

REQUEST FOR PROPOSALS 6111 Butler St, Pittsburgh, PA 15201

Issue Date: November 30, 2023 5:00 PM EST

Site Tour and Q&A Sessions: January 8, 2024 12:00 PM EST January 22, 2024 1:00 PM EST January 24, 2024 2:00 PM EST

Proposal Due Date: February 29, 2024 5:00 PM EST



### 1. OBJECTIVE

The Urban Redevelopment Authority of Pittsburgh (URA) is seeking developers and/or development teams (the "Developer" or "Respondent") to submit a proposal for the purchase and redevelopment of **6111 Butler St (120-G-145)** (the "Site") located in the Upper Lawrenceville Neighborhood of the City of Pittsburgh.

The goal of this Request for Proposals (RFP) is to select a Developer presenting a response that optimizes for Lawrenceville neighborhood planning goals (*see 'Exhibit A'*), building density, job creation, ecological design, green facility operations, and/or incorporates the relocation of the Lawrenceville neighborhood's heavy industry and warehouses from residentially intensive areas to this site in effort to reduce truck traffic in the commercial district.

The URA seeks responses demonstrating the capacity and creativity of the developer to transform the Site by following high development standards and presenting the best economically viable development prospect for the City. It is expected that proposals will include the appropriate scale of development for the neighborhood in which it is located, while complementing City and neighborhood revitalization goals.

Sustainable practices will be encouraged in the redevelopment of new buildings, open spaces, and infrastructure. These shall include methods that minimize and alter pollutants of stormwater runoff, the use of indigenous plant materials in ways that minimize water and energy consumption, the use of nontoxic, recycled, and local materials, the incorporation of amenities for pedestrians, cyclists, and riverfront connectivity or recreation opportunities; and the design of spaces that

encourage human interaction and a good quality of life. Although the Site is not currently subdivided, the URA reserves the right to award portions of the Site to multiple Developers or award the entire Site to a sole Developer. The URA also reserves the option to decline any or all submissions for any reason at its sole discretion.

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The Redeveloper is responsible for gaining all necessary approvals and entitlements for their development.

The URA encourages innovative and creative responses to this RFP.

There is no commitment by the URA to provide subsidy for this project.

# 2. BACKGROUND

# A. Property Description

The **14.21 acre** brownfield Site lies at the intersection of 62<sup>nd</sup> & Butler Street, south of the Allegheny River. To date, the URA has invested over \$4 Million in remediation and site preparation. The property is zoned **RIV-GI** (Riverfront General Industrial Subdistrict). Click <u>here</u> for more information on the Site's zoning regulations.

The property was formerly occupied by Tippins International for industrial uses including petroleum product storage, metal forging and casting, and mill rolling. Since 2008, when the URA began acquiring the Site:

- 3 separate parcels (120-G-42, 120-G-40, and 120-G-155) have been consolidated into one parcel (120-G-145)
- All remaining buildings have been demolished.
  - Foundations have been removed within approximately 48 inches of ground surface. This should not preclude the Developer from budgeting for additional subsurface investigations and preparation of the subsurface to meet the needs of their proposed development.
- A stoplight and access road have been constructed at the intersection of Suydam St and 62<sup>nd</sup> St.
  - $\circ~$  The access road is located at the western edge of the Site to allow for controlled access for ingress and egress.
  - URA has obtained the necessary Highway Occupancy Permit (HOP) and signalization permits from the Pennsylvania Department of Transportation (PADOT).
  - The intersection will require painting the crosswalk and installing pedestrian signals to comply with PADOT and City of Pittsburgh requirements.
  - See **'Exhibit B'** for the intersection construction plans.
- Storm and sanitary sewers have been installed for future connection.

- The stormwater management facility is intended to address stormwater volume and rate control needs of the Site at full build-out.
- See 'Exhibit C' for the summary of available utilities on the Site.
  - Utilities will need connections once estimated usage quantities are determined.
- The Site has been regraded.
  - See 'Exhibit D' for description of the Site grading and amenities.
- The URA entered into a Consent Order and Agreement with the Pennsylvania Department of Environmental Protection (PADEP) (*See* 'Exhibit E').
  - Development may require additional remediation. Remediation plans will need to be approved by the PADEP.
    - Clean fill has been delivered and stockpiled on the Site to mitigate future remediation costs.
      - See 'Exhibit F' for the Excavation Summary Report.
  - See 'Exhibit G' to review the Baseline Environmental Report.

Additional Site attributes for consideration:

- Groundwater use is prohibited by Deed Restriction and consumption of groundwater is prohibited by the City of Pittsburgh.
- Blast Zone restricts opportunity for residential development.
- Active Easements to be maintained upon property disposition
  - o Railroad
    - Developer will be expected to support an additional easement to accommodate the multi-use pathway running within the Railroad Right of Way, as outlined in the <u>Allegheny Riverfront Green Boulevard Plan</u>

Tree Pittsburgh, an environmental nonprofit, neighbors the site on its northern border. Tree Pittsburgh is dedicated to strengthening and building community vitality by restoring and protecting the urban forest through tree planting and care, education, advocacy, and land conservation. Click <u>here</u> for more information on Tree Pittsburgh.

The Site is easily accessible by PA-28 and State Hwy 8. Public transportation options convenient to the Site include bus routes 87 and 91.

# **Appraised Value and URA Costs Incurred and Obligations**

Parcel	<u>Acreage</u>	Appraised Value:
		10/23/2023
120-G-145	14.21	\$5,100,000
		(Market Value
		as is land value)

Appraisal available upon request.

#### URA Costs and public investment incurred:

Туре	Cost	Notes
Acquisition	\$2,000,000	URA acquired site 8/26/2008
Carrying Costs and Site Improvements Since Acquisition	\$4,459,240	Carrying costs, site improvements, and other public investment to hold and improve site as of date of this RFP.
Total	\$6,459,240	

#### URA Debt and Encumbrances:

Туре	Amount	Notes
URA debt	\$1,882,704	URA debt incurred to carry
		and improve site.
Pennsylvania Infrastructure	\$1,189,567	Grant from state encumbered
Development Program (IDP)		by site with minimum job
Grant		creation requirements of 180
		new permanent jobs (12 jobs
		created to date) and
		minimum investment match
		requirement of \$10,000,000
		(\$2,681,200 invested to date).

Redevelopers must include in their proposals a site acquisition price.

The URA will consider the proposed acquisition price in context of appraised value, costs incurred, and URA debt and grant obligations. Final acquisition price will be determined through negotiations and required URA Board of Directors approvals at the acceptance of Proposal stage of the URA's Real Estate Disposition Process <u>https://www.ura.org/pages/property-disposition</u>.

#### A. Neighborhood Market Conditions

Less than a mile from Downtown, Lawrenceville stretches from the eastern edge of the Strip District, along the banks of the Allegheny River, and almost to the western border of the Highland Park neighborhood of the City of Pittsburgh. Lawrenceville encompasses a national historic district and is home to a dense housing stock for nearly 10,000 residents. Lawrenceville is also home to two of Pittsburgh's most thriving small business districts (Butler Street and Penn Avenue), a number of public parks and playgrounds (including historic Arsenal Park), Allegheny Cemetery, UPMC Children's Hospital of Pittsburgh (ranked #8 best Children's Hospital), as well as a mixture of both legacy and cutting-edge industry along our riverfront (from the last remaining steel foundry in Pittsburgh, to the "Robotics Row" of the City).

Following the collapse of the steel industry, Lawrenceville has rebounded from significant divestment, blight, and vacancy into a steadily growing strong market.

- <u>Hottest housing market</u> in the City of Pittsburgh, according to the Pittsburgh Business Times analysis.
- <u>Second-best return on investment nationwide for real estate</u> over past decade, according to the Pittsburgh Business Times.
- Scored by the Reinvestment Fund's <u>Market Value Analysis</u> as among the second highest strongest markets in Allegheny County, based on a number of objective real estate data.
- 355 businesses along Butler Street and Penn Avenue, including the largest concentration of women-owned businesses in Southwestern PA.
- Total project value of building permits totaled \$165.5 million from 2019-2021 alone.
- Highest commercial occupancy rate in decades. Commercial vacancy rates in Lawrenceville dropped from 21% to 13% between 2013 and 2021, compared to 20.8% City-wide commercial vacancy rate in 2021.
- As of 2022, 7 robotics companies in Lawrenceville, 5 of which are in the top 25 Robotics and AI companies by employment size, according to Pittsburgh Business Times. This was recently boosted by Lawrenceville becoming home to the Robotics Factory, a network and accelerator program for robotics start-ups made possible by a \$63M grant from US Build Back Better.

More information about market trends and Lawrenceville metrics can be found in Lawrenceville Corporation's <u>Neighborhood Metrics Report</u>.

"In addition to its educated workforce, Pittsburgh is known for its affordable cost of living, making it a desirable location for young professionals and families. The city's entrepreneurial culture, supported by various startup incubators, accelerators, and coworking spaces, also attracts ambitious and innovative workers to the area. This creates a dynamic and forward-thinking business environment that encourages collaboration, risk-taking, and innovation." (Pittsburgh Region)

#### Quick Fact Sheet:

3rd Most Livable City in the U.S (The Economist)

11 Advanced industry sectors driving region's talent growth (Brookings)

5<sup>th</sup> Top U.S. city for STEM professionals (WalletHub, 2020)

21%Increase in tech talent labor pool since 2013 (CBRE)

44K Graduates from 88 academic institutions, including the University of Pittsburgh and Carnegie Mellon University

234K Students in Pittsburgh region + Penn State University & West Virginia University

5th largest Share of college-educated millennials among top metros

Please see <u>Pittsburgh Region</u> for data and market context on doing business in Pittsburgh.

#### B. <u>Site Tour</u>

To schedule a site tour, contact Lilly Freedman, Manager of Development Projects, at (412) 255-6419 or <a href="https://www.ura.org">https://www.ura.org</a>.

# C. URA Information

Established and existing under the Pennsylvania Urban Redevelopment Law, 35 P.S. §§ 1701, *et seq.*, the URA, is the City of Pittsburgh's economic development enterprise. The URA is committed to building a prosperous and equitable economy for all of Pittsburgh. It helps to bridge public and private interests to invest in financially viable equitable developments that promote housing affordability, economic mobility, entrepreneurship, and neighborhood revitalization. The URA's work creates and sustains quality jobs, thriving neighborhoods, healthy communities and sustainable businesses for the benefit of all Pittsburghers. Incorporated in 1946 as one of the first redevelopment authorities in the United States, the URA achieves its 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. The URA conducts these activities using unique powers granted by the Pennsylvania Urban Redevelopment Law to deploy and attach conditions to the use of public subsidies and the disposition of publicly owned land.

The URA is a legal entity separate and distinct from the City of Pittsburgh. The URA works closely with the City in fulfilling its redevelopment mission.

Additional information regarding the URA may be found on the URA's website at <u>www.ura.org.</u> Questions about the RFP should be directed to Lilly Freedman, Manager of Development Projects, at (412) 255-6419 or <u>lfreedman@ura.org</u>.

#### 3. <u>TENTATIVE SCHEDULE</u>

A tentative schedule for the selection process is below. This schedule is subject to change. If there is a schedule change, it will be posted as an addendum on IonWave Technologies, the URA's online bidding platform.

Developers must be able to meet the deadlines in the schedule below:

URA Board Announcement to release RFP	November 9, 2023
RFP Issue Date	November 30, 2023
Site Tours	January 8, 2024 12:00 PM January 22, 2024 1:00 PM February 24, 2024 2:00 PM
Proposal Due Date	February 29, 2023
Review Committee and URA to review proposal	March 2024
Review Committee & URA conduct interviews w/ finalists	March – April 2024
URA Board Authorization to select Developer and award Exclusive Negotiations	Q2 2024

# 4. PROPOSAL SCOPE

Each proposal must include the following:

- A. Description of the proposed renovation and re-use of the site.
- B. Schematic drawings including site plan with elevations.
- C. Preliminary development pro forma, including proposed acquisition price.
- D. Financing plan and statement on ability to obtain loans, e.g., bank letter of interest, along with a statement representing availability of equity.
- E. Subsidy requested, if any. There is no commitment by the URA to provide subsidy for this project and proposals must take this into consideration. Should proposals seek public financing tools, they should enumerate the sources and programs they propose to seek in the proposal.

# 5. STAKEHOLDER OVERVIEW

The site is represented by City of Pittsburgh Council District 7. Please see the City of Pittsburgh Council District map to determine current council representatives. To see the map click here.

Interested Developers are encouraged to meet with Lawrenceville United ("LU"), the neighborhood's resident community group, prior to submitting a proposal package to discuss how the proposed project relates to community plans. LU will be actively engaged in the review committee process. To learn more about LU, click <u>here.</u>

Interested redevelopers are encouraged to understand the community and market context of the site and may consider discussing their concepts with relevant stakeholders and market experts as part of proposal development. It should be assumed that the Developer will coordinate project design and construction in accordance with the URA's disposition process and may be subject to community meetings to share their development proposals with a larger audience.

# 6. SUBMISSION REQUIREMENTS

Each submission should include the following:

1) <u>RFP Summary Sheet</u>

This should include the firm's name, main point of contact, and contact information. *(see 'Exhibit H')* 

- 2) <u>Table of Contents</u>
- 3) Primary Qualification
  - Provide a brief narrative that explains why your firm is well qualified to work on the project.
  - Biographies of key personnel.
- 4) <u>Sources & Uses Budget</u> See **'Exhibit I'**
- 5) <u>Firm or Company Profile</u> Provide a brief profile of your firm.
- 6) <u>Experience</u>
  - a. Briefly describe relevant experience.
  - b. List any projects with public entities similar to the URA that your firm is currently working on or has recently completed.
  - c. Describe the scope and success of similar projects where your firm or company completed a multi-acre site redevelopment.
- 7) Sustainability Narrative

Provide a sustainability narrative that addresses strategies to promote sustainability through the project. (See **'Exhibit J'**)

8) <u>Minority and Women-Owned Business Enterprise ("MWBE") Requirements</u>

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 makes a good faith effort to adhere to the City's goal of eighteen percent 18% minority and 7% women participation.

An MWBE narrative needs to be included with the respondent's proposal. See **'Exhibit K'** for MWBE Narrative Requirement. MWBE participation can be satisfied by:

- a. Ownership/Partnership of respondent;
- b. Employment level of minorities and/or women in the respondent;
- c. Staffing of minorities and/or women on URA matters;
- d. Use of minority or women-owned businesses as vendors;
- e. 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 Jazmine Derico, Labor Compliance Manager, at (412) 255-6625 or <u>iderico@ura.org</u>.

#### 9) Minority Workforce Inclusion ("MWI") Requirements

The URA requires that all respondents demonstrate and document a good faith effort to meet or exceed the City's 12% minority workforce inclusion goal for all URA projects with total project costs of \$500,000 or more. As a matter of policy, all proposal packages submitted to the URA must include a MWI Narrative detailing how the respondent plans to meet the URA's expressed MWI goal of 12%. If awarded the project, the respondent will be asked to submit a MWI plan evidencing that 12% of the labor hours are fulfilled by minority workers.

A MWI narrative needs to be included with the respondent's proposal. See **'Exhibit L'** for MWI Narrative Requirement.

10) <u>References</u>

Provide three client references related to the applicable experience described in Section 6.6 above. Where possible, provide references from public entities like the URA. Include the reference's name, title, address, and direct telephone number.

11) Other Information

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

#### 7. <u>RESPONSE SUBMISSION</u>

All responses should include the RFP Summary Page, which can be found at the end of this document (**Exhibit 'H'**), as the cover page of the proposal package. Respondents should submit their proposal package using IonWave Technologies, the URA's RFP response program.

The proposal should be combined into one file in bookmarked PDF format. Do not send hard copies to the URA.

The proposal submissions and questions concerning the content of this RFP must be submitted via IonWave Technologies only.

ALL RESPONSES MUST BE SUBMITTED VIA IONWAVE TECHNOLOGIES BY THE RESPONSE DUE DATE AND TIME AS STATED IN THE RFP TIMELINE FOR CONSIDERATION. Any late responses or responses received outside of IonWave Technologies will not be reviewed.

# ALL RESPONDENT QUESTIONS WILL ONLY BE ACCEPTED AND ANSWERED THROUGH IONWAVE TECHNOLOGIES SUBMISSION, WHERE THE RESPONSE WILL BE MADE PUBLIC.

The URA will not reimburse firms for any expenses incurred in preparing responses to this RFP. If you have any technical issues with using IonWave Technologies, please contact:

Ivy Coleman 412-255-6691 icoleman@ura.org

#### 8. SELECTION CRITERIA

- A. <u>Process</u>: The selection of any responsive firm(s) will be made by the URA Board of Directors and its co-owners after receiving the recommendations of URA staff and/or any applicable review committee. Such selection will be based on the nature and quality of the responding firm's responses to the Proposal Scope and Submission Requirements described above. The URA reserves the right to request that any respondent meet with URA staff and/or a review committee in a formal interview. The URA reserves the right to select or reject any proposal at its sole discretion. The URA is not obligated to select any proposal as a result of this RFP.
- B. <u>Preferences</u>: The URA, in recommending proposals to the URA Board of Directors, shall show preference toward proposals that include the following: local development partners, local MWBE partners.
- C. <u>Conflicts of Interest</u>: Responsive firms and their team members must have no conflicts of interest with regard to any other work performed by the respondent for the URA, the City of Pittsburgh, or any related entity.

- D. <u>RFP Compliance</u>: All responsive firms must adhere to the instructions contained in this RFP in preparing the submitted proposal.
- E. <u>Waiver of Defects</u>: The URA shall be the sole judge as to which respondent(s) best meet the selection criteria. The URA reserves the right to reject any or all proposals 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.
- F. <u>Nondiscrimination</u>: 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.

#### 9. DISPOSITION PROCESS

A. <u>URA Disposition Process</u> – Should the URA Board of Directors select a respondent as a Developer, such Developer will be required to comply with the URA's Disposition Process. As part of this process, the Developer must show that all funds needed for the fully realized project are available at the time of closing. In order to ensure 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 'N'** for Disposition Process Overview.

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

The URA Board must approve any and all developers who purchase URA property. Upon URA Board approval, the Developer'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 Developer's construction financing. The URA reserves the right to select, reject, and/or make no selection through this RFP at its sole discretion.

#### **10. LEGAL INFORMATION**

- A. 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 each Applicant 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 Applicant is qualified to carry out properly the obligations of the response.
- B. The selected Applicant shall be given an opportunity to inspect the property. If the Applicant is selected and elects to proceed after exercising its due diligence, it shall acquire or take possession of the property in "AS-IS" CONDITION.
- C. 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 an Applicant is able to obtain all necessary permits.
- D. The selected Applicant will be required to demonstrate a good faith effort to incorporate environmentally sustainable features and practices into their development plan.
- E. The URA reserves the right to accept an offer or proposal other than the highest offer and will determine awards at its sole discretion.
- F. The URA shall be the sole judge as to which, if any, Applicant best meets the selection criteria. The URA reserves the right to reject any or all responses, to waive any submission requirements contained within this response, and to waive any irregularities in any submitted response.
- G. This form is submitted subject to errors, omissions, and/or withdrawal without notice by the URA at any time.
- H. All responses, including attachments, supplementary materials, addenda, etc. shall become the property of the URA and will not be returned.
- I. Applicant and team members must disclose any conflict of interest with regards to any other work performed by the Applicant for the URA, the City of Pittsburgh, or any related entity.