

**Urban Redevelopment Authority**

**REQUEST FOR REDEVELOPMENT PROPOSALS (RFP)**

**FORMER ST. JOHN'S HOSPITAL AND ASSOCIATED LAND  
IN THE BRIGHTON HEIGHTS NEIGHBORHOOD  
OF THE CITY OF PITTSBURGH**



**RFP Issue Date: June 17, 2014**

**Proposal Due Date: July 25, 2014 at 11 AM ET**

## **I. INTRODUCTION**

### **Goal of the RFP**

The Urban Redevelopment Authority of Pittsburgh (URA), in partnership with the Pittsburgh Housing Development Corporation (PHDC), requests proposals from housing redevelopers, redevelopment teams and/or master contractors (the “redeveloper”) for the former St. John’s Hospital site and associated land (the “site”). The URA and PHDC are collaborating with the Brighton Heights Citizens Federation (BHCF) on the redevelopment of this site, which is located in the Northside neighborhood of Brighton Heights in the City of Pittsburgh. The goal of the RFP is to select a redeveloper to complete a high-quality, sustainable, for-sale, single-family housing development. This new development will bring life back to a site that has sat vacant for the past 12 years and help to further stabilize the surrounding area.

### **Roles and Responsibilities**

The URA is the City of Pittsburgh's economic development agency, committed to creating jobs, expanding the City's tax base and improving the vitality of businesses and neighborhoods. The redevelopment site is owned by the URA. The property will be transferred to the redeveloper through the URA’s disposition process. An overview of this process is described in Section III. It is anticipated that the property and construction closings will occur simultaneously.

PHDC is the non-profit housing development subsidiary of the URA, charged with the creation of housing in underserved neighborhoods of the City. As this process moves forward, a determination will be made as to whether the selected redeveloper will manage the project independently or in partnership with the PHDC.

There is no formal commitment by the URA to provide subsidy for this project. Proposals can identify a site work gap as described below. The redeveloper should identify suggestions for fundraising to close the gap.

To the extent needed, the URA may work with the redeveloper to identify funding sources for a portion of the site work which includes site preparation, earth work and minimal essential public infrastructure needs. Potential sources could include federal, state, county, and/or local sources and private sources. In each submission, the redeveloper should clearly show the site preparation, earth work, and public infrastructure cost estimate as a cost line in the Uses Section of the Development Budget. The Budget should also include a gap (if there is one) due to the site preparation, earth work and minimal essential public infrastructure needs. This gap can be called "Site Sources to be Raised" in the Sources Section of the redevelopment budget.

As public funds may be used to help underwrite this redevelopment project, the URA will use appropriate procedures to ensure its interests in the property until the projects is completed and/or sold to buyers.

## **Property Description**

|                   |   |
|-------------------|---|
| Address:          | 3339 McClure Avenue, Pittsburgh, PA 15212   |
| Neighborhood:     | Brighton Heights  |
| Council District: | 1   |
| Councilperson:    | Darlene Harris  |
| Parcel ID: *      | <a href="#">75-L-270</a> , <a href="#">275</a> , <a href="#">276</a> , <a href="#">277</a> , <a href="#">314</a><br><a href="#">75-M-83</a> |
| Size of Parcel:   | 4.8 acres   |
| Size of Building: | N/A   |
| Previous Use:     | Former Hospital - Demolished  |
| Preferred Use:    | Residential   |
| District Zoning:  | R1A-H   |

\*The Parcel IDs are hyperlinked to the Allegheny County Property Assessments page for these properties.

The redevelopment site for this project consists of six parcels that are between Fleming and McClure Avenues in Brighton Heights. Click [here](#) to view the location map. The site was previously home to St. John's Hospital, which was demolished in 2004. The site is presently a vacant, semi-wooded lot situated in the side of a hill. The north side of the site sits approximately 40 feet higher than the south side. Due to this steep grade change, the site is essentially split into two distinct levels that will require a large amount of site grading.

In December of 2011, Wilbur Smith Associates released a St. John's Hospital Site Utility Coordination report. The report discusses preliminary findings regarding a private 60" diameter combined sewer, which traverses the site. D'Appolonia prepared a Subsurface Exploration and Geotechnical Evaluation report in January 2012, which further discusses the presumed location and function of the 60" diameter combined sewer as well as identifies constructability limitations due to existing site soils and geology. From the preliminary investigations that were completed in 2011 and 2012, it could not be determined if the combined sewer required relocation or was able to be abandoned. These reports will be made available to redevelopers who elect to attend the pre-proposal conference.

Redevelopers are advised that additional due diligence is needed to fully understand the extent of the earth and infrastructure work that will be required prior to redevelopment. It is intended that the prospective redeveloper will be solely responsible for this work as part of the overall redevelopment effort and proposals and associated budgets must account for these efforts.

## **RFP Timeline**

|                                       |   |
|---------------------------------------|---|
| RFP Issue Date:                       | June 17, 2014   |
| Pre-proposal Conference: *            | Monday, June 30, 2014 - 11 AM to Noon ET              |
| Proposals Due:                        | Friday, July 25, 2014 at 11 AM ET                     |
| RFP Evaluation Period:                | Monday, July 28, 2014 through Friday, August 29, 2014 |
| Interviews with Potential Developers: | TBD   |

\* Interested redevelopers should plan to attend the pre-proposal conference, as private appointments will not be scheduled. The pre-proposal conference will offer redevelopers the opportunity to view the site, ask questions, and obtain reference materials for use in preparing their proposal package. The meeting location for the pre-proposal conference will be at 3339 McClure Avenue. RSVP your attendance to Emily Jo Gaspich, [egaspich@ura.org](mailto:egaspich@ura.org).

### **Neighborhood Market Conditions**

Brighton Heights overlooks the Ohio River to the west and is bounded by the Northside neighborhoods of Perry North (Observatory Hill) to the east and Marshall-Shadeland to the south. Located on the edge of the City, it is adjacent to the suburban communities of Bellevue and Ross Township. In this tight-knit neighborhood you'll find generations of families living side-by-side, with long-time locals residing next door to young families. Scenic views surround this quiet and friendly neighborhood. With broad sidewalks, this walking community is popular for families and friendly to pets.

The neighborhood is located in close proximity to [Riverview Park](#), one of Pittsburgh's great outdoor recreation spaces. Although the direct bridge link is temporarily unavailable, there are alternate short routes to get to the park. The 287-acre expanse, which is known for its hiking and equestrian trails, is also a haven for walkers and joggers. Other highlights include summertime concerts and movies, a swimming pool, ball fields, picnic shelters, and a "space age" playground located near the landmark [Allegheny Observatory](#). The Allegheny Observatory, located at the pinnacle of the park, is a University of Pittsburgh research facility open to the public by appointment.

Brighton Heights is easily accessible to major regional attractions such as the [Carnegie Science Center](#), the [Children's Museum](#), the [Andy Warhol Museum](#), [Mattress Factory](#), [PNC Park](#), and [Heinz Field](#). McKnight Road shopping and [Ross Park Mall](#) are less than a ten minute drive.

In addition to its close proximity to major retailers, the site is within one mile of the California Avenue Business District. The California Avenue commercial district boasts small businesses such as Tom Friday's Butcher Shoppe, California Cycle Path, Chubby's Pizza & Hoagies, and the Java and Crème House.

The URA has created business district market profiles to provide a statistical snapshot of these areas. The market profiles use a two minute drive time radius as designation of the trade/market area around the center of the commercial corridor. These reports are meant to provide basic information and should not be considered conclusive comprehensive market studies. Data has been collected through ESRI Business Analyst, a GIS-based market data program.

To view the 2013 Brighton Heights - Brighton Road/California Avenue Commercial District Market Profile click [here](#).

In July 2012, PHDC completed construction on three new single family homes at the corner of Antrim Street and McClure Avenue (PHDC units). The PHDC units sold for \$135,000. All three were sold as affordable housing (i.e. 80% of the area median income) due to the use of federal funds for this project. All sold within 5 months of listing. PHDC believes the speed of sales for these units have laid the ground work for introducing a new market rate housing product for the larger St. John's site.

To view the PHDC units constructed in 2012 click [here](#).

According to Real Stats, sales prices in the Brighton Heights neighborhood range from \$1,000 to \$205,000 with an average sale of \$86,829. There were 140 sales (not including sheriff or family sales) between January 2013 and April 2014 and 36 of those sales sold between \$120,000 and \$205,000.

Click [here](#) to view the latest market data on Brighton Heights, surrounding communities and all neighborhoods within the City of Pittsburgh.

### **Community Process**

Founded in 1967, the Brighton Heights Citizens Federation (BHCF) is a volunteer organization that has long been the voice of Pittsburgh's Brighton Heights neighborhood. Click [here](#) to learn more about BHCF.

Over the last few years, PHDC has worked closely with BHCF to explore redevelopment ideas and to understand the site's physical constraints. To determine the redevelopment potential of the existing site, PHDC hired LaQuatra Bonci Associates and Wilbur Smith Associates. Their scope of work was to prepare a financially feasible redevelopment concept plan (concept plan) that includes design of limited public infrastructure, private utilities (i.e. storm and sanitary sewers), and roadways. The concept plan is based on the presumed location of the private 60" diameter combined sewer. As previously mentioned, the redeveloper will need to complete additional due diligence to determine if the private 60" diameter combined sewer can be abandoned or will require relocation. The concept plan is currently at the 30% drawing level.

The concept plan depicts nine for-sale homes in Phase I along Fleming Avenue and 13 for-sale homes in Phase II along McClure Avenue. LaQuatra Bonci Associates has given PHDC cost estimates to perform the site work, including infrastructure, needed to implement both the Phase I and Phase II of this plan.

Click [here](#) to view the redevelopment concept plan.

BHCF advocates for a high-quality, sustainable, for-sale, single-family housing development. The concept plan, which has been fully vetted with the community, illustrates BHCF's preference for single-family or townhomes on the site. The URA, PHDC and BHCF expect the selected redeveloper to foster a close relationship with the community as this redevelopment becomes a reality. The selected redeveloper will be expected to work with the URA, PHDC and BHCF to ensure the project fits within the neighborhood context, vision and larger planning goals. Should the redeveloper choose not to use the concept plan, the redeveloper's plan should address the same basic principles.

As part of the community process, any redevelopment proposal that is slated for URA Board consideration must first be presented to the neighborhood. If a redeveloper's project is a finalist for URA Board consideration, the URA will provide information outlining the redeveloper's responsibility with regard to meeting with the community.

## **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. Identify the 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 of 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.
10. This RFP is submitted subject to errors, omissions, and/or withdrawal without notice by the URA at any time.
11. The redeveloper is encouraged to confer with the URA prior to submitting their response. All proposals, including attachments, supplementary materials, addenda, etc. shall become the property of the URA and will not be returned.
12. Addenda will be posted on the URA website and distributed via email. 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 COVER 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 Package.</i> |  |
|   |  |
| Total Estimated Project Cost (including infrastructure)         |  |
| Total Estimated Project Gap (including infrastructure)          |  |
| Estimated Infrastructure Cost                                   |  |
| Project Gap due to Infrastructure                               |  |
| Estimated Full Time Jobs Created, Operational                   |  |
| Estimated Construction Jobs Created                             |  |
| Total Commercial Space (sf)                                     |  |
| Total Market Rate Residential Units                             |  |
| Total Rental Residential Units                                  |  |
| Total For Sale Residential Units                                |  |
| Total Parking Spaces, On-Site                                   |  |
| Total Parking Spaces, Required                                  |  |
| Other (specify)   |  |
| Other (specify)   |  |
| Other (specify)   |  |

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