



HOUSING DIVISION

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HOUSING COMMISSION INFORMATIONAL REPORT

October 23, 2025

Subject

Request for Proposals (RFP) for consultant for the City's Below Market Rate (BMR) Housing Program Administration.

Discussion

BMR Housing Mitigation Program

The City's Housing Mitigation Program (BMR Program) was adopted in 1992 to generate affordable housing. The ordinance requires developers to provide a specified number of affordable owner-occupied and rental units. BMR for-sale units are made available to median and moderate-income households. BMR rental units are made available to low and very low-income households. The units are developed in accordance with City Council adopted guidelines, which are available for view on the City's Housing website (www.cupertino.org/housing) known as the Below Market Rate Housing Mitigation Program Procedural Manual (Housing Mitigation Manual). Separately, administration of the BMR Program is governed by another City Council adopted guideline known as Policy and Procedures Manual for Administering Deed Restricted Affordable Housing Units (BMR Admin Manual).

BMR Program Administration

The City has overall responsibility for the BMR Program although the administration may be contracted out to another agency. The consultant contract was previously funded through the BMR Affordable Housing Fund (AFH) but under recent City Council direction, may be funded by the City General Fund for the foreseeable future. Typical consultant duties include program outreach, waitlist management, certification and eligibility review, resale and refinance coordination, and annual program monitoring and compliance.

The City has contracted with Rise Housing (formerly Hello Housing) for BMR Program Administration since 2017. To ensure that the City's program remains innovative and follows best practices, staff determined it was appropriate to pursue a Request for Proposal (RFP), included as Attachment B. The City placed a public notice in the Cupertino Courier notifying the public of the open RFP inviting qualified consultants to provide proposals to administer the City's BMR Program. The RFP will be sent contacts in the Santa Clara County affordable housing field, including multiple agencies that have direct experience in BMR Program Administration.

Next Steps

The RFP will be active from November 3, 2025, until its closing on December 3, 2025. Staff will deliberate on applications received and bring forth a staff recommendation for selecting an administrator to a public hearing with the Housing Commission on March 26, 2026. Upon the Housing Commission's recommendation, execution of the agreement and appropriation of funding will be brought before the City Council meeting with a date and time to follow.

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<u>Approved for Submission by:</u>	Benjamin Fu, Director of Community Development

Attachments:

- A - Policy and Procedures Manual for Administering Deed Restricted Affordable Housing Units (BMR Admin Manual)
- B - Draft RFP BMR Program Administration