



REQUEST FOR PROPOSALS

University of Idaho – Boyer Property

Sandpoint, Idaho

Offered by: City of Sandpoint

Issued: May 29, 2018

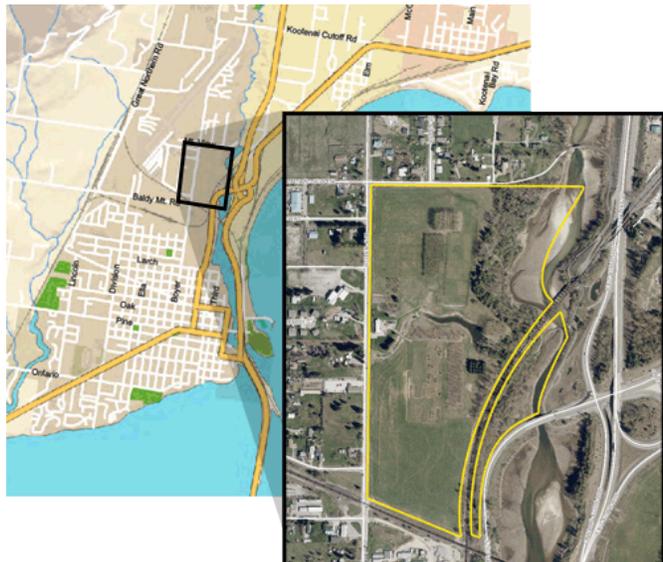
Submissions Due: No later than 4:00 p.m. | July 6, 2018

Deliver in Person/Mail:

City of Sandpoint
1123 Lake Street
Sandpoint, Idaho 83864
Attn: Maree Peck, City Clerk

Email:

cityclerk@sandpointidaho.gov



The City of Sandpoint is seeking proposals from partners interested in participating in: (1) a public-private purchase of the University of Idaho Property – Boyer in Sandpoint, Idaho from the University of Idaho; and (2) the development of a mixed-use development that aligns with the community's vision and priorities for this unique property. This is a negotiated sale between the City of Sandpoint and any selected private partner(s) of the City and University of Idaho. It is outside of a public bidding process as it is a negotiated sale involving two public agencies. The RFP process and acceptable price have been vetted by the University of Idaho with the sale subject to final approval of the Board of Regents of the University of Idaho (Idaho State Board of Education, or ISBOE). The City is seeking qualifications and proposals to partner with private developers who will participate in the purchase and implement one or more mixed-use projects to include residential, commercial/office/retail and/or light industrial.

The City expects this RFP will result in the City and the selected development team entering into an Exclusive Negotiation Agreement (ENA), during which pre-development and due diligence activities related to the purchase can occur. During the period of the ENA, the development team will have access to \$25,000 in predevelopment funds to offset some of the cost of planning and predevelopment activities.

This 75-acre property is centrally located within the city limits of Sandpoint and it is the last contiguous parcel of this size within the City. Its unique location along Boyer Avenue – the City's main north-south arterial – makes it a well-known and easily accessible destination. All City services are currently available, or will be made available at the site including water and sewer.

Two-thirds (approximately 47 acres) of the site along Boyer Avenue is relatively flat. On the east side towards Sand Creek, the site descends at slopes greater than 15%. Elevations range from 2,110 feet above sea level to the creek-side height of 2,065.

A regional public-access trail network has been developed adjacent to the property. The City desires to connect and enhance the network through this property along Sand Creek and maintain public access to the water for kayaks, canoes, paddle-boards and other non-motorized water recreation and transport. The trails will be aligned along the brow of the slope along the Creekside and link up to Popsicle Bridge to the north. Another trail segment will be aligned on the eastern side of the Northern Pacific railroad, crossing Sand Creek at the abutment for the old roadway just south of the existing railroad bridge. These two trails would connect to the Sand Creek Trail on the east side of Sand Creek, connecting the site to the city of Ponderay to the northeast and the shores of Lake Pend' Oreille to the southeast. The City will participate in the purchase of this portion of the property or require a public easement for this purpose.

This opportunity for partnership comes at an exciting time for Sandpoint and surrounding areas. Downtown Sandpoint is currently undergoing a three-year \$7 million renovation. The local business economy and real estate market is strong, although it is creating a workforce housing shortage that can be alleviated by development at this property.

The City's recently updated its comprehensive plan land use map with a focus on this site and surrounding areas. The vision for this property includes mixed-used development along the railroad, Boyer and Mountain View edges and community open space in the interior. It is important to note, however, that the context area boundaries drawn on the updated land use map are guiding principles. Considerable leeway can be given regarding these boundaries, so long as the general written policies of the comprehensive plan and the overall vision for the site articulated in this RFP is adhered to.

This mix of uses will establish Boyer Avenue's prominence as a multi-modal corridor and connection between the cities of Sandpoint and Ponderay, retain some outdoor recreation and open space, maintain public waterfront access, integrate regional and local trail systems, alleviate a tight housing market, and provide a center of activity rich in character and identity consistent with Sandpoint's history.

The City is serious about achieving a successful public-private partnership(s) and has already taken several steps to prepare to welcome a purchase/development partner:

- The City contracted with Studio Cascade and Idaho Smart Growth to enhance its community visioning process. Their efforts resulted in a Community Visioning Report which is available using the following link: <http://www.sandpointidaho.gov/Uoflvision>. Although not an adopted plan, the document provides for a detailed account of site characteristics, history and the community visioning process to-date.
- The City has established a community redevelopment tool known as the Sandpoint Urban Renewal Agency (authorized under Title 50, Chapter 29, Idaho Code) to leverage and promote public/private partnerships and investment within the renewal districts to provide strategic economic vitalization of our downtown, industrial and commercial areas and the enhancement of public art. SURA is in the process of amending its plan to participate, if needed, in public infrastructure improvements at this site.

In addition, although this property is currently zoned single family residential, the City is prepared to up-zone the property to align with the selected development plan and community vision.

The City seeks a purchase/development partner(s) that understands the City's objectives and wants to create a project(s) that enhances the existing Boyer Avenue corridor and contributes to the social, environmental, recreational and economic health of the community, setting the bar for any future developments in our community.

The RFP that follows summarizes the opportunity, including market area characteristics, site location and characteristics, site profile, zoning, environmental issues and potential City incentives. It details submission requirements and the process for reviewing proposals.

We look forward to reviewing your RFP submission. If you have any questions or need further information, please contact our City Administrator, Jennifer Stapleton, at 208.265.1483 or jstapleton@sandpointidaho.gov.

Sincerely,

MAYOR SHELBY ROGNSTAD

SANDPOINT AND THE BOYER AVENUE CORRIDOR

Population and Location

Located on the shores of the largest Lake in Idaho—Lake Pend Oreille – and in the Idaho Panhandle approximately 60 miles south of Canada, the City of Sandpoint (pop. 8,390) is the county seat of Bonner (pop. 43,560). Sandpoint is adjacent to the Cities of Dover, Ponderay and Kootenai and has recently been designated by the U.S. Census as the 7th fastest growing micropolitan area in the U.S. Census modeling has determined that the City of Sandpoint is currently experiencing a 5% growth in population. Immediate surrounding cities and Bonner County are also experience a 3 – 4% growth in population.

Sandpoint is connected through two highways, three rail lines, the County-owned Sandpoint Airport and the only Amtrak station in the State of Idaho. It is surrounding by world class recreational opportunities such as Schweitzer Mountain Ski Resort and Lake Pend Oreille. This small city is where some of the most innovative companies in the state of Idaho are based. Host to thriving industries like aerospace, biomedical, software development, food production and manufacturing, Sandpoint is a perfect storm of innovation and productivity.

Boyer Corridor

The development of this site will help establish Boyer Avenue’s prominence as a multi-modal corridor which is also located at the gateway to the Sandpoint Airport. The County-owned public airport serves as a hub for economic development and a growing aerospace sector. The airport also provides access for recreational, business and emergency users. Boyer also provides for a local connector to Schweitzer Mountain Ski Resort, the premier ski area for the region. It is anticipated that commercial service will be available at the Airport within the next 3 – 5 years.

DEVELOPMENT OPPORTUNITY

The City is committed to promoting high quality development that exists harmoniously with and supports open spaces and recreation. We are looking for partner(s) to make it happen. The City is willing to put its resources into project(s) that meet public objectives.

The University of Idaho – Boyer Property

The City seeks land purchase and development proposals for projects on the University of Idaho – Boyer Property. The City seeks to understand the proposer’s vision that can be implemented in phases and coordinated with investments in public amenities.

Development Requirements and Objectives

The City envisions vibrant mixed-use development on this property that achieves its goals to:

- Reserve 10 acres for a future community recreation center.

- Establish multi-modal connectivity throughout the proposed development and through the property along Sand Creek to connect the regional trail system.
- Preserve open space and natural amenities where possible..
- Encourage quality development which addresses the City's need for affordable workforce housing, yet provides a diversity of housing product.
- Encourage development to promote further economic development and job creation.

The City wants to encourage development that is of an architectural and urban design quality that befits this extraordinary location, blends into the surrounding environment and historic tapestry of the community and sets the standard for future development.

- Residential. The residential component of the project may be a combination of owner occupied and long-term rentals with varying degrees of density. Smaller footprints and limited multi-family units are highly desirable as are projects creating affordable, workforce housing. The unit characters are left to the development team to determine. Mixed income projects are encouraged in accordance with the City's Comprehensive Plan.
- Mixed Use. Areas along Boyer Ave. are envisioned as mixed use; incorporating housing and neighborhood compatible retail. These areas are typified by pedestrian focused activities such as salons, coffee shops and residentially scaled professional offices.

The City is committed to development of a community recreation center on 10 – 15 acres of this site. The City intends to purchase this dedicated area as a part of the negotiated purchase from the University of Idaho but will also consider private development proposals for this purpose which also meet the intent of this RFP.

SITE DETAILS

Utilities

Utilities are available at the site or will be brought to the site on Boyer Avenue. This includes, water, sewer and the fiber network backbone. Several internet service providers are available in the Sandpoint market who bring fiber service to the home or business with speeds up to 1,000 mbps.

Environmental and Geotechnical Findings

The \$25,000 in predevelopment funds may be used towards an environmental assessment.

Site Control

As noted, this site is currently owned by the University of Idaho. The University has provided a letter of intent to sell the property to the City of Sandpoint and any purchase/development partners it selects for an agreed upon sale price subject to final approval by the ISBOE. The University has agreed to multiple closings in the event that the property purchase includes the City and multiple development partners. However, all closings must occur on the same day and the closing day must be on or before November 30, 2018.

PURCHASE AND PRE-DEVELOPMENT ACTIVITIES AND FUNDING

The City expects this RFP to result in the City and the selected development team entering into an Exclusive Negotiation Agreement (ENA) during which purchase and pre-development activities can occur. During this time, the City will work with the developer to create a specific, feasible development proposal and purchase participation plan that can be implemented through a public-private partnership. The development plan will be codified in a development and purchase agreement that will result in new development on the site. General steps of the ENA period are as follows:

- **Develop Scope of Work for ENA period.** A scope of work will guide all pre-development work during the period of the ENA. The scope will be negotiated with the successful respondent; its activities will lead to refinement of all elements of the development program, and will be approved by City Council. The scope of work will include milestones, timelines, and descriptions of deliverable products in order to receive pre-development funds (described in more detail below).
- **Define development program and conceptual design.** The developer will be expected to provide information on a preliminary development program, including details on use mix, preliminary ideas on building scale and massing and development feasibility in a proforma spreadsheet. Drawings and plans should include the following:
 - Conceptual elevations and renderings
 - Add others
- **Create implementation framework.** The developer will work with the City to create an implementation framework that will identify (1) funding sources for any needed public infrastructure investments (open space, streets, etc.); (2) funding sources for all private development. After negotiations, the framework will be finalized as a formal purchase and development agreement. Materials for this task may include letters of interest from a lender, letters of reference from past lenders, confidential disclosure of project financials. The developer should outline the purchase price offered including expectations of public financial participation and conditions.

The City understands that the complexities of planning, including participation in a public process, add unusual costs and activities for a development team. At the same time, the City sees significant public benefit from the creation of a thoughtful purchase and implementation strategy that coordinates public and private investment. Given this situation, the City is prepared to offer predevelopment funds to offset some of the publicly-imposed costs during the period of the ENA, as follows:

- The City will provide up to \$25,000 in pre-development matching grant funds or equivalent for a negotiated, defined scope of work.

Note: All plans, drawings, illustrations, reports and studies prepared in support of the work described in the ENA will be owned by the City.

Purchase and Development Agreement

The project design documents generated in the ENA period are intended to be used to develop a formal Purchase and Development Agreement or other legally binding contract between the City and the development team. Additional financial and other materials will be requested during the period of the ENA to support negotiation of a Purchase and Development Agreement (PDA).

CITY INCENTIVES AND PROGRAMS

The City expects that an implementable development plan for the property may need public support. The City may offer one or more of the following incentives to the selected developer(s) depending on the benefit to the community from the proposed redevelopment project(s):

- Deferral of required sewer and water new user hookup and impact fees thereby reducing up-front costs to the developer;
- Infrastructure and frontage improvements; and
- Priority permitting. A priority permit review process will apply to the development. The City will prioritize the project and a project ombudsman will assist with developer/City relations and communication

PROPOSAL REQUIREMENTS AND PREFERENCES

The City is interested in entertaining project proposals that will result in projects that are market feasible and align with the community vision. The most desirable project will be a mixed-use project that combines affordable workforce housing mixed with a diversity of housing products, commercial/retail and/or light industrial. It will maintain significant open space that can be used for public recreation. It will contemplate and support the development of a community recreation center on 10 acres.

Requirements for Proposal Responses

1. Identify and describe the developer, including developer's name, corporation name (if applicable) or business name, addresses, telephone numbers, email addresses and the name of the primary project contact.
2. Identify each person or entity involved with the project team, including development partners, technical partners (architects, engineers, others), and briefly describe their respective roles, including:
 - a. Information regarding the team member's experience and qualifications.
 - b. Resume of key team members.
 - c. Example projects that the team or key team members have been involved with.
3. Demonstrate financial capacity of developer and development partners, including guarantors.
4. Describe the developer's relevant project experience for up to 5 projects. The City is most interested in current or recently completed projects. Projects described must illustrate the developer's experience with construction projects similar in scope and size to the proposed project. The City is interested in assessing the developer's experience in participating with public private partnerships. Submit photos or drawings and the following information for projects used to demonstrate experience:
 - a. Project name and location
 - b. Description of project size and scope, including the number of units and unit type
 - c. Total project cost and approach to project financing including sources of funds, amount of debt, equity and public participation, along with square footage costs.
 - d. Date project conception, date project started construction and date construction completed.
 - e. Challenges and obstacles addressed during the development and construction process.
 - f. Other types of public financial participation (provide your capital stack).

- g. Name of the developer’s project manager and contact information.
 - h. Name of the architect and contact information.
 - i. Name of the construction manager or general contractor and contact information.
 - j. Contact name and information of the primary public official who worked with the developer on the project.
5. Briefly describe experience or strategy for marketing and managing urban development/redevelopment projects including approaches to public participation.
 6. The City understands that many details of the purchase and development proposal will be determined through the period of the ENA. In this proposal, please provide your best thinking, in narrative form, about your initial concepts for each of the following:
 - a. Participating in the property purchase.
 - b. The anticipated target market for the project.
 - c. Approach to mixed use projects including residential, retail, light industrial and parking, including the estimate of the approximate square footage for each component and the number of stories anticipated.
 - d. A site plan showing the location of key project elements and preliminary building footprints.
 - e. Description of the likely approach to project financing, including expectations of public participation.
 - f. A statement regarding the developer’s willingness to participate in the pre-development activities as described above.

PREFERENCES

The City would prefer that respondents demonstrate how their proposal will address each of the objectives below in their written and graphic materials:

1. **Community Benefit** – Projects that leverage limited public resources to achieve long-term measurable community benefits, significant levels of private sector investment and are based in the realities of the market.
2. **Innovative and Effective Approaches to Public Involvement** – Development processes that engage the community in a highly collaborative and proactive process that uses public input to shape the final project.
3. **Impactful Projects** – Proposals that will have a lasting positive impact on the Boyer Corridor, surrounding neighborhoods and the downtown
4. **High Quality Design** – Proposals that are extraordinarily well designed, sensitive to the surrounding context and use timeless, durable and high quality materials.
5. **Timeliness** – Projects that are positioned to move forward in the near term and commit to significant milestones.
6. **Partnership** – Respondents with a demonstrated capacity to partner with the City and the community and a proven ability to develop high quality projects.
7. **Comprehensive Plan Implementation**
 - a. Treat the waterfront and vistas as priceless assets by enhancing access, protecting view sheds and preserving usable open space.
 - b. Develop highly walkable and bike-able communities
 - c. Include public art and public spaces

- d. Encourage diverse housing for a diverse community and incorporates mixed-use
 - e. Encourages development that caters to a regional market and harmonizes with the town's character
 - f. Enhance the sustainability of our community and downtown
 - g. Encourage the use of alternative modes of transportation including biking, walking and transit
8. **Sustainability** – Projects pursuing LEED Gold or higher certification are preferred.

EVALUATION AND SELECTION

Evaluation Criteria

Evaluation of RFP responses will be based upon the following:

1. Developer Experience:
 - a. Success in developing urban redevelopment projects
 - b. Quality of representative projects
 - c. Qualifications of project team and key project managers
 - d. Financial capacity and participation in the property purchase.
 - e. Experience in partnering with the public sector in redevelopment projects.
2. Proposal Requirements and Preferences:
 - a. Degree to which the preliminary development concept and site design meets the RFP requirements and preferences.
 - b. Marketing targeted (housing type, commercial and light industrial).
 - c. Demonstrated market viability
 - d. Proposed public participation process and demonstrated experience facilitating public involvement processes.
 - e. Commitment extent to which the developer is willing to participate in the property purchase with the City.

The City anticipates using a City Council workshop which is open to the public to allow respondents to this solicitation to present their proposals to the City Council, Mayor and community members and respond to questions. Additional public process may be required as part of the consideration of an exclusive negotiation agreement and development agreement.

The City anticipates entering into exclusive negotiations with a developer following the initial screening and evaluation process. All projects will be reviewed and approved through the City's normal development review processes.

General Provisions and Conditions

The City reserves the right to:

- Reject any and all responses.
- Negotiate with more than one development partner.
- Waive minor irregularities in a response.
- Cancel, revise or extend this solicitation.

- Request additional information on any response beyond that required by this RFP.
- Modify the selection process set forth in this RFP upon written notification to all respondents who have not been rejected at the time of modification.

SELECTION

The City shall have the final decision on whether to move forward with a development team or not.

PRE-SUBMISSION CONFERENCE

A pre-submission conferences will be offered on June 14, 2018 at 1:00 p.m. The meeting will be held in Sandpoint City Hall Council Chambers, 1123 Lake Street, Sandpoint, Idaho. The purpose of the conference is to answer questions about the University of Idaho-Boyer Property RFP. Attendance by a representative of each propose is encouraged but not mandatory. A walking tour of the site will be conducted following the session. Please contact Jennifer Stapleton 208.265.1483 or jstapleton@sandpointidaho.gov for questions.

SUBMISSION REQUIREMENTS AND SCHEDULE

Interested developers may submit their response to the RFP, including a letter of interest outlining response requirements and preferences. Limit the responses to no more than 20 pages. The City will become owner of all submitted materials and will not pay any costs related to any responses to the RFP.

Submissions from short-listed proposers will be posted on the City’s website in advance of the workshop presentation. Additional financial information may be requested from short-listed proposers.

The City reserves the right to modify the timeline and to issue addenda to this document.

RFP Action	Anticipated Completion
Issue Request for Proposals	May 29, 2018
Pre-Submission Conference and Tour	June 14, 2018
Release RFP Addendum (if necessary)	June 18, 2018
RFP Responses Due	July 6, 2018
Notification of Short-Listed Proposers	July 11, 2018
City Council Workshop Presentations/Interview	July 18, 2018
Select Respondents to Enter Negotiations	July 25, 2018
Finalize ENA	On or Before September 25, 2018
Finalize Purchase & Sale Agreement	On or Before October 25, 2018
Property Closing	November 30, 2018

Selected developer(s) will be invited to give a presentation on all aspects of the proposal, including design concepts, development cost, financial capacity/lender commitments, terms of site acquisition, and implementation schedule to City Council and the community.

CONTACT INFORMATION

City of Sandpoint

Jennifer Stapleton, City Administrator

208.265.1483

jstapleton@sandpointidaho.gov

www.sandpointidaho.gov