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Urban Redevelopment Authority
of Pittsburgh



REQUEST FOR PROPOSALS Former Fairywood School Site

RFP Issue Date: Thursday, December 19, 2019

Proposal Due Date: Accepting Proposals on a Rolling Basis

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH
REQUEST FOR PROPOSALS (RFP)
Former Fairywood School Site
Issued on Thursday, December 19, 2019**

1. OBJECTIVE

The Urban Redevelopment Authority of Pittsburgh (the “URA”) is requesting proposals from redevelopers and/or redevelopment teams for the purchase and redevelopment of the former Fairywood School site in the Fairywood neighborhood of the City of Pittsburgh. The goal of this RFP is to develop new construction affordable senior housing.

2. TENTATIVE SCHEDULE

A tentative schedule for the proposal selection process is below. Redevelopers must be available for the following meetings, interviews and deadlines.

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Please be advised that there is no site tour as these parcels are vacant lots.

3. SITE INFORMATION

Block & Lot	Address	Lot Area in Sq. Ft.	Zoning
70-A-3	Broadhead Avenue	13,000	RM-M
70-A-10	Von Bonnhorst Street	1,430	RM-M
70-E-185	Broadhead Avenue	137,214	RM-M
70-E-241	3477 Von Bonnhorst Street	24,960	RM-M
70-E-375	Broadhead Fording Road	29,969	LNC

Neighborhood /

Location: Fairywood, 28th Ward

Council District: 2

Councilperson: Theresa Kail-Smith

Preferred Reuse: Senior Housing

Sale Price: Appraised Value as of April 2019: \$434,900.00 (Exhibit “A”)

4. BACKGROUND

A. URA Information

The URA is the economic development agency for the City of Pittsburgh, committed to creating jobs, expanding the City's tax base, and improving the vitality of businesses and neighborhoods within the City. Incorporated in 1946 as one of the first redevelopment authorities in the United States, the URA achieves this mission by assembling, preparing, and conveying sites for major mixed-use developments and by providing a portfolio of programs that include financing for business location, relocation, and expansion, housing construction and rehabilitation, and home purchases and improvements among many others. The URA conducts these activities using unique powers granted by the Commonwealth's Urban Redevelopment Law to deploy and attach conditions to the use of public subsidy and the disposition of publicly owned land. The URA is committed to equitable development and incorporates best practices for equity and inclusion into the URA's internal and external policies and activities.

The URA is a legal entity separate and distinct from the City of Pittsburgh though works closely with the City in fulfilling its redevelopment mission. Additional information regarding the URA may be found on the URA's website at www.ura.org.

B. Project Description

Fairywood is a small, low-lying neighborhood along Chartiers Creek in the western area of the City. Prior to 1960, two public housing developments were built – Westgate Village and Broadhead Manor. Later, as part of a citywide redevelopment plan, Chartiers Creek was straightened and moved to the west. An industrial park was planned and developed, currently known as Chartiers Valley Industrial Park. The site was originally anchored by Hills Department Store, Giant Eagle, and Bonanza Steakhouse. All of the anchor stores have closed and are currently being used as storage facilities.

In 2004, Broadhead Manor suffered unrecoverable damage during Hurricane Ivan. The URA acquired the site from the Housing Authority in 2011, demolished the structures, rezoned the site, and is currently working with a redeveloper to develop Class A flexible space on the site. In 2010, Westgate Village was converted into market-rate, rental townhouses and is now referred to as Emerald Gardens.

The remainder of the neighborhood contains older, scattered residential developments; institutional uses, such as the Salvation Army; light industrial uses, including an OK Grocery cold storage warehouse, Talon Logistics distribution, Modcloth, Amazon, and UPS warehouse and distribution centers; and commercial uses. The area is located close to State Routes 50, 60, and 121 as well as I-376.

The proposed site consists of five (5) parcels, approximately 4.74 acres of vacant land that front Broadhead Fording Road. Historically, this site was home to the Fairywood School. The school

was erected in 1922, closed in 1984 and subsequently demolished. The property is currently vacant land that the URA acquired in 2016. The preferred reuse for this site is affordable senior housing. Broadhead Fording Road currently has bus stops that service the 27 Fairywood bus route. Developers should plan to include transit amenities such as a bus shelter as part of the project. The selected developer will be expected to work with the City's Department of Mobility and Infrastructure (DOMI) on design, placement and location along Broadhead Fording Road.

Adjacent to the site, there is a closed community pool and a small functioning playground. The community and Councilwoman Theresa Kail-Smith are currently exploring alternative options for the community pool space and other neighborhood improvements. The selected developer will be expected to work with the Department of City Planning (DCP) to further discuss.

5. **SUBMISSION REQUIREMENTS**

Five (5) bound hard copies and one (1) electronic copy containing one (1) PDF file (flash drive, cd, or email), should be sent to:

Claren Healey, Development Officer
Urban Redevelopment Authority of Pittsburgh
412 Boulevard of the Allies, Suite 9
Pittsburgh, PA 15219
chealey@ura.org

All questions regarding this RFP should be submitted through the Public Purchase platform. See instructions on registering for and accessing Public Purchase in Exhibit "B".

The URA will not reimburse firms for any expenses incurred in preparing responses to this RFP.

6. **PROPOSAL REQUIREMENTS**

The following proposal requirements will serve to establish a Redeveloper's overall capacity to complete this project and to meet the requirements and obligations associated with the land. Each submission should include the following:

1) RFP Summary Sheet

This should be the cover page and include the firm's name, contact person, and contact information (Exhibit "C"). **Please include this as a Microsoft Excel document in the electronic submission.**

2) Table of Contents

3) Development Team Profile

Provide a description of the development team, including but not limited to the developer, architect, engineer, etc.

4) Project Narrative

- a. Description of development scenario and plan – specific use, number and type of units and affordability mix for residential, commercial type and square footage (if applicable), and how you plan to address parking and public transit amenities
- b. Community engagement plan – explain how you plan to engage the community and how you plan to incorporate their input if selected
- c. Explanation of ownership entity (single owner, partnership, LLC)
- d. Prospective development timeline, including major milestones

5) Schematic Drawings of the Proposed Project

- a. Massing Plan
- b. Site Plan
- c. Elevations
- d. Renderings

6) Financial Capacity

- a. Detailed description of ability to finance the costs associated with project
- b. Identification of the people or entities in the proposed development team, including any and all joint venture, general, or limited partners and respective percentages of interest
- c. Role of each listed in (b) above in the implementation of the development plan
- d. Statement of Equity Contribution with Source identified
- e. Letter of Interest of references from lending institutions, if applicable
- f. Letters of Interest from potential tenants, if applicable
- g. Redeveloper's financial statements (under separate cover)

7) Budgets

- a. Financing sources with funding gaps identified
 - i. If you propose to use Low Income Housing Tax Credits (LIHTC) as a source (either 9% credits or 4% credits), please include a LIHTC equity calculation.
 - ii. If there is a gap identified and you plan to apply for URA financing, please clearly identify funding amount, source, and use
- b. Project uses including Redeveloper's offer as well as projected hard and soft costs
- c. Proforma, including all anticipated operational and maintenance costs
- d. Phased sources and uses, if applicable, with first phase clearly identified
- e. Completion of attached Project Sources and Uses of Funds template (Exhibit "D")

8) Minority and Women-Owned Business Enterprise (MWBE) Requirements

The URA has a long history of diversity and inclusion within all of its programs and other activities. The URA encourages the full participation of minority and women business owners and professionals in this effort. The URA requires that all applicants demonstrate a good faith effort to obtain minority and women-owned business participation in work performed in connection with URA initiatives. The URA acknowledges and adheres to the City's goal of eighteen percent (18%) minority and seven percent (7%) women participation.

An MWBE Narrative needs to be included with the Redeveloper's proposal. See Exhibit "E" for MWBE Narrative Requirement. MWBE participation can be satisfied by:

- i. Ownership/Partnership of firm;
- ii. Use of minority or women-owned businesses as vendors; and/or
- iii. Subcontracting with firms owned and controlled by minorities and/or women. If this is to be done, that fact, and the name of the proposed subcontracting firms, must be clearly identified in the proposal.

Any questions about MWBE requirements should be directed to the URA's MWBE program office at mwbe@ura.org.

9) Minority Workforce Inclusion (MWI) Narrative Requirements

In accordance with City of Pittsburgh Executive Order Number 2018-03, the URA requires that all respondents demonstrate and document a good faith effort to meet or exceed the City's twelve percent (12%) minority workforce inclusion (MWI) goal for all URA projects with total project costs of \$500,000 or greater. As a matter of policy, all proposal packages submitted to the URA must include an MWI narrative detailing how the respondent plans to meet the URA's expressed MWI goal of twelve percent (12%). If awarded the project, the respondent will be asked to submit an MWI plan evidencing that twelve percent (12%) of the labor hours are fulfilled by minority workers.

MWI participation can be fulfilled by possessing the appropriate employment level of minorities and/or women in the firm as well as staffing of minorities and/or women on URA matters

See Exhibit "F" for MWI requirements. Any questions about MWI requirements should be directed to the URA's MWBE program office at mwbe@ura.org.

10) Pittsburgh p4 Performance Measures

The p4 Performance Measures are an evaluation tool that informs alignment of investments in real estate development projects to the City's commitment to sustainable and equitable practices. If project costs are expected to exceed

\$2,000,000, a p4 Narrative must be included with the Redeveloper's proposal. See Exhibit "G" for p4 Narrative requirements.

11) Relevant Development Experience

- a. Brief description of similar projects (date, location, concept)
- b. Photographs of projects
- c. References - strong references include banks, municipal entities, co-developers, tenants, and press clippings that include project descriptions to describe previous work
- d. Brief description of community engagement in previous projects

12) Other Information

Please provide any other information you believe is pertinent to the URA's consideration of your firm.

7. SELECTION CRITERIA

Proposal responses will be evaluated by a Review Committee comprised of community representatives, representatives from local elected officials, a representative from the Department of City Planning, and various URA staff. The URA intends to make a recommendation to its Board to enter into Exclusive Negotiations with one or more Redevelopers.

One or more Redevelopers may be asked to meet with the Review Committee in a formal interview process.

A Redeveloper will be selected based on, but not limited to, the criteria listed below. The URA reserves the right to weigh each of these criteria differently, and as set forth in Section 9, waive any of these criteria in its discretion:

1. Redeveloper's experience in completing similar projects;
2. Ability to assemble a team with the appropriate specialties;
3. Demonstration of ability to attract and secure financing;
4. Commitment to p4 Performance Measures;
5. Commitment to Minority and Women-Owned Business Enterprise (MWBE) participation;
6. Experience with community engagement in previous projects and demonstration of commitment to follow the URA's Expression of Community Input Process, (Exhibit "H"), for community participation and interaction for the project;
7. Commitment to giving community residents first consideration for employment opportunities; or

8. Ability to meet affordability goals.

A Redeveloper will be recommended to the URA Board based on the overall quality of the proposed project. The URA does not sell land for speculative purposes; any such proposal to acquire and hold the land with construction to occur if and when it is successfully marketed will be rejected. Furthermore, the URA will reject any Redeveloper, which intends to purchase the entire site, but develop only a portion of that site. If that is the intention, the Redeveloper should submit a response for a portion of the site.

The evaluation of the Redeveloper's qualifications, experience and capacity will be based upon information in the proposal submitted by the Redeveloper, interviews, investigation of projects completed by the Redeveloper, assessment of performance in previous undertakings, and other pertinent factors. The URA will follow its Disposition Process (see Section 8 below) which includes significant design review and construction oversight.

The URA Board must approve any and all Redevelopers who purchase URA land.

8. DISPOSITION PROCESS

Should the URA Board select a Redeveloper, such Redeveloper will be required to comply with the URA's 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. See Exhibit "I" for Disposition Process Overview.

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 a 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.

9. LEGAL INFORMATION

The URA shall have the right to verify the accuracy of all information submitted and to make such investigation as it deems necessary to determine the ability of Redeveloper(s) to perform the obligations in the response. The URA in its discretion reserves the right to reject any response

when the available evidence or information does not satisfy the URA that the Redeveloper(s) is qualified to carry out properly the obligations of the response; is a person or firm of good reputation or character for strict, complete and faithful performance of business obligations; or if the Redeveloper(s) refuses to cooperate with and assist URA in the making of such investigation.

1. Inspection of Parcel: The Redeveloper shall be given an opportunity to inspect the property and the title to the property among other things. If the Redeveloper is selected and elects to proceed after exercising its due diligence, it shall acquire or take possession of the parcel(s) in "AS-IS" CONDITION unless otherwise agreed to by the URA in its discretion, in a disposition contract.
2. Building Permits, Zoning Variances, and Financial Viability: The sale of the property in no way guarantees or warrants grading permits, building permits, zoning variances, or financial viability. The URA reserves the right to refuse to sell the property until a Redeveloper obtains all necessary permits.
3. Disclaimer of Liability: Redevelopers acknowledge by submitting information and proposals to the URA that the URA does not undertake any obligations and shall have no liability with respect to the development program, this RFP, and responses thereto, nor with respect to any matters related to any submission by a Redeveloper.
4. Minority and Women-Owned Business Enterprise (MWBE) Requirements: The URA requires that all applicants demonstrate a good faith effort to obtain minority and women-owned business participation in work performed in connection with URA initiatives. The URA acknowledges the City's goal of eighteen percent (18%) minority and seven percent (7%) women participation in planning and/or professional service activities. Any questions about MWBE requirements should be directed to the URA's MWBE program office at mwbe@ura.org.
5. Sustainability Requirements: The selected Redeveloper will be required to demonstrate a good faith effort to incorporate environmentally sustainable features and practices into their development plan. If selected by the URA's Board of Directors as the Redeveloper for this project, the Respondent will be asked to submit an updated MWBE Narrative with its Redevelopment Proposal Package, and a detailed p4 checklist prior to a closing on a loan and/or land transaction.
6. 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.

7. The URA reserves the right to accept an offer or proposal other than the highest offer.
8. The URA reserves the right to negotiate with any, all, or none of the Redevelopers and to recommend another Redeveloper in the event that the originally selected Redeveloper defaults or fails to execute a disposition contract.
9. The URA shall be the sole judge as to which, if any, proposals and Redevelopers best meet the selection criteria. Notwithstanding anything in this RFP to the contrary, URA reserves the right to reject any or all proposals received, to waive any submission requirements contained within this RFP and to waive any irregularities in any submitted proposal.
10. This RFP is submitted subject to errors, omissions, and/or withdrawal without notice by the URA at any time.
11. 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 Public Purchase. All such addenda shall become part of the RFP documents and all Redevelopers shall be bound by such addenda, whether or not received by the Redevelopers.
13. Conflicts of Interest: Responsive firms and their team members must have no conflicts of interest with regards to any other work performed by the Redeveloper for the URA, the City of Pittsburgh, or any related entity.
14. RFP Compliance: All responsive firms must adhere to the instructions contained in this RFP in preparing the submitted proposal.
15. Waiver of Defects: The URA shall be the sole judge as to which Redeveloper(s) best meet the selection criteria. The URA reserves the right to reject any or all qualifications submitted. The URA reserves the right to reject any proposal for failure to comply with the requirements of this RFP. The URA further reserves the right, in its sole discretion, to waive any such defect(s) or failure(s). Submission of a response indicates acceptance by the firm of the conditions contained in this RFP.
16. Nondiscrimination: Each responsive firm agrees not to discriminate, whether in employment, contracting or otherwise, in violation of any federal, state, or local law and/or on the basis of sexual orientation, gender identity, and/or gender expression.

10. EXHIBITS

- A. [Appraisals as of 4/8/19](#)
- B. [Instructions for Registering on Public Purchase](#)
- C. [RFP Summary Sheet](#)
- D. [Sources and Uses of Funds Template](#)
- E. [MWBE Narrative Requirements](#)
- F. [MWI Narrative Requirements](#)
- G. [p4 Performance Measures Narrative](#)
- H. [Expression of Community Input](#)
- I. [Disposition Process Overview](#)