

**City of Cupertino**  
**Request for Qualifications**  
**Below Market Rate Housing Program Administration**

**Release Date: February 16, 2022**

**Deadline: February 28, 2022**

The City of Cupertino (the “City”) is seeking a qualified consultant (the “Consultant”) to provide services to administer the City’s Below Market Rate (BMR) Housing Program. The City has a population of approximately 60,572 residents and approximately 20,752 housing units. Quality schools and closeness to high-tech jobs make Cupertino a desirable Silicon Valley address for a highly educated and culturally diverse population.

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 managed in accordance with City Council adopted guidelines, which are available for view on the [City’s Housing website](#). These units are subject to deed restrictions which ensure that the units remain affordable for the longest possible period of time, either in perpetuity or for 99 years. Since the adoption of this ordinance, the City has secured 263 total BMR units, of which 121 units are for-sale units and 142 are rental units. In accordance with all applicable Federal, State, and local laws, the contract for BMR Program Administration services will include, but is not limited to the following:

**Administration Services**

- Consultant will be the primary contact for the BMR Program and will handle all inquiries and correspondence from applicants, current BMR homeowners and renters, and property managers in buildings with units restricted under the BMR Program.
- Consultant will advertise the BMR Program, as needed, to solicit buyers and renters for available units and to establish a waiting list.
- Consultant will maintain a waiting list of qualified buyers and renters in accordance with the BMR Program guidelines. Maintenance of the waiting list includes reviewing required annual applications to remain on the waiting list, conducting an annual lottery for new applicants, and sorting all applicants into the appropriate priority point level within the waiting list.
- Consultant will utilize the City’s procedures, ordinance(s), resolution(s), and guidelines in the implementation of the BMR Program.
- Consultant will provide suggestions to the City for potential modifications to the City’s application process, procedures, and/or guidelines to ensure effective operation of the BMR Program.
- Consultant will maintain marketing content for the BMR Program, including flyers, website, and other material as needed.
- When requested by the City, Consultant will advise and assist City staff on matters related to the BMR Program.
- As necessary, Consultant will provide access to translation in other languages.

- Consultant will manage all appeals submitted to the BMR Program.

### **BMR Purchase Program Services**

- Consultant will manage the entire sale process from advertising of available units to completing the closing on the BMR unit.
- Consultant will prepare and maintain the sales schedule for City approval.
- Upon receipt of one or more applications for the purchase of a unit, Consultant will ensure that each application is complete, verify eligibility, and confirm priority points. Consultant will rank the applications according to criteria in the City's written guidelines and coordinate approval with the City.
- Consultant will be available to answer any questions regarding the BMR Program and will help facilitate escrow closing. Consultant will also facilitate recordation of the resale restrictions, requests for notice of default, subordination agreements, and any other applicable documents with the title company prior to close of escrow.
- Consultant will maintain a list of local realtors and lenders interested in providing loans to qualified BMR Program applicants.
- Consultant will inspect prospective sales units, hold at least one "open house" for prospective buyers, assist buyers with locating a realtor, financing, coordinate appraisal, property and termite inspections, prepare disclosure statements, open and close escrows all in accordance with accepted real estate practices, and coordinate close of escrow to meet program deadlines (90 days in most cases).
- Consultant will provide or arrange Home Buyer education consistent with U.S. Department of Housing and Urban Development (HUD) standards.
- Consultant will monitor BMR units annually to confirm program compliance and investigate and manage potential defaults.
- Consultant will review and process requests for refinancing of BMR homes and junior loans in accordance with BMR Program guidelines.

### **BMR Rental Program Services**

- Consultant will manage entire rental process including advertising of available units.
- Consultant will provide the property owner / manager of projects containing City BMR units with the most current income and rent guidelines upon issuance by HCD and HUD each year.
- Consultant will monitor BMR unit rents annually to ensure compliance with the required affordable rent levels under the BMR Program.
- Consultant will advise the property owner / manager regarding their compliance with the BMR Program.
- Consultant will verify the eligibility of prospective tenants qualified by the property manager.
- Consultant will manage the entire recertification process annually to ensure renters maintain BMR Program eligibility. In the event that a renter no longer qualifies for the City's BMR Program, consultant will work with the property manager to terminate the tenant's BMR Program participation after the applicable appeal period has lapsed and to qualify a new applicant for that BMR unit.

## **Conflict of Interest**

Consultant warrants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of the described in this Request for Qualifications (RFQ), and that it will not employ any person having such an interest. Consultant agrees to advise the City immediately if any conflict arises. Consultant further understands that it and its staff members must abide by all applicable statutes, rules, and regulations regarding conflicts of interest, including the Political Reform Act, Government Code Section 1090, and implementing regulations, including Title 2, Division 6, Section 18700 of the California Code of Regulations, and following.

## **Submittal Content**

Completed RFQ's should be submitted via email to the Community Development Department at [housing@cupertino.org](mailto:housing@cupertino.org), and must be received by Monday, February 28, 2022 by 5:00 PM. The following should be included in the proposal:

### **A. Materials**

1. Application – Complete Proposal Application (Exhibit A)
2. Narrative – Provide a brief narrative explaining the Consultant's qualifications and experience, and how it meets the RFQ goals and objectives.
3. Implementation Plan – Provide a brief summary of the Consultant's Implementation Plan for provision of the services required.
4. Schedule of Fees – Summarize the compensation requested and provide a schedule of fees (fixed and transactional).

### **B. Entity**

1. Identification of the Consultant, with names, positions, addresses, telephone numbers and e-mail addresses of key team members.
2. Intended role of each partner / staff member in the organization who will be involved in the implementation of the BMR Program and the key person in the organizational structure responsible for BMR Program management and operations. Please note area of responsibility and anticipated tasks.

### **C. Experience**

1. General description of previous housing programs administered
2. Role of agency / firm and staff in such programs
3. Discussion of program successes, including unique challenges of programs
4. Example of past programs costs
5. At least 2 client or agency references for Consultant's experience with relevant programs

## **Evaluation Criteria**

1. Emphasis will be placed on the directly relevant qualifications and capacity of the Consultant to administer the City's BMR Program. Submittals will be evaluated based upon the following criteria:

- Ability to meet RFQ goals and objectives.
- What objectives are met?
- Knowledge and ability to implement Cupertino's BMR Program
- Does the agency have local and/or regional experience?
- Does the agency / firm have the necessary experience? How much experience and with what agencies or organizations?
- What is the experience level of the staff?
- Is there a conflict of interest?

## 2. Program Service Delivery:

- What services are being offered?
- Where are the services being offered?
- Who is providing the services? Which staff members?
- Is the staff multi-lingual? If so, which languages?
- What is the Consultant's monitoring experience? What is the number of units managed?
- What is the Consultant's refinance, default resolution, and foreclosure experience?

## 3. Costs:

- What are the initial onboarding costs?
- Is the proposal detailed and are costs / fees clearly outlined?
- Is there a fixed fee for basic services?
- Is there a fee per transaction / sale?
- What are the typical annual program costs anticipated?
- What percentages of costs / fees are tied to salary?
- What percentages of costs / fees are tied to services?
- Are the costs / fees financially sustainable?

## **Submittal Deadline for Proposals**

Proposals must be delivered to the City of Cupertino at [housing@cupertino.org](mailto:housing@cupertino.org) no later than 5:00 PM on Monday, February 28, 2022.

## **Contact Information**

Proposal responses or questions regarding this RFQ may be addressed to:

Kerri Heusler, Housing Manager  
 City of Cupertino  
 Community Development Department  
 Phone: 408-777-3251  
 Email: [kerrih@cupertino.org](mailto:kerrih@cupertino.org)

**EXHIBIT A**  
**City of Cupertino BMR Program Administration**  
**Proposal Application**

Organization Name	
Address	
Organization Contact / Title	
Telephone #	
Email	
Title of Program	
Total Annual Cost of Program	
BMR Units Currently Administered	
Jurisdiction(s) served?	

Signature of Authorized Official: \_\_\_\_\_

Date: \_\_\_\_\_