

REQUEST FOR PROPOSALS
Consultant for Downtown Housing
Feasibility Study
-- CITY OF MERCED --
December 21, 2022



REQUEST FOR PROPOSALS - OUTLINE

I. Project Overview

II. Background Information

City of Merced

III. Project Details and Scope of Work

Project Approach

Environmental Review

Project Schedule/Timeline for Milestones & Deliverables

Scope of Work

Budget

IV. Requested Consultant Services

Preferred Consultants

Milestones/Deliverables

Roles

Expertise

Meetings

V. Consultant Scope of Services

Deliverables and Budget

Past Projects of Similar Nature

Who is the Project Team?

Team Member Resumes

Other

VI. RFP Logistics and Process

City Contact

RFP Due Date

Interview Format

Who Decides?

Review and Selection Schedule

VII. Contractual Topics and Conditions for Responses

I. PROJECT OVERVIEW

The City of Merced requests competitive sealed proposals from qualified consultants to conduct a Downtown Housing Feasibility Study. The City is experiencing a severe housing shortage, characterized by lack of available units and the rising gap between average income levels and housing costs. The Regional Housing Needs Allocation (RHNA) Plan indicates that the City should zone for just over 10,000 more units in the next eight years. The City has been identified by the State of California to house the Merced High-Speed Multi-Transit (Amtrack and ACE) Rail Station; the location of which is proposed to be on 15th Street between O and R Streets. These facts bring forth the need for a feasibility study that preserves the current available parking spaces, adds residential parking, provides for residential, and mixed-use Transit Oriented Development (TOD). Merced is home of the 10th University of California campus, just north of current city limits, soon to be annexed into the City. The deliverables would include pre-entitlements, comparison of available locations, conceptual site plans, preliminary renderings, financial pro-forma, and funding opportunities that allow for mixed-income higher density housing opportunities.

The City Council of the City of Merced has set increasing housing and decreasing homelessness as major goals and priorities. To implement these priorities, the City intends to use grant funding to conduct this study, to a point where development partners can act on the concepts developed from this study to build more housing. The locations involved are currently owned by the City and serve as open parking lots for downtown businesses and activities. The parking areas can be



used in whole or in part and involve several parcels. The big picture would include converting these city parking areas to multi-story, mixed income, multi-family housing, parking, and possibly

retail or offices uses. **Key statements in this RFP are shaded red. For a general overview, please review those sections.**

Goals and Objectives: This project aims to have development-ready-site(s) for multi-family, high density housing with mixed use purposes.

Objectives:

- To support the City Council's direction to provide increased housing choices
- To promote strategic infill growth by providing increased urban development options
- To support the City of Merced's RHNA objectives
- To increase housing options in the downtown/transit area

This effort should include the following:

- Provide an analysis of the housing needs in the downtown area specifically related to the development of the High-Speed Rail (HSR) Station with TOD.
- Review and become familiar with the City's pro-housing policies, Regional Housing Needs Allocation Production Plan, A32 – PFFP Policy, and Draft In-Fill Study to use these policies to benefit the project.
- Compare and contrast two city owned parking areas and provide a recommendation on best developable area.
- Evaluate the City's current Zoning Ordinance (Title 20) and design standards for development options keeping in mind this project will be high density, in-fill development with a significant portion or 100% affordable.
 - Helpful link to Chapter 20.46 for Residential Design Standards:
<https://www.cityofmerced.org/home/showpublisheddocument/4278/638005766541070000>
 - City Zoning Code:
https://library.municode.com/ca/merced/codes/code_of_ordinances?nodeId=TIT20ZO
- Develop a concept site plan with building elevations, various sized floor plans, and drawings to include mixed use with the focus on housing while not sacrificing current parking spaces and adding parking for new uses.
- City concessions and waivers via Density Bonus should be considered.
- Develop a Financial Pro-Forma, addressing construction funding and 15 year ongoing operations.

- Recommend funding sources, i.e. tax credits, grant funding, etc. With in-fill development and affordability covenants the City can assist with funding such a project via PFFP reductions.
- Compare and recommend condominiums for homeownership vs. rental units or possible combination of both.
- Develop a concept report including all of the above with recommendations that provides for the maximum number of units with the most feasible plan for construction and development.

The location map below represents the available space to consider. These parking lots are all city owned and comprised of multiple parcels.



N Street between 18th & 19th					
Parcel Address	APN #	Acres	Sq. Ft	Zoning	GP Designation
714 W 19th Street	031-052-006	0.09	3,750	C-O	CO
700 W 19th Street	031-052-007	0.26	11,250	C-O	CO
705 W 18th Street	031-052-008	0.43	18,750	C-C	RC
West 16th & M St					
Parcel Address	APN #	Acres	Sq. Ft	Zoning	GP Designation
645 W 16th Street	031-134-020	0.17	7,500	C-C	RC
639 W 16th Street	031-134-014	0.17	7,500	C-C	RC
625 W 16th Street	031-134-013	0.43	18,750	C-C	RC
605 W 16th Street	031-134-022	0.13	5,625	C-C	RC
1615 M Street	031-134-010	0.04	1,875	C-C	RC
1617 M Street	031-134-009	0.04	1,875	C-C	RC
1621 M Street	031-134-008	0.04	1,875	C-C	RC

Funding: The City of Merced is funding this effort through the SB2 Planning Grants Program from the State of California Department of Housing and Community Development.

Timeline: The *Project Timeline* sought by the City for this project is approximately 4 months from start to finish.

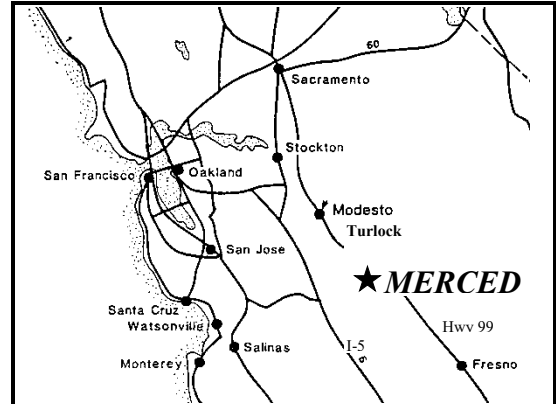
**PROPOSALS ARE DUE AT 5:00 P.M.
ON FRIDAY, January 20, 2023**

II. BACKGROUND INFORMATION

City of Merced

Located in the heart of the San Joaquin Valley, the City of Merced is the Merced County seat as well as the retail commercial center for the surrounding region. Known as the “Gateway to Yosemite” because of its historic status as a stopping place for visitors on their way to Yosemite, Merced is just 80 miles from the national park. Merced is home to the University of California, Merced campus, which opened in 2005 and has a student population of about 10,000 students. UC Merced students add youthful diversity to the City and Central Valley. Merced’s vibrant downtown has become an employment center for the city with new investments opening businesses such as, the Tioga, El Capital Hotel, Bitwise and the Mainzer Theater and Café

Merced is approximately 150 miles southeast of San



Regional Location



Francisco and is one of a chain of cities located along State Highway 99. Highway 99 is one of the two main north-south arteries connecting Southern California to the Pacific Northwest region. The City of Modesto is located 40 miles, Stockton 65 miles, and Sacramento 100 miles to the north of Merced along Highway 99. The City of Fresno is 55 miles and

Bakersfield is 165 miles to the south along Highway 99. Merced City Limits are generally bounded on the west by State Highway 59 and Thornton Road, on the east by McKee and Tower Roads, on the north by Old Lake Road, and on the south by Dickenson Ferry Road and Mission Avenue. The City of Merced covers approximately 23.1 square miles (or approximately 14,800 acres) and has a population of just over 89,000. Merced was incorporated in 1889 and operates under the

Council-Manager form of government. Merced's population has grown faster than the state average since 1980. Over the past nine years, the annualized growth rate is about 3.4%. This rapid expansion of population has stimulated significant retail growth.

Over the past few years, the housing market has drastically changed, Merced has barely a 1% vacancy rate. The City is taking strides to increase the housing market with new development that includes affordability.

High-Speed Rail will be reshaping the downtown in years to come, currently it is in the planning phase. The California High-Speed Rail Authority, in collaboration with the City of Merced, is developing preliminary designs and evaluating environmental effects of the concept proposal to relocate the Merced (HSR) Station from its previously approved location to 15th Street between O and R Streets. The HSR station is proposed to allow for a combined rail station that would serve HSR, the future Altamont Corridor Express (ACE), and Amtrak San Joaquin's services. The new station location would provide connectivity with local public transit as well as pedestrian and bicycle access.



III. PROJECT DETAILS AND SCOPE OF WORK

The Project timeline and budget are set by the terms of the agreement between the City and the consultants. These factors and other topics are described here.

A. Project Approach

The City seeks assistance from consultants with specialized skills to conduct a feasibility study to focus on a defined area within the City of Merced Downtown and future rail transit corridor and include a concept plan designed to allow for Higher Density Housing opportunities. The deliverables would include conceptual site plan, pro-forma, and project ready for development. This work is needed to help the City meet its Regional Housing Needs Allocation Plan and the City Council's Pro-Housing Policies.

B. Environmental Review

Not needed.

C. Project Schedule/Timeline for Milestones & Deliverables

The *Project Timeline* sought by the City for this project is approximately 4 months, starting with the contract award in early March 2023. The consultant is welcome to recommend adjustments to the timeline, where appropriate. The project must be completed with final invoices sent to the City no later than August 2023.

D. Scope of Work

The following services (listed under A-C) will be the responsibility of the Consultant. Consultants are also encouraged to present suggested modifications to the scope in their proposals that most effectively meets the goals and objectives described in this RFP; However, the City seeks to achieve the full scope within the budgeted amount. The scope of work includes, but may not be limited to, the following tasks:

A. Project Management

- a. Project Kick-Off Meeting: Meet with staff project team to identify project milestones, refine the scope of work, confirm timeline, clarify specific roles and responsibilities and identify project resources. This should be an in-person meeting.
- b. Management Tools: Identify tools and methods that will be used to keep the project moving on time and within budget. Consultant should anticipate meetings with the staff project team throughout the project, including regular conference calls and in person or virtual group meetings at key milestones.

B. Meetings

- a. Plan for monthly Staff Meetings
 - i. To review locations, site concepts and coordinate ideas

- ii. Review and discuss any entitlement changes needed with City Planners and Project Team
 - b. The City expects that most meetings can be held virtually via Teams or Zoom
 - c. Final project presentation meeting
- C. Review, Develop, Prepare, and Present a Report to City staff
- a. Review existing City Pro-Housing policies, RHNA Production Plan, PFFP Policy and Draft In-Fill Study to gain an understanding of the community needs, background, and use these policies to benefit the concept project
 - b. Make recommendations on the best options for development of the map areas (included)
 - c. Develop a conceptual site plan including drawings – elevations, maintain existing parking, include a breakdown of units, proposed income level and space for other uses
 - d. Develop a financial Pro-Forma, to include construction budget and 15 years of future operational funding needs
 - e. Make a recommendation on funding options
 - f. The Final Downtown Housing Feasibility Study should report on all aspects of the project, including pre-entitlements, concept site plan, designs, drawings, recommendations, and pro-forma.
 - g. The work should be project ready for future development.



E. Budget

The Project is being funded by the SB 2 Grant awarded to the City of Merced in 2019. This project has a grant budget not to exceed \$62,500. All invoices against the grant are due to the City no later than August 2023.

IV. REQUESTED CONSULTANT SERVICES

A. Preferred Consultants

The City does not have a preferred consultant for this project. The City reserves the right to select either a team, managed by a lead consultant, or to select individual consultants to provide the City with the different deliverables of the Project. The desired situation will be the former, however. Proposals must present a team approach and include all deliverables in the proposal.

B. Milestones/Key Deliverables

See the Scope of Work with Project milestones.

C. Roles

City staff will coordinate with the consultant on all work products.

D. Expertise

This RFP was provided to consulting firms with specific skills to accomplish one or more deliverables. The most competitive consultant will be made up of a multi-disciplinary team with the expertise is to prepare a comprehensive Downtown Housing Pre-Entitlement, Site Concept Plan, Pro-Forma, and Environmental Review.

E. Required Meetings

- a. Project Kick-off Meeting
- b. Monthly check-in Meetings
- c. Final Project Presentation in person

V. CONSULTANT SCOPE OF SERVICES

The consultant's proposal should include all the following topics in the order presented. All topics will be used to assess the consultant's: 1) project understanding; 2) project interest; and, 3) competency. All proposals shall be submitted in writing and be signed by the consultant. No electronic proposals will be accepted.

A. Deliverables and Budget

Deliverables / Consultant Scope-of-Work

This RFP requests a Comprehensive Project Work Plan or Timeline for the entirety of the Project from the consultant, which should include at the very least, all the tasks in the draft scope of work. Each deliverable should be described separately in terms of work, budget and time.

While an ideal candidate will show strength in all deliverables, City Staff may need to elect to form a multi-disciplinary team of separate consultants in order to produce the best end-product, but this is not our preferred approach.

Budget

The following shall be included in describing the budget allocation in the Consultant Proposal:

- Person hours allocated to each step and total hours allocated for project objectives and overall project (including sub-contractors), or flat costs by tasks with a "not to exceed" figure for each task.
- A breakdown of the employees and professionals to be assigned to each project objective and the hourly rates and person-hour costs assigned (please indicate total number of hours for each project team member along with total hours for each project objective and the entire project), or flat costs by tasks with a "not to exceed" figure for each task;
- Personnel charge rates of the firm.
- Classification as to whether or not employees are reimbursed by hourly rate or salary.



- List of any subcontractors who may provide technical or other assistance and breakdown of hours/costs associated with the sub-consultants.

The proposal shall describe the compensation to perform the services outlined herein, and such discussion needs to be consistent with the established budget. Any exceptions to the budget, timeline, and/or requirements stated herein shall be clearly stated in the proposal, and fully explained.

B. Past Projects of Similar Nature

Evidence of past work experience closely related to the preparation of downtown housing studies, pre-entitlement, and environmental reviews. This section should describe why the consultant is a good fit with this Project. Please provide previous relevant experience and references of other public projects for both the project team and consulting firm.

C. Who is on the Project Team?

Describe the members of the project team, along with their roles and duties. Describe past work associations with team members.

D. Team Member Resumes

Include team member resumes with the proposal, which describe their qualifications to prepare the requested deliverables.

E. Other

The Scope of Work shall discuss other topics, either individually or as part of the above sub-sections, including:

- The administrative aspects of the project (legal oversight, printing costs, etc.);
- The type of word processing equipment and software used; and,
- Any optional features/analysis proposed.

VI. RFP LOGISTICS AND PROCESSES

A. Project Manager / City Contact

Leah Brown, Management Analyst, is the City of Merced Project Manager (PM) and will represent the City of Merced. The PM will render overall supervision of work progress. All services to be performed by the consultant will be subject to approval and acceptance by the PM or her designee.

No payment will be made to the consultant until accepted and approved. PM may be reached via e-mail: brownl@cityofmerced.org

The City's PM will work cooperatively with the consultant(s), by: 1) providing the consultant with whatever information is available regarding its requirements for the project; 2) examining project-related documents submitted by the consultant and rendering decisions promptly to avoid unreasonable delay in the progress of the consultant's work; and, 3) furnishing information required of it as expeditiously as necessary for the orderly progress of work.

B. RFP Due Date / Mailing Address

Please send **five (5)** copies of the proposal to:

Leah Brown, Management Analyst
City of Merced Development Services
678 West 18th Street
Merced, CA 95340

To be accepted, the PM must have them in-hand, NOT postmarked, by **5:00 p.m.** on **Friday, January 20, 2023.**

C. Pre-Proposal/Scoping Meeting

There will not be a pre-proposal or scoping meeting for this project. Please submit any questions in writing to the PM prior to **5:00 p.m. on Friday, January 13, 2023.** City staff will attempt to answer all questions, post them to the City's bid portal, and email them to proposers who request it by **Tuesday, January 17, 2023.**

D. Selecting Interview Pool

Proposals submitted will be reviewed for completeness and qualifications by the City of Merced. Approximately three (3) consulting firms will be invited to interview with City staff. The interview date is **tentatively** scheduled for **Friday, January 27, 2023.**

E. Interview Format

The PM will arrange the interviews. The interview will be conducted in Person or via MS Teams. A PowerPoint presentation is not required or expected. The purpose of the interview is not to restate the consultant's proposal but rather to discuss the project with the consultant team members who will actually prepare the deliverables. Failure to include these individuals in the interview is grounds for automatic disqualification.

F. Final Selection Process

Upon conclusion of the interviews, the interview team will discuss the strengths and weaknesses of the proposals and make a decision as to which team, or independent consultants, will be recommended for final approval by the Merced City Council. The City staff will work with the selected consultant(s) to prepare a professional service contract, and to prepare and present the City Council administrative report to the Merced City Council. It is anticipated that formal consultant selection and contract award will be approved by the City Council on March 6, 2023.

G. Review and Selection Schedule

Review and Selection Schedule		
Action	Date	Other
Pre-Proposal Questions Submitted by Proposers	Friday, January 13, 2023	Received in writing by 5:00 P.M.
Answers to Questions Posted and Emailed to Proposers	Tuesday, January 17, 2023	By 5:00 P.M.
Proposal Due Date	Friday, January 20, 2023	Received by 5:00 P.M.
Consultant Interviews	Friday, January 27, 2023	Block out entire Day.
City Council Contract Approval	March 6, 2023	6:00 P.M. (attendance not required)



VII. CONTRACTUAL TOPICS

Labor Code

The consultant shall comply with Sections 3700 et seq. of the labor code of the State of California, requiring every employer to be insured against liability for worker's compensation.

Insurance

The Consultant shall also provide liability insurance in the amount of \$1,000,000 naming the City as additional insured. Please carefully note the endorsement and cancellation causes in the required contract. Please refer to the sample contract (Attachment A)

Conflicts of Interest

The Consultant must be aware of and comply with conflict of interest rules included in the California Political Reform Act, and Section 1090 et. Seq. of the Government Code. The Political Reform Act requires City offices and committee members to file statements of interest and abide by a Conflict of Interest Code. Section 1090 limits or prohibits a public official from contracting with a body of which an official is a member. Section 1090 applies even where the officer only reviews the contract for the approving body. If the proposer holds no City committee appointment or other relationship, the proposal should simply state that in response to this item.

Form of Contract

The City's standard form of contract shall be used, and includes other provisions not described here. A standard professional service contract is attached for reference (Attachment A). Please review this very carefully and note in the body of your proposal any exceptions or alterations to the agreement. Alterations or changes to the agreement which were not in the consultant's response will not be made after City Staff selection of the consultant. This includes alterations, exceptions, or changes to the insurance and indemnity provisions. By requiring these requests up front, the City can compare all respondents on an equal footing.

Local Business Enterprise Policy (LBE)

The City of Merced is committed to ensuring a full and equitable participation by local businesses in the provision of all goods and services to the City.

Method of Compensation

The City of Merced reserves the right to award all or part of the project at its discretion. The City of Merced will compensate the consultant(s) based on the submittal of monthly invoices and monthly progress reports. The City reserves the right to request more detailed information from the consultant on its monthly invoices if needed.

Conditions for Responses to Request for Proposals

The following conditions apply to this RFP process:

- Nothing contained in this RFP shall create any contractual relationship between the respondent and the City.
- This RFP does not obligate the City to establish a list of service providers qualified as prime contractors or award a contract to any respondent. The City reserves the right to amend or cancel this RFP without prior notice, at any time, at its sole discretion.
- The City shall not be liable for any expenses incurred by any organization in connection with this RFP.
- No conversations or agreements with any officer, agent, or employee of the City shall affect or modify any terms of this RFP. Oral communications or any written/e-mail materials provided by any person other than designated contact staff of City shall not be considered binding.
- The City reserves the right, in its sole discretion, to accept or reject any or all Proposals without prior notice and to waive any minor irregularities or defects in a Proposal. The City reserves the right to seek clarification on a Proposal with any source.

- The dates, times, and sequence of events related to this RFP shall ultimately be determined by the City. The RFP process schedule is subject to change, at the sole discretion of the City, although the City will attempt to follow it and, if it must be altered, will attempt to



provide reasonable notice of the changes.

- Respondents shall not issue any news release pertaining to this RFP, or the City without prior written approval of the City.
- All submitted proposals and information included therein or attached thereto shall become public record upon delivery to the Planning Division.

Attachments

- A) Sample Professional Services Contract