



COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

149 CHURCH STREET • ROOM 32 • CITY HALL • BURLINGTON, VT 05401
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www.burlingtonvt.gov/cedo

Request for Proposals: Inclusionary Zoning Ordinance Evaluation Response Date: Wednesday, April 20th, 2016, by 11:00 AM

I. PURPOSE

The City of Burlington's Community & Economic Development Office (CEDO) seeks the services of qualified consultants to conduct an assessment of the current Inclusionary Zoning (IZ) Ordinance and to evaluate its impact on the provision of housing opportunities for all Vermont's citizens, particularly low-to moderate-income households. This analysis should examine whether inclusionary zoning has led to inclusion and the creation of economically integrated communities that allow households of modest means access to a range of opportunities, the underlying principles of the ordinance. Based on findings, if applicable, recommendations should be made on how to render the ordinance a more effective tool.

II. BACKGROUND

Burlington's inclusionary zoning ordinance resulted from a five-year process in the late-1980s. Enacted in 1990, the ordinance has created 252 affordable units, including 115 rentals and 109 condos, as of 2015. The affordable units created under inclusionary zoning are often included in market rate housing developments with the aims of fostering socio-economic integration and preventing enclaves of market-rate housing.

The ordinance requires that in developments of five (5) or more residential dwellings, whether for rent or ownership, between 15 – 25% percent of the units be set aside as affordable housing. In return, developers are offered a density bonus of up to 25 percent. In exceptional cases, developers may fulfill inclusionary requirements by building affordable units at other sites or pay a "fee in lieu" of more than \$100,000 for each "in lieu" unit, subject to the Development Review Board's approval, in exchange for not providing the inclusionary units on or off of the site.

Burlington's inclusionary rental units are targeted to households earning 65 percent or less of the area median income (MSA), while inclusionary units for sale are sold at a price that is affordable for a household with an annual income that is 75 percent of the median income. All inclusionary units remain affordable for 99 years.

More than 25 years have passed since Burlington began implementing its Inclusionary Zoning Ordinance. In recent years concerns have been raised that the policy is dampening downtown housing production. These claims were underscored in a May 2014 Downtown Housing Strategy Report, which found that relatively little market-rate housing had been built in the past decade, and that significant demand for housing coupled with limited production was adding to the affordability crisis. However, an uptick in both planned and new construction over the last few years suggests a more complex set of factors affecting housing affordability.

In light of the foregoing, and as called for under the **Housing Action Plan**, the City believes the time has come to evaluate the effects of its IZ Ordinance and examine whether it is an effective public policy response to high housing prices.

III. SCOPE OF WORK/DELIVERABLES

The evaluation of Burlington’s current IZ Ordinance should commence with a review and analysis of the effectiveness of the inclusionary zoning program as a tool that principally requires developers to include affordable homes which meet the housing needs of low-and moderate-income households, when they build five or more market-rate homes. The consultant’s report should examine whether inclusionary housing programs have led to inclusion and the creation of economically integrated communities that allow households of modest means access to a range of opportunities, the underlying principles of the ordinance. The analysis should include, but not be limited to the following factors:

- (1) Evaluate the IZ Ordinance against the intent as laid out in the Burlington Comprehensive Development Ordinance, Article 9, Part 1: Section 9.1.1 Intent - Inclusionary Zoning¹;

¹The intent of these regulations is:

- (a) To meet the specific mandates of 24 V.S.A Chapter 117 related to housing opportunities for all of Vermont’s citizens, particularly for those citizens of low or moderate income;
- (b) To ensure the provision of housing that meets the needs of all economic groups by precluding construction of only market rate housing on the limited supply of available land within the City;
- (c) To improve the quality of life for all residents by having an economically integrated housing supply throughout the City; and,
- (d) To prevent overcrowding and deterioration of the limited supply of affordable housing, and thereby promote the public health, safety and general welfare.”

- (2) Assess the appropriateness of the current threshold trigger of five or more market-rate homes which require developers to include affordable homes in market-rate developments;
- (3) Assess the existing “fee in lieu” payment of over \$100,000 per required number of units paid by developers and the extent to which these funds support additional affordable housing efforts;
- (4) Assess the off-site option of constructing inclusionary units and the extent to which inclusionary housing has been built throughout the City of Burlington;
- (5) Assess the “density bonus” and other cost offsets given to developers as incentives and the financial feasibility of selling or renting a percentage of units at prices that low-to moderate-income families can afford;
- (6) Assess the suitability of current size requirements for IZ units that must be built on site, against the current standards in the multifamily industry favoring more efficient units;
- (7) Conduct interviews with area affordable and market-rate housing developers, as well as beneficiaries of Burlington’s inclusionary zoning housing program, to help inform the analysis and evaluation of the IZ Ordinance;
- (8) Examine and document inclusionary housing program experiences from across the country and best practices of peer cities applicable to the Burlington Market;
- (9) Set forth recommendations based on interviews, analysis and research on best practices and approaches the city might incorporate into the current IZ Ordinance to enhance its effectiveness, if appropriate.

The consultant will work in close coordination with CEDO’s Assistant Director for Sustainability, Housing & Economic Development and meeting as often as needed.

IV. PROPOSAL REQUIREMENTS

All questions pertaining to the RFP must be submitted to Gillian Nanton by email (gnanton@burlingtonvt.gov) by noon on Wednesday, March 30th, 2016. All answers to any questions received by the above date and time will be emailed to the qualified consultants who received the RFP by Friday, April 1st, 2016.

Consultants shall prepare a proposal and budget and send it via email to Gillian Nanton (gnanton@burlingtonvt.gov) by 11:00 a.m. on Wednesday, April 20th, 2016. Consultants may submit their hardcopy proposal via U.S. Mail at the address below, but must provide an electronic PDF copy at the same time.

Gillian Nanton
Community & Economic Development Office
Room 32 – City Hall
149 Church Street
Burlington, VT 05401
Tel: 802-865-7179

Consultants must have experience with housing and inclusionary zoning policies, as well as on conducting evaluations and shall include these qualifications in their RFP proposal. Respondents must submit resumes and names, addresses and phone numbers of at least three references familiar with their ability, experience and reliability to undertake and complete the work tasks.

Consultants shall submit a detailed work plan setting out the approach to the work tasks described in the RFP and any adjustments to the scope of individual tasks.

Consultants shall submit a proposed schedule that should include completion of individual work tasks and deliverables, as well as key meetings over the duration of this consultancy.

V. EVALUATION AND SELECTION

All proposals will be evaluated using the criteria listed below by a selection committee. The committee shall consist of the chair, Community Development and Neighborhood Revitalization (CDNR) Committee, two (2) representatives from CEDO, 1 from Planning & Zoning and possibly representatives from other City Departments, for a minimum of 4 selection committee members. The successful consultant/firm will have the following experience:

- Experience with affordable housing and inclusionary zoning policies
- Experience with land use planning and various building and housing types
- Experience with mixed-use/mixed income developments
- Experience with conducting evaluations

Proposals will be ranked based on the following criteria:

- Demonstration of overall project understanding and knowledge of the local area (35 pts).
- Qualifications of the consultant and personnel to be assigned to this project and related experience (35 pts).
- Clarity/Quality of the proposal and thoughtfulness in addressing the scope of work (25 pts).
- History of implementing successful projects with similar scopes of work (5 pts).

The selection committee may elect to interview consultants prior to final selection.

This RFP does not commit the City to pay any costs incurred by any proposer in the submission of a proposal. The proposer is responsible for all costs associated with the response to this RFP. The City reserves the right to reject any or all proposals at any time with no penalty, to negotiate with any qualified source, to waive any formality or to cancel the RFP in part or in its entirety if it is in the best interest of the City of Burlington. This solicitation of proposals in no way obligates the City of Burlington to award a contract. All materials submitted in response to this RFP will become the property of the City upon delivery.

All proposals must be received by Wednesday, April 20, 2016, by 11:00 a.m., in CEDO.

The project budget for consultancy services is up to \$20,000. The selected consultant/firm will receive up to \$5,000 in travel reimbursement on presentation of invoices and upon satisfactory completion of the consultancy services, as determined by the City, including making presentations to the CDNR Committee and/or City Council.

Consultants and firms not selected will be notified in writing of the selection outcome.

VI. DELIVERABLES

The consultant shall submit:

- Four (4) copies of the first draft of the report
- Four (4) copies of the final report

The consultant shall be required to make a presentation to the CDNR Committee and/or the City Council.

VII. TIMELINE

The proposed timeline is as follows:

- (a) Submission of proposals and related materials by **Wednesday, April 20, 2016, by 11:00 a.m.**
- (b) Selection of consultant(s)/firms: Week of April 25, 2016
- (c) Signing of contract: Week of April 25, 2016
- (d) Submission of first draft of report: No later than July 8, 2016
- (e) Submission of final report by July 29, 2016.

VIII. CONTACT PERSON

This RFP is being issued by the City of Burlington's CEDO. The contact person is:

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Tel: 802-865-7179
Email: gnanton@burlingtonvt.gov