



# Request for Proposal

## RFP for BMR Administration

March 29, 2024

### Questions and Answers:

1. Q: Is there an existing administrator now? If not, how many staff are working on the program now? In either case, what was the 2023-2024 FY budget for work completed on the 3 programs in the RFP?

A: Yes, our current BMR administrator is East Palo Alto Community Alliance and Neighborhood Development Organization (EPACANDO), in partnership with Bay Area Affordable Homeownership Alliance (BAAHA). Our current budget for this program is \$41,000 annually.

2. Q: Does the City currently have a database or system to track program assets, participants, and program information today? Are there plans for such a system?

A: The City of East Palo Alto has a simple spreadsheet that lists all current participants. The City is looking for a more comprehensive tracking system. It does not need to be a complex database, but along with the BMR administrator, should provide City staff an update on program assets, if requested.

3. Q: What is the projected budget for this year's program administration RFP?

A: City Council has not approved a budget for this year's program administration but is expecting proposals to range between \$50,000 - \$100,000 annually. The current FY23-24 budget for the program is \$41,000.

4. Q: Does the City have funds set aside to purchase BMR Units from out of compliance homeowners if needed or save homes from foreclosure?

A: The City does not currently have the funds to purchase BMR units from non-compliant homeowners. However, it may be a consideration in the future.

5. Q: What is the anticipated new construction pipeline of new for-sale or rental units? Are there Applications working their way through the entitlement process now? How many outstanding developer applications exist with 1 or more affordable units included? How does this break down in terms of for-sale vs. Rental?

A: Future addition to the BMR pipeline will consist of deed- restricted units provided by market-rate developers resulting from the City's Inclusionary Housing requirements, and affordable units resulting from City loan agreements like the City's CalHome ADU/JADU Loans. Please see Table 4 in the February 20, 2024, Staff Report (available at:

[https://cityofepa.granicus.com/player/clip/66?view\\_id=1&meta\\_id=6251&redirect=true](https://cityofepa.granicus.com/player/clip/66?view_id=1&meta_id=6251&redirect=true)) and Table 2 of the RFP for a more detailed overview of anticipated new units resulting from these two different categories.

In short, within the next 1-3 years and the term of the BMR Administration contract, the City anticipates the construction of 2 new rental units and 7 new ownership units from projects that are currently undergoing the zoning clearance or building permit review process.

The following BMR pipeline projections may be outside the scope of the current BMR RFP and are included here for informational purposes. In the next 3-5 years, the City anticipates the construction of approximately 36 BMR inclusionary units as part of the [1675 Bay Road – Four Corners Project](#), and in the next 5-8 years, the City anticipates the construction of approximately 52 BMR inclusionary units as part of EPA Waterfront project.

6. Q: Is the current Housing and Economic Development Manager role full time? What percentage of time is devoted to housing matters?

A: The housing team consists of a full-time Housing and Economic Development Manager and a full-time Housing Project Manager, who collectively oversee housing programs such as the BMR. The Housing Project Manager would be the lead City staff the BMR Administrator would coordinate on a regular basis, and the Housing and Economic Development Manager would support where needed.

7. Q: Was this RFP part of a City Council-involved Study Session? Will Council Members be part of the interview process?

A: City staff presented a report to City Council on February 20, 2024 (See archived agendas online: [Agenda and Minutes | City of East Palo Alto \(cityofepa.org\)](https://www.cityofepa.org/agenda-and-minutes), item 9.1). The Council will not be involved in the interview process of the procurement. Once City staff have completed the evaluation of the proposals, a recommendation will be presented to City Council for them to consider for approval.

8. Q: Is the City open to considering recommendations for tuning its “front-end” processes (e.g., developers’ affordable housing plans, template regulatory documents) in order to strengthen long-term program durability -- homeowner clarity, administrative efficiency, covenant enforceability.

A: Yes, but the key purpose of the RFP still needs to be answered in the proposal. These other recommended services may be added as optional services for consideration.

9. Q: Is the City open to the creation of a procedural program administration manual to delineate roles and responsibilities (as among sellers, buyers, brokers, lenders, BMR administrators, City staff), and supplement the City’s existing policy guidelines?

A: Yes, but the key purpose of the RFP still needs to be answered in the proposal. These other recommended services may be added as optional services for consideration.

10. Q: Is the City interested in the administrator supporting the city on its long-term monitoring requirements for all its affordable rental developments, not just those generated by the inclusionary ordinance? For example, RDA-funded or tax-credit funded nonprofit developments. This list may include over 300 rental units, which are not mentioned in the RFP.

A: As of now the City is focusing on existing units in the portfolio and new affordable housing units primarily generated by the Inclusionary Housing Ordinance and loan agreements such as the CalHome ADU/JADU Loan Program. There is a possibility to expand this in the future.

11. Q: Is the City interested in developing and maintaining a more comprehensive list of all price-restricted for-sale properties in the city (not just those in the City's inclusionary portfolio) and developing a monitoring and enforcement plan around those units?

A: Yes, but the key purpose of the RFP still needs to be answered in the proposal. These other recommended services may be added as optional services for consideration. At this time, the only new price-restricted for-sale properties result from the City's Inclusionary Housing Ordinance.

12. Q: Is the City interested in expanding (or restarting) its First Time Homebuyer loan program by partnering to apply for state grants?

A: Yes, but the key purpose of the RFP still needs to be answered in the proposal. These other recommended services may be added as optional services for consideration.

13. Can an RFP be submitted solely for the administration of affordable rentable units? Or, does it need to be submitted for the entire BMR Administration, including the Ownership program?

A: Organizations should aim to fulfill all aspects of the RFP. If your organization only has experience in managing one portion of the BMR portfolio (e.g. rental vs. ownership) and is unable to meet all the requirements. Then, you will need to submit an application with a partnering agency, otherwise the RFP will be deemed incomplete.