s ability to bring leadership to the project and that their approach to the design demonstrates a creative and thorough process.

7. Readiness to Proceed Applicants will be evaluated on their ability to begin the project in a timely manner as demonstrated by the Projected Development Schedule.

- Unacceptable: Applicant did not provide a Projected Development Schedule.

- Not Advantageous: Applicant has provided a Projected Development Schedule that documents the ability to secure all necessary permitting approvals and financing within 24 months of the project award, and construction completion within 36 months of project award.
- Advantageous: Applicant has provided a Projected Development Schedule that documents the ability to secure all necessary permitting approvals and financing within 9 months of the project award, and construction completion within 24 months of project award.
- Highly Advantageous: Applicant has provided a Projected Development Schedule that documents the ability to secure all necessary permitting approvals and financing within 6 months of the project award, and construction completion within 18 months of project award.

8. Ability to Work with Local Government and Funding Sources Applicants will be scored according to the extent of successful experience working with government-assisted programs and funding sources during the last five years.

- Unacceptable: Applicant has no experience working with government assisted programs
- Not Advantageous Applicant with less than one-year successful experience working with government assisted programs
- Advantageous: Applicant with one to five years successful experience working with government assisted programs
- Highly Advantageous: Applicant with more than five years of successful experience working with government assisted programs

9. Green Construction Proposal will receive additional consideration for green construction as follows:

- Unacceptable: Lack of adherence to Energy Star standards
- Not Advantageous: Adherence to Energy Star standards
- Advantageous: Additional “green” aspects to construction beyond Energy Star
- Highly Advantageous: LEED certified construction

V. Submission Requirements

Applicants must submit all of the following information:

1. Letter of Interest signed by all principals of the applicant organizations.
2. Project Description
 - a. Project Narrative
 - b. Preliminary Site Plans and Architectural Plans (floor plans and elevations)
 - c. Project Timeline
 - b. Information on the Development team (e.g. developer, key consultants, property manager, architect, contractor, attorney, etc.), including details on previous experience of members of the team and details on similar projects completed.
3. Project Proformas
 - a. Sources and Uses of Funds (Construction Budget)
 - b. Operating Pro-Forma (only applicable to rental projects)
4. Financial and Developer Information:
 - a. Developer Financials: Most recent federal tax forms and audited financial statements
 - b. Letters of interest from lender(s) or other documentation of funding sources
 - c. References (no more than three), including name, title and contact information
 - d. List/Description of other real estate owned
5. Forms and Certificates
 - a. Certification of Tax Compliance (M.G.L. c. 62C, 49A) (Attachment F)
 - b. Disclosure of Beneficial Interests (M.G.L. c.7, 40J) (Attachment G)
 - c. Certificate of Non-Collusion (Attachment H)
 - d. Information regarding any legal or administrative actions, past, pending or threatened that could relate to the conduct of the applicant's business (Attachment I).

VII. Selection Process

All packages submitted by the deadline will be opened in public and logged in. All information contained in the proposals is public. The Town of West Tisbury, with the assistance of its Affordable Housing Committee or its designee(s) will review and evaluate all proposals that have been received by the submission deadline. Evaluation of the proposals will be based upon the information provided in the applicant's submission in accordance with the selection criteria.

The West Tisbury Affordable Housing Committee shall make a recommendation to the Board of Selectmen. Final award shall be by vote of the Board of Selectmen.

VI. Attachments:

- Attachment A: Maps, Site Information and Town Meeting Vote Attachment
- Attachment B: Outline Specifications
- Attachment C: Sample Ground Lease (including Sample Management Agreement)
- Attachment D: Sample Regulatory Agreement
- Attachment E: Sample Tenant Selection Policy and Sample Tenant Lease
- Attachment F: Certificate of Tax Compliance Form
- Attachment G: Disclosure of Beneficial Interests Form
- Attachment H: Certificate of Non-Collusion Form
- Attachment I: Information on Legal and Administrative Actions