

Request for Proposals (RFP)

City of Bellingham, Washington
1504 and 1506 I Street, Bellingham, WA 98225

The City seeks a housing-focused nonprofit to take ownership of a single property (comprising two units of housing), located at 1504 and 1506 I Street, in the Lettered Streets neighborhood. The City intends to convey the property to an experienced community agency who can ensure the property is utilized for the provision of transitional or permanent affordable housing, and sustainably maintained over time.

Subject Parcel:



200 0 100 200 Feet

THIS MAP IS NOT TO BE USED FOR NAVIGATION

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Quick Facts:

Subject Parcel Details

Location: 1504 and 1506 I Street, Bellingham WA 98225

Parcel Size: 0.11 acres (4,988 square feet)

Parcel Number: 3802255234560000

Abbreviated Legal Description: Supplemental Map of Whatcom Lot 6 Blk 49

Determined Value: \$ 710,000.00

Zoning: Residential Multi Subarea: 14

The subject parcel is improved by a two-story duplex. The two units are stacked, and each contain two bedrooms, one bathroom, a kitchen, and a common space. The units share laundry and storage space in the basement. The duplex is approximately 2,200 sq.ft (approximately 1,100 sq.ft per unit).

Subject Property Photos



View looking south from I Street



View looking northeast from Bancroft Street

Timing

Release Date: February 10, 2026

Deadline for Questions: February 24, 2026

Responses Due: March 3, 2026

Contact

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Development Specialist

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360-778-8390

I. Background

The City welcomes proposals that will provide permanent or transitional housing, **affordable to low- and moderate-income residents**, with affordability restrictions recorded for a period of at least 50 years. Low-income is defined as earning 80% of the [Area Median Income](#) (AMI) or less, adjusted for family size. Applicants are encouraged to pursue options to house vulnerable populations. Applicants should review the Executive Summary of the [2023-2027 Consolidated Plan](#) for more information about community goals and priority populations.

History of Property

The property was conveyed to the Opportunity Council via a quit claim deed from the City on November 8, 1990. The City also provided the Opportunity Council a mortgage for the property, which was structured to be fully deferred and due back to the City in the event that the property was sold or if it ceased to be used for a purpose other than transitional housing.

The loan provided included a right of reversion back to the City when the subject parcel was no longer being used to provide transitional housing. Opportunity Council notified the City of its intent to cease operations at the site for transitional housing, and the property became vacant on December 1, 2025. The City plans to exercise its right of reversion, and convey ownership to another nonprofit entity to provide a use supporting affordable housing through a proposal as selected through this RFP process.

II. Consolidated Plan and Development Regulations

The City's [2023-2027 Consolidated Plan](#) identifies priorities based on the needs identified by the community. Priority goals and strategies are articulated in section SP-25 of the Plan. The relevant housing priorities are summarized below.

- Maintain and expand a proactive role in affordable housing development by supporting the acquisition, preservation, and development of affordable units.
- Offer rental assistance for vulnerable households, prioritizing homeless families with children and medically fragile seniors, as well as severely cost burdened families with young children.
- Support households who are vulnerable to homelessness because of trauma, domestic violence, mental illness, etc.

Programs that address one or more of these priorities will receive preference in the selection process.

III. Key Business Terms

As part of the RFP response, acknowledge acceptance of the minimum business terms stated below, or acknowledge areas of disagreement with any of these terms, with an explanation or suggestion of an alternative way of addressing the term in question.

These minimum business terms will be incorporated into the transaction agreements negotiated during the Exclusive Negotiation Period immediately following selection of a preferred nonprofit:

1. **Vision:** The nonprofit will commit to providing affordable housing (transitional or permanent) to low-income and vulnerable populations, especially (but not limited to) any special populations identified in the City's 2023-2027 Consolidated Plan.

2. Process:

- a. The nonprofit will be responsible for conducting all feasibility analyses necessary to acquire the property;
- b. The nonprofit will meet all City, State, and Federal requirements for the property;
- c. The nonprofit will demonstrate experience with and commit to property management responsibilities;
- d. The nonprofit agrees to a simultaneous real estate transaction wherein the City takes ownership back from Opportunity Council and immediately conveys ownership to selected nonprofit; and
- e. The nonprofit will commit to property occupancy and program operationalization within a specified timeframe, as mutually agreed upon by the developer and the City.

3. Financing:

- a. The nonprofit will agree to a mortgage, deed of trust, and promissory note up to the full determined value of the property in the form required by the City. The mortgage terms will be negotiated with the nonprofit, and range from fully deferred to amortized, depending on property cash flow and income of residents served. In all cases, the City will retain a right of reversion, and the mortgage will be due at lender's option should the property be sold or should it cease to be maintained or used for a purpose other than housing for low-income populations;
- b. The nonprofit will not be required to outlay cash for the value of the property at the time of conveyance, but will be responsible for any and all fees or buyer's closing costs associated with the sale of the property;
- c. The City will address specific negotiated capital repairs immediately following the closing process (such as a new roof), with the cost of such repairs incorporated into the mortgage amount. The nonprofit will be responsible for working with the City and any contractors for the repairs prior to property occupancy and program operationalization;
- d. The nonprofit will be solely responsible for any upgrades above and beyond the category of specific negotiated capital repairs. This includes any tenant improvements or additional optional upgrades or changes prior to property occupancy and program operationalization;
- e. The nonprofit agrees a restricted use covenant will be placed on the property limiting the use of the property to what is described in the accepted proposal and associated documents.

IV. Proposal Requirements

Responses to this RFP must include the following information

Responses must address all of the elements identified below and should provide a sufficient level of detail to allow the City to evaluate proposals. Your proposal will not be legally binding on either you or the City until or unless it is referenced in an eventual contract; however, *it must be signed by an authorized officer or principal of your firm*. Full responses are expected to total between 3 and 5 pages.

1. Capability of the Nonprofit Team

- a. Provide background information on your team (organizational history, management team, expertise, etc.).

- b. Provide a description of past and current housing programs that demonstrate your ability to manage projects of similar size and complexity from concept initiation to a successful outcome.
- c. Provide information about how you anticipate managing the ongoing operational and property management costs incurred by your programming concept.
- d. References: include at least three (3) project partner references that can speak to your team's track record, expertise, and capabilities.

2. Program Concept

- a. Proposed Program Scope – Include type of programming, staffing supports proposed, special populations served (if any), level of affordability offered (must remain affordable to residents earning at or below 80% AMI), number of anticipated residents over the course of a calendar year and program referral sources, etc;
- b. Property Operations and Maintenance – Include a proposed operations and maintenance plan for the property, including rent structure (tenant payment and/or subsidies assumed), how utilities will be paid, how repairs will be managed, how maintenance needs will be handled timely and not deferred, etc.;
- c. Proposed Departure(s)– Include any required departure from the key business terms as published herein (only if relevant).

3. Proposed Transaction Structure

- a. Purchase Price – Specify the price your organization can offer for the property;
- b. Affordability Monitoring – Describe how you propose to ensure that the property is used for the provision of affordable housing, - whether transitional or permanent - for low-income families or individuals and proposed duration of tenancy;
- c. Transaction Commitment and Timing – The City is interested in ensuring conveyance of the property by no later than May 1, 2026. Indicate your desired closing date, your required conditions of closing the transaction, including any required approvals and the timing anticipated in obtaining such approvals; and
- d. Other material terms and conditions required by you if you are selected for negotiations, including what, if any, incentives, subsidies, or direct investments you are assuming in addition to those represented in this RFP and supporting materials.

Modification/Withdrawal of Proposal Submittals

Applicants may withdraw a proposal submittal at any time prior to the final submission date by sending written notification of its withdrawal, signed by an agent authorized to represent the agency. The applicant may thereafter submit a new proposal submittal prior to the final submission date or submit written modification or addition to a proposal submittal prior to the final submission date.

Modifications offered in any other manner, oral, or written will not be considered. A final proposal submittal cannot be changed or withdrawn after the final submission date, except for modifications requested by the City after the date of receipt.

V. Evaluation Criteria

1. Capability of the Developer:

- Materials submitted demonstrate financial capacity and organizational strength and ability;
- Materials submitted are complete and address all proposal requirements;
- Demonstrated capacity to take on this project; and
- Overall strength and experience of the agency and team.

2. Program Concept:

- Ensures that the property will be for the provision of permanent or transitional affordable housing for low-income families or individuals, and preferably to priority groups described in the Consolidated Plan; and
- Strength of operations and property management plan, including availability/creation of reserve accounts dedicated to maintaining operations and property upkeep.

3. Preferred Transaction Structure:

- Defines plan and timing for property acquisition and program build-out (including commencement of program activities and full occupancy within a 3-month time period); and
- Minimizes closing contingencies.

VI. General Terms and Conditions

Right to Negotiate

Selected applicants maintain the right to negotiate any terms or conditions before entering into an Agreement with the City.

Equal Opportunity Employment

The successful applicant must comply with the City of Bellingham equal opportunity requirements. The City of Bellingham is committed to a program of equal employment opportunity regardless of race, color, creed, religion, gender, age, national origin, pregnancy, genetic information, marital status, sexual orientation (including gender identity), or the presence of any sensory, physical, or mental disabilities.

The City of Bellingham is also committed to complying with Title VI of the Civil Rights Act of 1964, that provides “no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving federal financial assistance.”

Americans with Disabilities Act (ADA) Information

The City of Bellingham in accordance with Section 504 of Rehabilitation Act (Section 504) and the Americans with Disability Act (ADA), commits to non-discrimination based on disability, in all its programs and activities.

Non-Collusion

Submittal and signature of a submittal swears that the document is genuine and not a sham or collusive and not made in the interest of any person not named, and that the proponent has not induced others to submit a sham offer, or to refrain from proposing.

Compliance with Laws and Regulations

In addition to non-discrimination and equal opportunity requirements previously listed, the applicant ultimately awarded a contract shall comply with federal, state, and local laws, statutes and ordinance relative to the execution of the work. This requirement includes, but is not limited to, protection of public and employer safety and health; environmental protection; waste reduction and recycling; the protection of natural resources; permits; fees; taxes; and similar subjects

VII. Selection Process

The City will review the responses to this RFP and determine whether to conduct interviews with the selected applicant(s). Following review of submittals and interviews (if conducted) City staff will make a recommendation to the Mayor. The Mayor or designee has final decision-making authority and reserves the right to reject any and all proposals, and/or to withdraw or subsequently modify or review the terms contained within this RFP.

Upon approval, the preferred nonprofit and the City will enter an Agreement. If the parties cannot execute an Agreement within 30 calendar days, the City reserves the right to enter into negotiations with an alternate applicant.

The selection process for this RFP is outlined in the following tentative schedule. Dates are subject to change.

Issue RFP	February 10, 2026
RFP Responses Due	March 3, 2026
Applicants Notified	March 13, 2026
Target Ownership Transfer	April 1 to May 1, 2026

Rejection of Submittals

The City reserves the right to reject any or all submittals and to waive irregularities and information in the submittal and evaluation process. This RFP does not obligate the City to accept or contract for any express or implied services.

VIII. Submittal Requirements

Respondents must submit: one (1) electronic PDF file of the RFP response. Electronic submittal of the PDF file should be emailed to: cd@cob.org. Full responses are expected to total between 3 and 5 pages.

Responses must be received by 5:00 pm on Tuesday, March 3, 2026.

Please note that all proposals are public records and all responses to this RFP become the property of the City of Bellingham