INTER-REGIONAL
PARTNERSHIP
Alameda County
Contra Costa County
San Joaquin County
Santa Clara County
Stanislaus County

Request for Proposals for Inter-Regional Partnership Jobs/Housing Opportunity Zone

I. General Program Information

Project Goals

The Inter-Regional Partnership (IRP) is a group of fifteen elected officials from five counties who have agreed to focus on issues related to jobs/housing balance, transportation and air quality which cut across county and regional boundaries. The Partnership includes one board of supervisor member and two city council members from Alameda, Contra Costa, San Joaquin, Santa Clara, and Stanislaus counties. The three councils of governments (COGs) for the Bay Area, San Joaquin County and Stanislaus County provide staffing, financial support and regional expertise.

The IRP was convened to establish a framework that allows local policy makers from the member counties and cities to address the interrelationships between future jobs/housing balance, and the concurrent impacts on transportation and air quality. The goals of the IRP include:

- Achieve a more equitable jobs/housing balance in the region.
- Improve transportation and air quality.
- Enhance the quality of life throughout the inter-regional area.
- Pursue inter-regional economic development opportunities.
- Establish more sustainable methods of moving people between their homes and distant jobs.

The IRP State Pilot Project, recently created through state legislation, mandates that **5 to 10 Jobs/Housing Opportunity Zones** (also referred to as Zone throughout the document) be equitably distributed across the IRP region to remedy the jobs/housing imbalance. The IRP region consists of Alameda, Contra Costa, San Joaquin, Santa Clara, and Stanislaus Counties.

By December 31, 2001, the IRP will forward final Jobs/Housing Opportunity Zone selections to the State Department of Housing and Community Development (HCD).

Proposed development projects for the Jobs/Housing Opportunity Zones will need to be current and timely. Development projects should ideally be completed within five (5) years or have made significant progress towards completion to be considered for this Pilot Program.

Incentive Program

Once chosen, development projects within the Jobs/Housing Opportunity Zones will be eligible for one or more incentives offered by regional and/or state agencies. The IRP will act as an "incentives advocate" for all final Jobs/Housing Opportunity Zones and will work with state legislators to pass any necessary legislation to ensure incentives are available to Jobs/Housing Opportunity Zones.

Once the IRP has selected the location of the Jobs/Housing Opportunity Zones, meetings will be set up with successful proposers to review and evaluate the incentives needed to ensure the completion of the project(s). The IRP has gathered extensive data on regional and state incentives available to

promote economic and housing development and will work with the proposers to identify which incentives are most appropriate to the development proposal(s) intended for their respective Jobs/Housing Opportunity Zone. To date, empowerment zone designation, tax increment financing, ERAF reform, and priority in the State's bond allocation process have all been identified as key incentives and/or legislative changes that the IRP will pursue on behalf of Jobs/Housing Opportunity Zones.

II. Proposal Process

Proposal Due Date.
Proposals will be accepted from September 17, 2001 through 5:00 p.m. on October 26, 2001.

Submittal.
Submit one (1) original proposal to each Council of Governments (as indicated below) and ten (10) copies to the Council of Governments associated with the county in which the proposed Jobs/Housing Opportunity Zone is located:

Alameda County **Contra Costa County** **Santa Clara County**	The Inter-Regional Partnership c/o Alex Amoroso, Principal Planner Association of Bay Area Governments P.O. Box 2050 Oakland, CA 94604-2050
San Joaquin County	The Inter-Regional Partnership c/o Julia E. Greene, Executive Director San Joaquin Council of Governments 6 South El Dorado Street, Suite 400 Stockton, CA 95202
Stanislaus County	The Inter-Regional Partnership c/o Gary Dickson, Executive Director Stanislaus Council of Governments 900 H Street, Suites C&D Modesto, CA 95354

Proposal Review and Evaluation Process.
All proposals will be reviewed by the Inter-Regional Partnership based on compliance with the requirements of this Request for Proposals. Proposals will be scored and ranked according to the point system described in this Request for Proposals.

A shortlist of proposers will be invited to make a presentation to the Inter-Regional Partnership. The Partnership will decide which proposals to select. Successful proposers will be notified in writing of their selection. Following notification, proposers will enter into a Memorandum of Understanding (MOU) with the Partnership.

Final Filing Date	5:00p.m., October 26, 2001
Request for Proposals Reviewed	October 29, 2001 – November 2001
Selections Finalized	February 2002

III. Eligible Proposers

Proposers for a Jobs/Housing Opportunity Zone **can** include:

- An individual city or county;
- Two or more cities or counties working in collaboration;
- One or more cities or counties working in collaboration with private companies (including private property developers), quasi-public, non-profit, or public agencies.

IV. Eligible Zone Sites

California Government Code 65891, the jobs/housing legislation, articulates base criteria that a potential Jobs/Housing Opportunity Zone must meet before being selected by the IRP. The criteria defined in the legislation include:

- Zones must be between 50 and 500 acres. (land is meant to be contiguous)
- Zones contain significant portions of land that are vacant, underutilized, and suitable for urban use.
- Zones are created for the purpose of either providing needed workforce housing if there is a surplus of jobs or providing jobs for the area's workers if there is a surplus of housing.
- Zones are eligible to receive incentives, subject to negotiation with appropriate resource agencies.
- Zones are serviced by adequate infrastructure and transit service, or have commitments to provide adequate infrastructure and transit service, to support significant proposed development.
- The location and development within zones will improve the jobs-housing imbalance across the five-county IRP area.

Please refer to Attachment 1 for definitions of the underlined terms and phrases.

California Government Code 65891 states that the "IRP's GIS system will be a crucial tool for use in determining the location of proposed Jobs/Housing Opportunity Zones." To fulfill this mandate, GIS was used in running a spatial model that determined optimal geographic areas for locating Zones. Those optimal areas are depicted in Attachment 2 of this RFP. It is the responsibility of the applicant to ensure that their proposed Jobs/Housing Opportunity Zone falls within these geographic parameters.

GIS will also be used in evaluating individual proposals. See Section VI. Proposal Contents for a description of how GIS will be utilized in evaluating proposals.

V. Local Incentives Requirement

In order to qualify for a Jobs/Housing Opportunity Zone, the proposer must have already identified a number of local incentives to which the proposer and partner(s) are willing to commit.

Examples of local incentives include the following (this is not intended to be an exhaustive list):

Economic Revitalization Manufacturing Property Tax Rebates
Capital Investment Incentive Payments
Local Financing Redevelopment Agency
Local Revolving Loan Funds
Master Planning
Rezoning Density Bonuses
Permit Fee Reductions and Waivers
Fast Tracking Project Permitting

VI. Proposal Contents

A proposal may include only one (1) zone location (i.e., submit a separate proposal for each proposed zone location). To be considered responsive, proposals must include, as a minimum, the following information:

1. Cover Letter. A cover letter, which includes the name, phone number and address of a contact person for the proposal process.

2. Proposal Team. List the names and addresses of the public, private, or non-profit agencies that are partnering with the proposer.

3. Local Incentives. (10 points) List and explain the local incentives that have been identified for the opportunity zone site. Describe any time constraints and other pertinent timing issues related to the proposed local incentives.

4. Zone Characteristics. (15 points)

a. Total acreage, percent of land that is vacant, underutilized, and zoned for urban use, and a map detailing these elements. Please include any ArcView or ArcView compatible digital maps that may be available for the proposed zone.

b. The current land use and zoning of the proposed zone and a map, including a general plan and zoning map. Please include any ArcView or ArcView compatible digital maps that may be available for the proposed zone.

c. Describe how the proposed zone location and development within the zone will relate to surrounding urbanized areas. The proximity of the zone to surrounding urbanized areas and the population and density of surrounding jurisdiction(s) should be included in the description.

d. Describe any constraints/barriers (land use, environmental, fiscal, etc.) that could impede development in the proposed Jobs/Housing Opportunity Zone. Describe mechanisms identified to overcome the constraints/barriers identified.

5. Existing Jobs/Housing Imbalance. (10 points)

a. Describe why the proposed zone location is ideal for a Jobs/Housing Opportunity Zone.

b. Describe the existing jobs/housing imbalance faced in the jurisdiction, or county, where the proposed zone is located. Address how that imbalance impacts the jurisdiction, county, and/or region, in terms of transportation, air quality, and quality of life.

6. Development Proposal (Including infrastructure and transit). (15 points)

a. Describe in detail the development proposal(s) that is planned for the proposed zone, including the timeline for development. Include any necessary tentative subdivision maps or other material that may assist in describing proposed development.

b. Describe existing or planned (including timetable for completion) transit services available in the proposed zone and the service's ability to support proposed development within the zone.

c. Describe how development within the zone will relate to, incorporate, or enhance public transportation in the jurisdiction.

d. Describe the infrastructure improvements/installations required for development within the proposed zone. Include a description of any existing or planned infrastructure within the proposed zone, including water, roadways, sewer, etc. Explain how a zone

designation can assist proposer in leveraging existing dollars for infrastructure development. Include timeline of planned infrastructure improvements.

e. Describe how the proposed zone location and development within the zone relate to the jurisdiction(s) Capital Improvement Program.

7. Jobs/Housing Impact. (40 points)

Housing Impact. *(Responded ONLY if the proposal is for a HOUSING or MIXED OPPORTUNITY ZONE)*

a. Describe how development within the zone addresses the existing and projected housing needs of the city or county. Include a detailed description of the mix of housing types and affordability planned for the zone.

Jobs Impact. *(Responded ONLY if the proposal is for a JOB or MIXED OPPORTUNITY ZONE)*

a. Describe how development within the zone addresses the existing and projected employment needs of residents in the jurisdiction. Include a description of how the zone relates to any existing (or currently being developed) economic development strategic plan.

b. Describe the mix of business types that are planned for the zone and whether or not business clusters will be promoted.

8. Incentives. Describe the types of federal or state incentives that would be necessary to develop the Jobs/Housing Opportunity Zone.

9. Existing Commitments. (5 points) Describe any existing federal, state, regional, or local fiscal and/or non-fiscal commitments that have been secured (or are in the process of being secured) for the development projects described in this proposal. Include commitment status of all funds or non-fiscal commitments.

10. Experience in Administering and/or Implementing Similar Programs. (5 points) Describe any relevant experience in administering or implementing programs or development projects that address similar issues to attracting jobs or housing, or promoting development or redevelopment.

11. Performance Measures. Briefly explain criteria that can be used by the IRP to measure the performance of the proposed opportunity zone in accomplishing its intended objectives. These criteria may or may not be used to evaluate the performance of the completed project.

12. Other Relevant Information. Submit any other information that may assist the IRP in evaluating the merits of the proposed zone location.

VII. Proposal Evaluation Criteria

Proposals will be evaluated based on the following criteria and point system, as reflected above:

a. Local Incentives [10 points]

b. Zone Characteristics [15 points]

c. Existing Jobs/Housing Imbalance. [10 points]

d. Development Proposal (including infrastructure and transit) [15 points]

e. Jobs/Housing Impact [40 points]

f. Existing Commitments [5 points]

g. Experience in Administering and/or Implementing Similar Programs [5 points]

h. GIS Analysis [25 points] *(See Attachment 3 for details on how points in this section will be allocated.)*

VIII. Solicitation Disclaimer

Upon submission, all proposals become the property of the Inter-Regional Partnership. Cost of preparing, submitting, and presenting a proposal and participating in an interview is at the sole expense of the proposer. The IRP has the right to reject any or all of the proposals received as a result of this request. Solicitation of proposals in no way obligates the IRP to contract with any agency. The decision to award a Jobs/Housing Opportunity Zone designation is at the sole discretion of the Inter-Regional Partnership.

IX. Questions

Questions regarding this RFP should be directed to:

Alameda County **Contra Costa County** **Santa Clara County**	Alex Amoroso Principal Planner, ABAG (510) 464-7955 Alexa@abag.ca.gov
San Joaquin County	Stephen VanDenburgh Senior Regional Planner, SJCOG (209) 468-3913 svandenburgh@co.san-joaquin.ca.us
Stanislaus County	Gary Dickson Executive Director, StanCOG (209) 558-7830 DCKSONG@mail.co.stanislaus.ca.us

Attachment 1: Criteria Guidelines and Definitions

California Government Code 65891, the jobs/housing legislation, articulates base criteria that a potential Jobs/Housing Opportunity Zone must meet before being selected by the IRP. The criteria defined in the legislation are listed below. The Inter-Regional Partnership has provided definitions for the underlined phrases that serve as guidelines for determining a proposed opportunity zone's consistency with the legislation.

Criterion 1) Zones must be between 50 and 500 acres.

Criterion 2) Zones contain <u>significant portions of land</u> that are <u>vacant</u>, <u>underutilized</u>, and <u>suitable for urban use</u>.

Significant Portions of Land is defined as more than 50% of the land area within the proposed zone.

Vacant land is land that is not developed and is developable for residential, commercial or industrial use in conformance to local zoning law. All publicly owned and tax exempt land (federal, state, and local holdings, parks, open space, public and private school properties, wildlife refuges, wetlands, etc.) are not considered 'vacant'. The local planning department may further define a parcel's vacancy status.

Underutilized is land that is not developed to its full zoning potential, i.e. land use falls below maximum allowed floor-area ratio (FAR) or density as allowed in General Plan or zoning designation. *Source: California General Plan Guidelines, Office of Planning & Research*

Land that is **suitable for urban use** is land that is suitable for structures and that can be developed free of hazards to, and without disruption of, or significant impact on, natural resource areas. Suitable for urban use includes residential, commercial, or industrial land use in areas where urban services are available. Urban areas are generally characterized by moderate and higher density residential development (i.e., three or more dwelling units per acre), commercial development, and industrial development, and the availability of public services required for that development, specifically central water and sewer, an extensive road network, public transit, and other such services (e.g., safety and emergency response). Development not providing such services may be "non-urban" or "rural". *Source: California General Plan Guidelines, Office of Planning & Research; Government Code 65891*

Criterion 3) Zones are created for the purpose of either providing needed <u>workforce housing</u> if there is a <u>surplus of jobs</u> or providing jobs for the area's workers if there is a <u>surplus of housing</u>.

Workforce housing is housing that is affordable and available to individuals employed in the jurisdiction of the proposed Jobs/Housing Opportunity Zone. Affordable housing also includes housing capable of being purchased or rented by a household with very low, low, or moderate income, based on a household's ability to make monthly payments necessary to obtain housing. Housing is considered affordable when a household pays less than 30 percent of its gross monthly income (GMI) for housing including utilities.
Source: California General Plan Guidelines, Office of Planning & Research

A jurisdiction or county that has a **surplus of jobs** is one where there is a jobs to employed residents ratio greater than 1 or a jobs to housing units ratio greater than 1.5. *Source: California General Plan Guidelines, Office of Planning & Research; Government Code 65891; California State Department of Finance*

A jurisdiction or county that has a **surplus of housing** is one where there is a jobs to employed residents ratio of less than 1 or a jobs to housing units ratio of less than 1.5. *Source: California General Plan Guidelines, Office of Planning & Research; Government Code 65891; California State Department of Finance*

A jurisdiction may also have a **surplus of housing** if the existing jobs in the city or county are not compatible with the skills of employed residents.

Criterion 4) Zones are eligible to receive <u>incentives</u>, subject to negotiation with appropriate resource agencies.

Incentives are fiscal or non-fiscal and are offered to developers to enable a Jobs/Housing Opportunity Zone to achieve its intended goal of addressing the inter-regional jobs/housing imbalance.

Incentives may include:

- Providing tax credit priority for development of multi-family residential construction in areas with job surpluses and for job generating projects in areas with housing surpluses; and
- Providing a return of property tax for development of affordable housing in areas with job surpluses and for job generating projects in areas with housing surpluses; and
- Pooling of redevelopment funds; and
- Tax-increment financing for jobs-housing opportunity zones based on the redevelopment model.
  Source: Government Code 65891

Criterion 5) Zones are serviced by <u>adequate infrastructure</u> and <u>transit service</u>, or <u>have commitments to provide adequate infrastructure</u> and transit service, to support <u>significant proposed development</u>.

Adequate infrastructure is public services and facilities (streets, sanitary sewers, storm water conveyance systems, parks, public buildings, wastewater treatment plants, etc.) that have the capacity to accommodate development within the proposed Jobs/Housing Opportunity Zone that meets the local jurisdiction(s) level of service requirements. If such capacity does not yet exist, the jurisdiction(s) should have existing commitments to provide adequate capacity to accommodate new development within the potential Jobs/Housing Opportunity Zone. At minimum, the applicant must be able to demonstrate how a Zone designation will cause the necessary infrastructure to be secured and completed.

Adequate transit service means that the proposed Jobs/Housing Opportunity Zone is served (or will be served at the completion of the development project) by at least one primary transit line that connects residences and employment centers. Transit serving the proposed zone should have the ability to accommodate increased ridership, or have financial commitments to increase ridership capacity associated with development in the zone and is a viable alternative to driving to and from work. Adequate transit service also means that individuals have adequate access to transit. This means that new development should ideally be concentrated within one-quarter to one-half mile of a transit station/stop.
Source: Government Code 65891

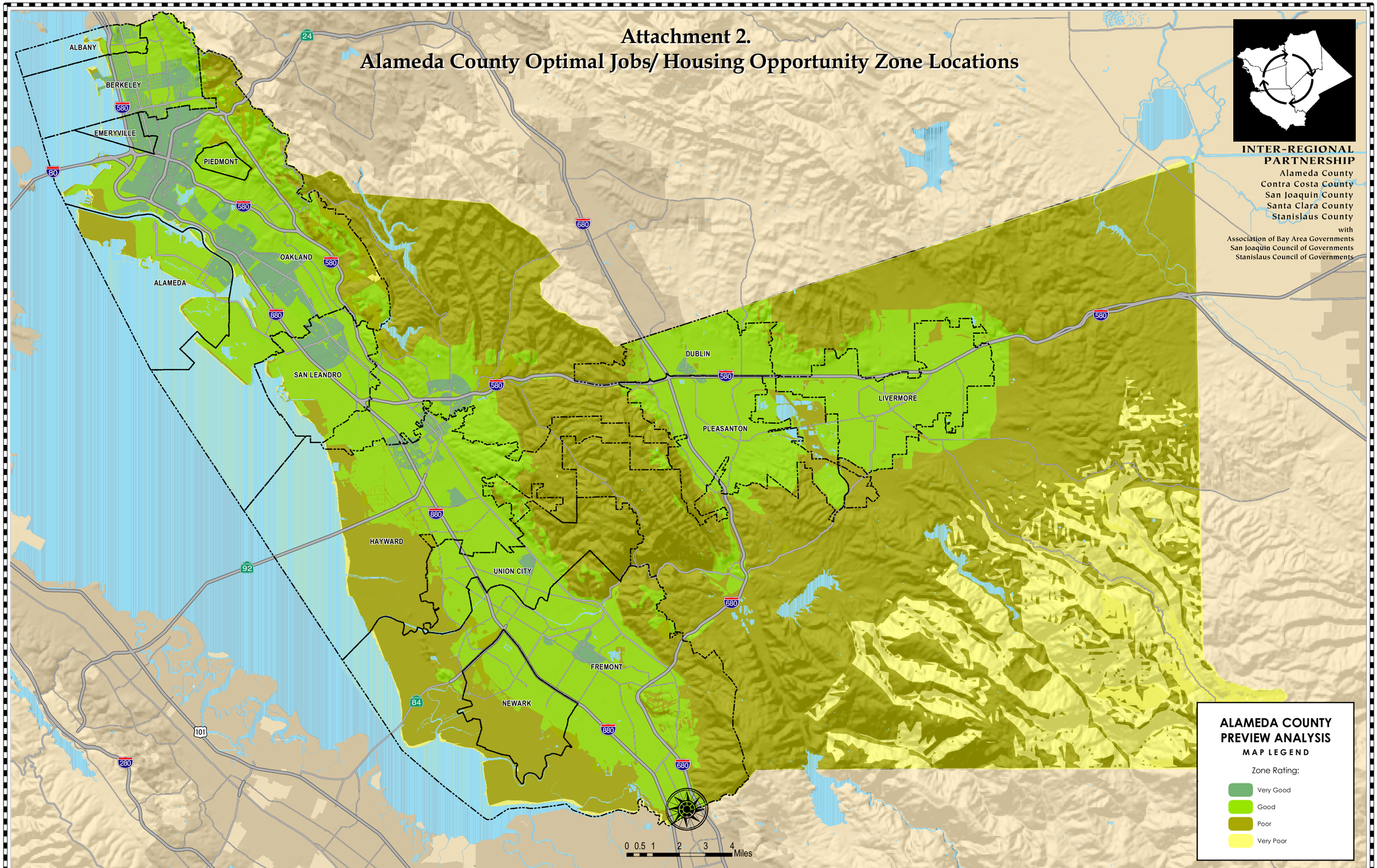
Commitments to provide adequate infrastructure can be found in an adopted Capital Improvement Plan, a Regional Transportation Plan, an approved CalTrans project, or other infrastructure upgrade projects identified in an adopted plan.

Significant proposed development is the physical extension and/or construction of urban land uses. Development activities include: subdivision of land; construction or alteration of structures, roads, utilities, and other facilities; installation of septic systems; grading; deposit of refuse, debris, or fill materials; and clearing of natural vegetative cover (with the exception of agricultural activities). Development will also bring jobs, housing or both which will affect the jobs/housing relationship at the inter-regional level. *Source: California General Plan Guidelines, Office of Planning & Research*

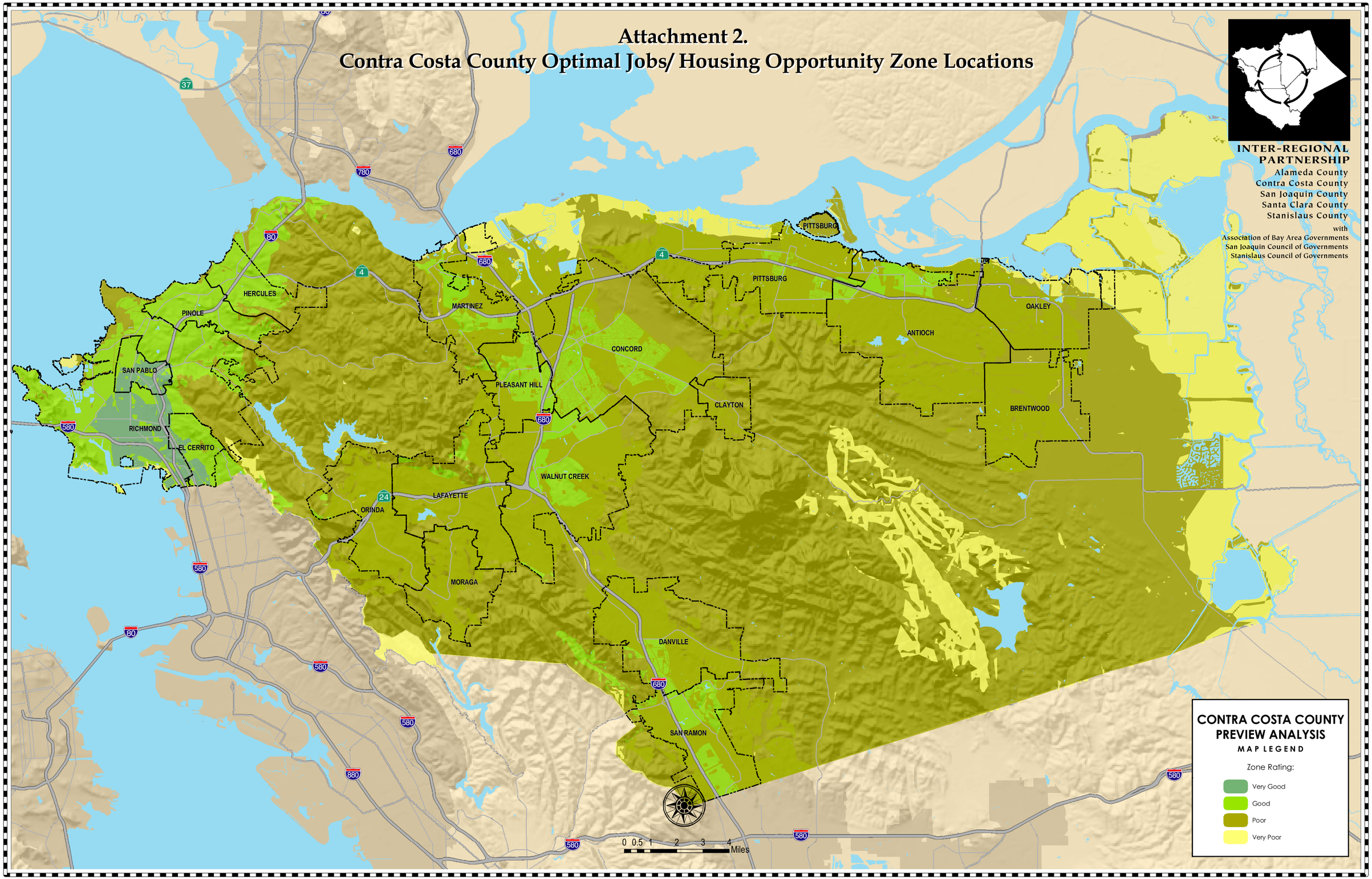
Criterion 6) The location and development within zones will <u>improve the jobs-housing imbalance</u> across the five-county IRP area.

An **improvement in the jobs-housing balance** is based on an evaluation of the gap between jobs and housing in a given zone compared to its surrounding jurisdiction. The evaluation is done by comparing the ratio between the number of jobs and housing units or employed residents in a local jurisdiction with a designated IRP Jobs/Housing Opportunity Zone, before an opportunity zone project has been approved and after it has been completed. The assumed optimum jobs/housing balance is one and one-half jobs for one housing unit or one job for one employed resident, as defined by the California State Department of Finance and the California General Plan Guidelines. *Source: Government Code 65891; State Department of Finance; California General Plan Guidelines, Office of Planning & Research*

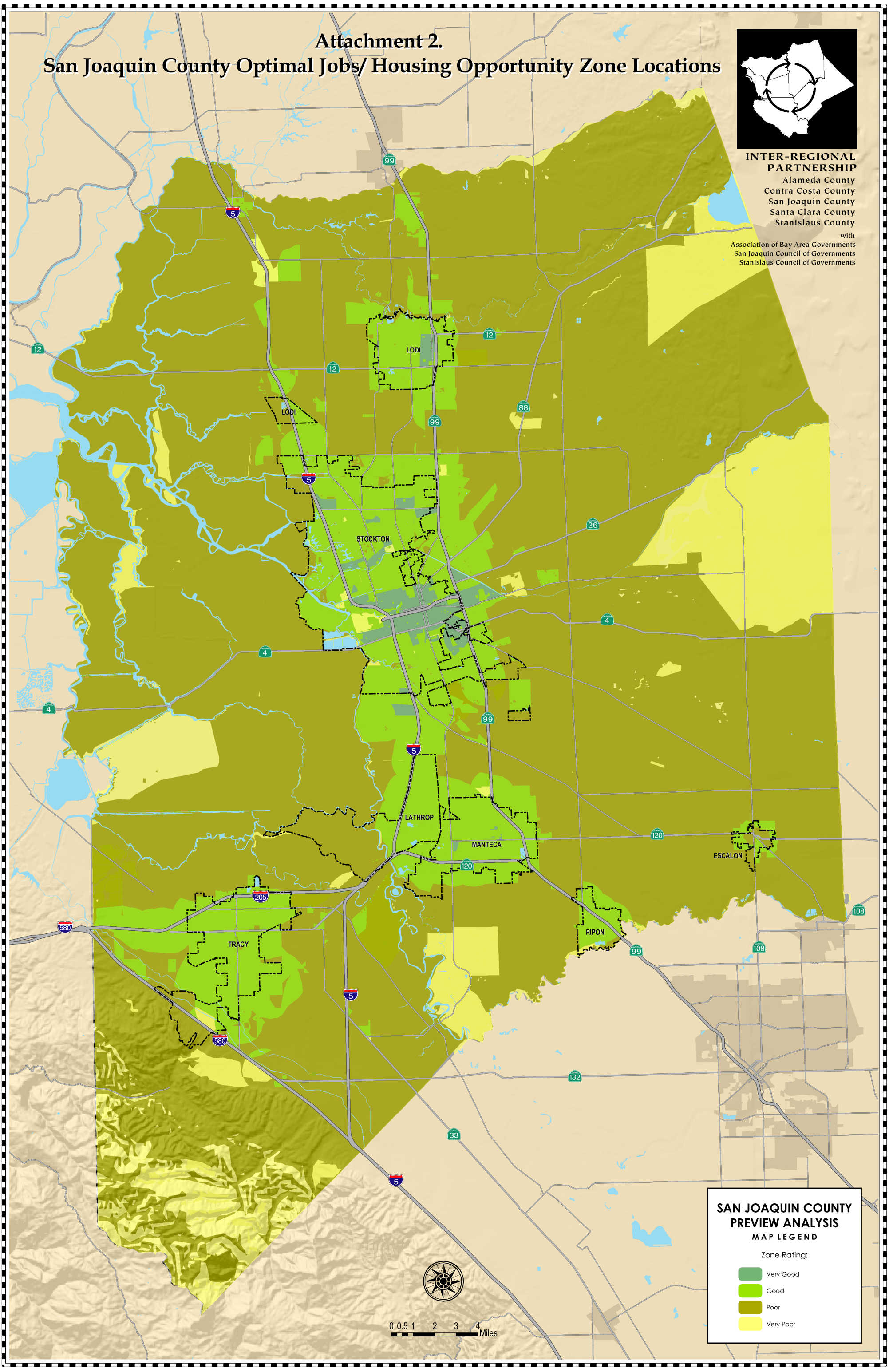
Attachment 2.
Alameda County Optimal Jobs/ Housing Opportunity Zone Locations



Attachment 2.
Contra Costa County Optimal Jobs/ Housing Opportunity Zone Locations

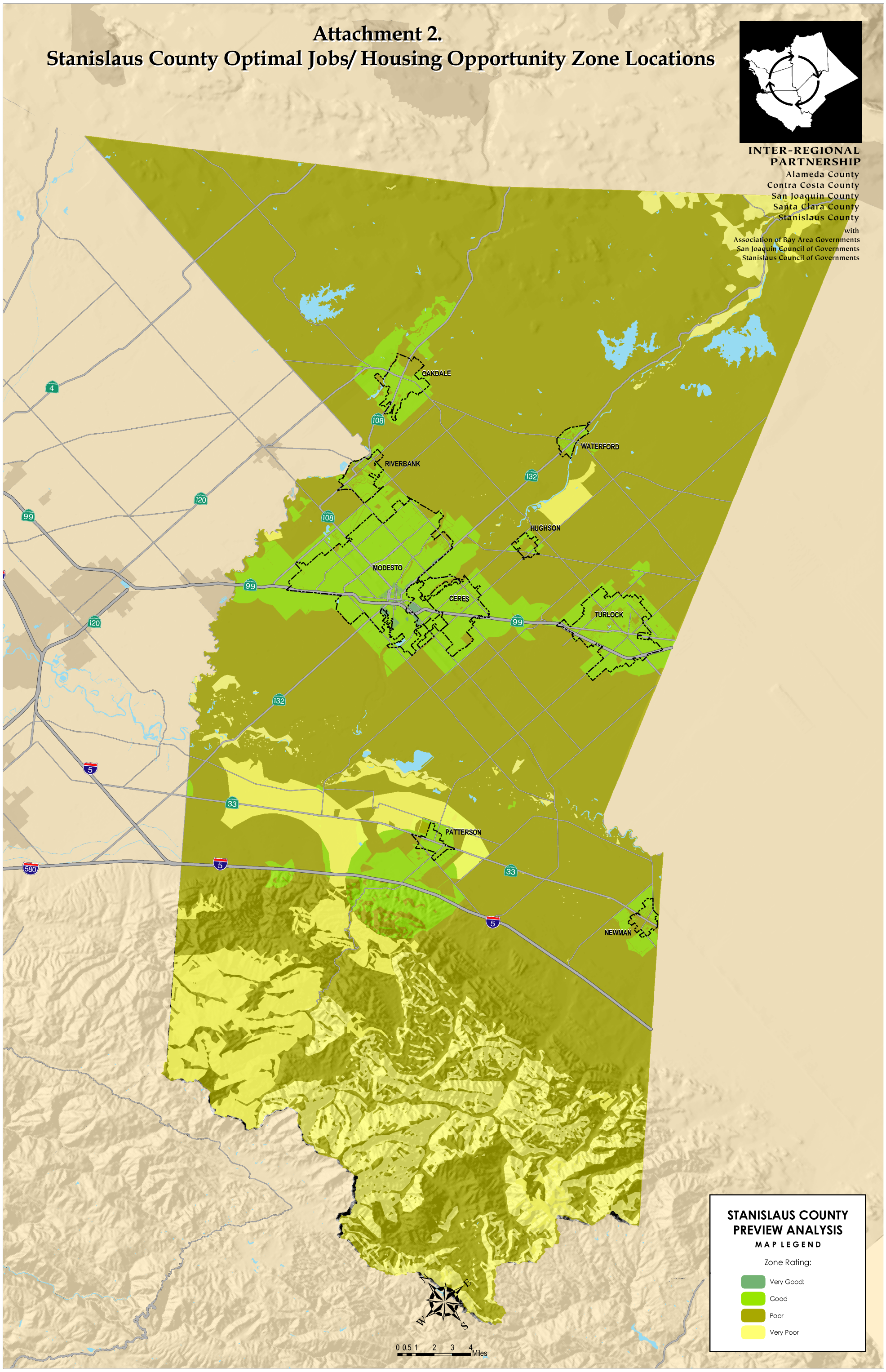


Attachment 2.
San Joaquin County Optimal Jobs/ Housing Opportunity Zone Locations



Attachment 2.
Santa Clara County Optimal Jobs/ Housing Opportunity Zone Locations

Attachment 2.
Stanislaus County Optimal Jobs/ Housing Opportunity Zone Locations



Attachment 3. GIS Spatial Modeling Process for Zone Evaluations

Evaluative GIS Data			
Category	**Measure**	**Point Allocation System**	**Maximum Points**
Zone Characteristics	General Plan, Agriculture, & Public Land	General Plan designations of "residential", "commercial" or "industrial" will receive ".84" points. All other general plan designations will receive "0" points.	**5**
	Brownfields	All Brownfield Tax Incentive Zones will receive ".84" points. Areas outside these zones will receive "0" points.	
	FEMA Flood Zones	Non-flood zone areas will receive ".84" points. Areas within a flood zone will receive "0" points.	
	Wetland Areas	Non-wetland areas will receive ".84" points. Areas within a wetland will receive "0" points.	
	Slopes	Areas with less than 15 percent slope will receive ".84" points. Areas with slopes greater than 15 percent will receive "0" points.	
	Habitat	Areas with no endangered or threatened species habitat will receive ".84" points. Areas that contain endangered/threatened species habitat will receive "0" points.	
Jobs/Housing Imbalance & Impact	Jobs/Housing Ratio	The jobs/housing (j/h) ratio will be calculated for each TAZ by dividing year 2000 Total Jobs by year 2000 Total Households. A jobs/households ratio of 1.5 indicates an existing jobs/housing balance. Those TAZs with a j/h ratio less than 1 or greater than 2 receive "10" points. Those TAZs with a j/h ratio between 1 and 1.2 or 1.7 and 2 receive "5" points. TAZs with a j/h ratio between 1.2 and 1.5 or between 1.5 and 1.7 receive "2.5" points. TAZs with a j/h ratio of 1.5 receive "0" points.	**10**
Transportation/ Infrastructure	Multi-modal Transit Stations (distance from)	Locations within one-quarter mile of a multi-modal station will receive "2.5" points. Locations between one quarter and one mile will receive "1.25" points. Locations between one and three miles from a multi-modal station will receive ".75" points. Locations farther than three miles will receive "0" points.	**5**
	Interchange (distance from)	Locations within one mile of an interchange will receive "2.5" points. Locations between one and three miles will receive "1.25" points. Locations between three and five miles from an interchange will receive ".75" points. Locations greater than five miles, will receive "0" points.	
Urbanized Areas	Urbanized Area Boundaries	Locations within one mile of an urbanized area will receive "2.5" points. Locations between one and three miles of an urbanized area will receive "1.25" points. Locations between three and five miles from an urbanized area will receive ".75" points. Locations greater than five miles from an urbanized area will receive "0" points.	**5**
	Population/Employment Density	Both population and employment density will be determined for each TAZ. Population density will be calculated by dividing year 2000 population by the acreage of the TAZ. Employment density will be calculated by dividing year 2000 Total Jobs by TAZ acreage. Once density is determined for each TAZ, the average TAZ density per county will be determined. For each county, those TAZs with a value equal to or greater than 120% of the average density will receive "1.25" points. TAZs with a density value between 120% and 80% of the average density will receive ".63" points. TAZs with a density value between 80% and 50% of the average density will receive ".31" points. TAZs with a density value at less than 50% of the average, will receive "0" points.	
Total Points Allowable:			**25 points**