

## Urban Redevelopment Authority

### REQUEST FOR REDEVELOPMENT PROPOSALS (RFP)

#### COMMERCIAL BUILDING AND ASSOCIATED LAND IN THE LARIMER NEIGHBORHOOD OF THE CITY OF PITTSBURGH

#### 413 LARIMER AVENUE



**RFP Issue Date: August 12, 2014**

**Proposal Due Date: September 12, 2014 at 11 AM ET**

## I. INTRODUCTION

### Goal of the RFP

The Urban Redevelopment Authority of Pittsburgh (URA) is seeking redevelopers and/or redevelopment teams (“redeveloper”) for 413 Larimer Avenue in the Larimer neighborhood of the City of Pittsburgh. The goal of this RFP is to select a redeveloper to complete a high quality redevelopment that can incorporate elements of the Larimer Land Use Vision Plan that is referenced in the Community Process section of this RFP. The elements include, but are not limited to, creating local family sustaining jobs; increasing the range of housing options; and securing healthy food supplies. Proposed commercial uses should be complementary to the surrounding residential neighborhood.

There is no commitment by the URA to provide subsidy for this project. Proposals must take this into consideration.

### Property Description

#### **413 Larimer Avenue**



Address:	413 Larimer Avenue, Pittsburgh, PA 15206
Neighborhood:	Larimer
Council District:	9
Councilperson:	Reverend Ricky Burgess
Parcel ID:*	<a href="#">124-J-246</a>
Size of Parcel:	2,679 square feet
Size of Building:	1,200 square feet (estimate)
Previous Use:	Retail
Preferred Use:	Commercial Use complimentary to surrounding residential
District Zoning:	Local Neighborhood Commercial (LNC)

\*The Parcel ID is hyperlinked to the Allegheny County Property Assessments page for this property. The size of parcel referenced in this RFP differs from that listed on the Allegheny County Property Assessments homepage due to the recent subdivision of the parcel. The County website has not yet been updated.

The redevelopment site consists of one parcel that is surrounded by properties which are currently under contract with KBK Enterprises LLC (KBK) for Phase I of U.S. Department of Housing and Urban Development's (HUD) Choice Neighborhoods project in Larimer. The Choice Neighborhoods project is discussed in more detail in the Neighborhood Market Conditions section.

An easement on the east side (Meadow Street) of the KBK development site will be provided so that a three-foot-wide sidewalk can be constructed for 413 Larimer Avenue. The sidewalk will be constructed by KBK.



In 1903 this two-story brick building was purchased from the Mellon family by Teodosio Fiore and established as Fiore's Meat Market. It was most recently home to Fiore Mirror and Glass.



The URA commissioned conceptual design plans for the rehabilitation of this building. The URA did not proceed with this rehabilitation due to cost constraints. To view the conceptual plans for the rehabilitation click [here](#).

## **RFP Timeline**

RFP Issue Date	Tuesday, August 12, 2014
Pre-proposal Conference*	Monday, August 18, 2014 at 9 AM ET
Proposals Due	Friday, September 12, 2014 at 11 AM ET
Interviews with Potential Redevelopers	TBD

\* Interested redevelopers should plan to attend the pre-proposal conference, as private appointments will not be scheduled. The meeting location for the pre-proposal conference will be at 413 Larimer Avenue. RSVP your attendance to Emily Jo Gaspich, [egaspich@ura.org](mailto:egaspich@ura.org).

## **Neighborhood Market Conditions**

Recently, the City of Pittsburgh and the Housing Authority of the City of Pittsburgh (HACP) were awarded HUD's Choice Neighborhood funds. This award will bring more than 300 housing units to Larimer over the next seven years. These 300 units will be mixed-income housing. The lower threshold will be as low as 20 percent of the area median income with the upper threshold exceeding incomes of \$200,000.

At least two phases of new housing construction will occur in Larimer over the next three years. The first phase will include 40 scattered site units of affordable rental housing, to be built by KBK, along the Larimer Avenue and Meadow Street corridors. The second phase will include 85 units of mixed-income rental housing, to be built by McCormack Baron Salazar and Allies at Ross (a subsidiary of HACP), along the Larimer Avenue and the East Liberty Boulevard corridors.

## **Community Process**

The Larimer Consensus Group (LCG) was formed to bring stakeholders from the Larimer neighborhood together to foster community-driven change. The LCG works both at the neighborhood and City-wide levels to promote vitality and growth within the neighborhood. To learn more about the LCG click [here](#).

The Larimer Vision Plan, prepared by Strada Architecture LLC, Real Estate Strategies, and the Design Center, was released in November, 2010 for LCG. Sustainability, connectivity and opportunity are reoccurring themes in the Larimer Vision Plan. The redeveloper's proposed project should address the same basic themes. The plan can be accessed by clicking [here](#).

Several community meetings were held to develop a Vision to Action Strategy. The redeveloper is encouraged to review the [February 5, 2013 Community Meeting Summary](#) and the [April 22, 2013 Community Meeting Summary](#) to become familiar with the community's implementation objectives that resulted from the Vision to Action Strategy.

Interested redevelopers are encouraged to meet with LCG prior to submitting a proposal package to discuss how the proposed project relates to the community plan.

## II. Proposal Requirements

Proposals should demonstrate the capacity and creativity of the redeveloper to transform the parcels included in this RFP by following high development standards and presenting the best economically viable project(s) for the City. It is expected that proposals will include the appropriate scale of development for the neighborhood in which it is located. The redeveloper will be required to coordinate design and construction with the URA to ensure that the proposed project(s) complement the neighborhood's and City's revitalization goals.

All responses should include the RFP Summary Page, which can be found at the end of this document, as the cover page of the proposal package. Using section dividers with tabs, the proposal package should be divided into sections based on the following Proposal Requirements outline. Responses should be limited to 10 pages, not including the RFP Summary Page and exhibits. The redeveloper should submit five (5) hard copies of the proposal package printed to double sides with one (1) electronic copy in a bookmarked PDF format to:

Emily Jo Gaspich, P.E., LEED AP  
Urban Redevelopment Authority of Pittsburgh  
200 Ross Street, 12<sup>th</sup> Floor  
Pittsburgh, PA 15219

All responses should include the following RFP Summary Page as the cover page of the proposal package. This page should be fully completed by the redeveloper. **ALL RESPONSES MUST BE RECEIVED BY THE RESPONSE DUE DATE AND TIME AS STATED IN THE RFP TIMELINE** for consideration. Any late responses will not be reviewed.

The following Proposal Requirements will serve to establish a redeveloper's overall capacity to complete this project.

### 1. Project Narrative

- a) Description of development plan for the selected parcel(s) including use, number of units (for residential) and/or rentable square feet (for commercial, retail or office)
- b) Explanation of ownership entity (single owner, partnership, LLC)
- c) Prospective development timeline, including major milestones
- d) Discussion of parking needs including the parking required by district zoning and parking necessary to meet the project demands
- e) Schematic drawing of proposed project, including elevations and site plan

### 2. Relevant Development Experience

- a) Brief description of similar projects (date, location, concept)
- b) Photographs of projects
- c) Description and role of development entity
- d) References - strong references include banks, municipal entities, co-developers, tenants, and press clippings that include project narratives to describe previous work
- e) Detailed description of how the redeveloper will engage the community to the fullest extent for this project

### 3. Financial Capacity

- a) Detailed description of ability to finance the costs associated with project
- b) People or entities in the proposed development team, including all joint venture, general, or limited partners, and percentage of interest
- c) Role of each development partner in the implementation of the development plan
- d) Explanation of the redeveloper's previous experience in attracting equity investors

#### 4. Budgets

- a) Financing sources with funding gaps identified
- b) Project uses including redeveloper's bid as well as hard and soft costs
- c) Proforma

### III. Selection Process

The URA's intention is to enter into an exclusive negotiation period with the selected redeveloper. The exclusive negotiation period will provide the redeveloper sufficient time to complete due diligence activities necessary to define a scope of work and schedule that will ultimately become part of a formal Disposition Contract.

A redeveloper may be selected based on, but not limited to, the following criteria:

1. Experience completing similar redevelopment projects in an urban neighborhood;
2. Capacity to attract and secure financing, with a minimum amount of public subsidy;
3. Ability to assemble a team with the appropriate specialties;
4. Appropriateness of proposed plan with RFP goals and scale of development;
5. Experience with community engagement;
6. Commitment to sustainable design standards; and
7. Commitment to Minority/Women Owned Business Enterprise participation.

The redeveloper is responsible for designing a project that meets the zoning regulations and building codes adopted by the City of Pittsburgh and is otherwise compliant with the law.

A redeveloper will be recommended to the URA Board based on the overall quality of the proposed project. The evaluation of the redeveloper's qualifications, experience and capacity will be based upon information submitted in the proposal and presented during the interview by the redeveloper.

The URA reserves the right to verify the accuracy of all information submitted. After the URA has completed its evaluation of the submittals, a redeveloper who is placed on the short list may be asked to interview with the URA. However, a short-listed proposal may be accepted without the need for an interview. If an interview is deemed necessary, the redeveloper will be provided with a time that is determined by the URA.

### IV. Disposition Process Overview

The URA sells its property through a disposition process. As part of this process, the redeveloper must show that all funds needed for the fully-realized project are available at the time of closing. In order to give the community a level of comfort that the site will be responsibly redeveloped, the URA will review the Opinion of Probable Cost and construction plans against the evidence of financing to determine if the information presented is reasonable and corresponds. The URA will not close on a property until all the terms of the disposition process are fulfilled. Click [here](#) to access the Disposition Process.

The redeveloper must be willing to enter into a written Disposition Contract with the URA. The Disposition Contract is the binding document that details the redeveloper's plan to design, finance, purchase, and construct the redevelopment project. Taxes, liability insurance, site security, and all aspects of owning and redeveloping the property shall be the full responsibility of the redeveloper at the time of sale, as specified in the Disposition Contract.

The URA Board must approve any and all redevelopers who purchase URA property. Upon URA Board approval, the redeveloper's purchase of the property will occur after execution of the Disposition Contract, approval of the final construction documents and issuance of a building permit. The purchase of the property will occur simultaneously with the closing on the redeveloper's construction financing.

## **V. Legal Information**

1. Prior to submitting a proposal, a redeveloper is encouraged to attend the pre-proposal conference, which provides an opportunity to inspect the property.
2. The property will be offered to the selected redeveloper in "AS-IS" condition.
3. The sale of the property does not guarantee or warrant demolition permits, building permits, zoning variances, or financial viability.
4. The redeveloper, for itself and its employees, contractors, and primary subcontractors, agrees not to discriminate against or segregate any person or group of persons on any unlawful basis in the construction, sale, transfer, use, occupancy, tenure or enjoyment of the property or any improvements erected or to be erected thereon, or any part thereof.
5. The URA shall be the sole judge as to which proposal best meets the selection criteria. The URA reserves the right to reject any or all proposals received, to waive any informalities or irregularities in any submitted proposal, and to negotiate scope and proposal prices.
6. Responses to the RFP will not be opened publicly.
7. Proposals may be withdrawn by written notice received by the URA before the time and date set for receipt of proposals. After the submission date, a proposal may not be withdrawn for a period of sixty (60) days, except by mutual consent between the URA and the respondent.
8. It is the redeveloper's sole responsibility to read and interpret this RFP and the written instructions contained herein. A respondent may correct errors and omissions discovered before the time set for receipt of proposals by withdrawing the original proposal and resubmitting a new proposal before the date and time set for the receipt of proposal. Errors and omissions may not be corrected after the submission date except when the URA decides, in its sole discretion, to allow the correction.
9. This RFP is submitted subject to errors, omissions, and/or withdrawal without notice by the URA at any time.
10. The redeveloper is encouraged to confer with the URA prior to submitting its response. All proposals, including attachments, supplementary materials, addenda, etc. shall become the property of the URA and will not be returned.
11. Addenda will be posted on the URA website and distributed via the [Developer Mailing List](#). All such addenda shall become part of the RFP documents and all respondents shall be bound by such addenda, whether or not received by the respondents.

**RFP SUMMARY PAGE FOLLOWS**

## RFP SUMMARY PAGE

Project Name	
Project Neighborhood	
Developer (Legal Entity Name)	
Primary Contact Name for Proposal	
Primary Contact Mailing Address	
Contact Phone	
Contact E-mail Address	
<i>Complete all fields that apply to this Proposal</i>	
Offer Price	
Total Estimated Project Cost	
Total Estimated Project Gap	
Estimated Full Time Jobs Created, Operational	
Estimated Construction Jobs Created	
Total Commercial Space (sf)	
Number of housing units; rental	
Number of affordable rental units	
Number of market rate rental units	
Number of housing units; for-sale	
Total Parking Spaces, On-Site	
Total Parking Spaces, Required	
Construction Start	
Construction Duration	
Other (specify)	
Other (specify)	
Other (specify)	