# RESIDENTIAL DEVELOPMENT: REQUEST FOR PROPOSALS

#### **PROPOSAL INFORMATION**

#### **Purpose:**

This Request for Proposal (RFP) is for development of vacant lots controlled by the Allegheny City Central Association (ACCA)<sup>1</sup> in the 200 block of Alpine Avenue. Interested parties may respond with proposals for individual or multiple properties. Respondents are encouraged to investigate the acquisition of privately owned vacant lots in the vicinity, as the intent of this development is to create a significant impact on the 200 block of Alpine Avenue. Respondents are also encouraged to provide off-street parking from the rear where possible; ACCA has previously explored the creation of an alley to provide rear access to these parcels.

Proposals should be consistent with the ACCA's Community Plan a portion of which is available at <a href="http://www.alleghenycitycentral.org/acca/community-master-plan/">http://www.alleghenycitycentral.org/acca/community-master-plan/</a>. The intent of this RFP is to have development on selected parcels begin in 2015 and be completed within a year from the start date.

#### Who May Respond:

Any individual or company with credible development experience may respond. Respondents will be required to demonstrate that they have the financial capacity to implement their proposal.

#### **Issuing Agency:**

Founded in 1970, and formerly known as the Central Northside Neighborhood Council, ACCA is a community development corporation serving the Allegheny City Central neighborhood. During its tenure, ACCA has guided the development of nearly 200 housing units and overseen other projects designed to improve the quality of life in the neighborhood. The organization's largest current residential real estate project, Federal Hill, sold out this past September.

#### **Response Due Dates:**

Proposals will be accepted by ACCA between November 5, 2014 and December 5, 2014. An electronic submission should be emailed to development@accapgh.org. ACCA may decide to extend the submission deadline, or to accept submissions on a rolling basis.

#### **Developer Selection:**

Developer selection will be based on the evaluation of the proposal and interview. ACCA may select one or more developers, or it may decide not to select any developers at this time. ACCA's Development Committee and Board of Directors will be involved in the selection process. The selected developer or developers may also need to gain approval from the City of Pittsburgh and / or the Urban Redevelopment Authority which both play a role in the disposition of property from the Property Reserve system.

#### Inquiries:

Inquiries concerning this RFP should be directed to Chris D'Addario, Development Chair or Tom Hardy at (412) 465-0831 or via email at development@accapgh.org

<sup>&</sup>lt;sup>1</sup> ACCA holds title to some of the properties and controls others through the City's Property Reserve program.

#### **PROPOSAL FORMAT**

- **1. Cover Letter:** State your understanding of the goals for the project, your approach to meeting those goals, and a summary of your proposed program including identification of the parcels that you are interested in.
- 2. **Development Proposal:** Prepare a brief narrative description of the key elements of your proposal. The proposal should include, at minimum, the following elements:
  - A. Conceptual site plan and elevation drawing.
  - B. Program Description including number of units, tenure, number of bedrooms, square footage, and pricing levels.
  - C. Project Budget including both the proposed Uses and Sources of funds. The budget should indicate a proposed purchase price for ACCA controlled properties.
  - D. Project timeline including key dates such as necessary entitlements, financial closings, and construction benchmarks.
  - E. Proposed land transaction structure including offer price.
- 3. **Evidence of Financial Capacity:** Include evidence of financial capacity for the project team. This may include one or more of the following:
  - **A.** Balance sheet or Personal Financial Statement for the company or principals.
  - **B.** Copy of 2013 Tax Return.
  - **C.** Copy of a bank or brokerage statement for company or principals.
  - **D.** Commitment letter or line of credit from a lender.
- 4. Project Organization and Staffing: Summarize the qualifications of key personnel assigned to this project. Include recent experience that is directly applicable to this project, a project organizational chart and resumes of the personnel assigned to the project. Also include information about any project partners that will have more than 20% interest in the development. Please identify the entire development team, including general contractor and architect.
- 5. **Timeline:** Summarize the timeline including design, construction, and sales. ACCA is placing a priority on projects that can be in position to start quickly.
- 6. **Related Experience:** Discuss your experience in developing housing related to this RFP.

#### PROJECT SCOPE

#### **Introduction & Location**

Allegheny City Central and neighborhood is directly across the Allegheny River from downtown Pittsburgh. Included within these boundaries is one of the largest and most successful historic districts in the region—the Mexican War Streets. In addition, Allegheny City Central has significant frontage along one of Pittsburgh's most spectacular urban parks— Allegheny Commons. The neighborhood is home to a number of regional institutions and attractions including: The Children's Museum of Pittsburgh, Allegheny General Hospital, the National Aviary, and the new Allegheny Branch of the Carnegie Library. The neighborhood has a population of approximately 3200 residents and spans an area of .5 square miles. More information can be obtained at www.alleghenycitycentral.org. The neighborhood has recently undergone a neighborhood planning process. We encourage developers prospective to review information which may be obtained through our website.



#### **Existing Conditions**

Within Allegheny City Central market conditions often vary significantly from block to block. For example, in the Mexican War Streets, the area of Allegheny City Central that is closest to the park, homes consistently sell in the \$250,000 and \$400,000 range. In other portions of the neighborhood, particularly the area north of Jacksonia Street, sale prices tend to be lower and vacancy rates tend to be higher. ACCA's most recent housing development, Federal Hill provides evidence that a quality product will be well received by the market. These homes, which occupy a formerly blighted stretch of Federal Street, have sold quickly at pricing between \$260,000 and \$350,000. 42 homes have been completed and sold. The final phase of this development was completed and sold out in September 2014.

A summary of some existing housing and demographic indicators appears below:

City of Pittsburgh		Allegheny City Central
305,704	2010 Population	2,923
-8.3%	Pop. Change 2000 - 2010	-8.7%
156,165	Housing Units	1971
12.8%	% Housing Units Vacant	19.5%
52.1%	% Owner Occupied	43.8%
47.9%	% Renter Occupied	56.2%
83,100	Median Value	\$124,300
	2008-9 BLDG CONDITIONS SURVEY	
6.8%	% Good / Excellent Buildings	42.9%
89.7%	% Average Buildings	45.6%
3.5%	% Poor / Derelict Buildings	11.5%

Source: City of Pittsburgh, SNAP, v. 2.0

#### **Property Information**

The properties included in this RFP are in the northern section of the neighborhood along Alpine Avenue. A list of parcels and map is included as an Appendix to this proposal. Please note that some of the parcels listed do not yet have clear title and the responding applicant may need to arrange for satisfaction of certain remaining judgments. In addition, ACCA encourages respondents to consider acquiring vacant privately owned parcels adjacent to properties controlled by ACCA to create a development with more scale and impact.

ACCA controls the properties listed in the Appendix via the City's Property Reserve process which acquires tax delinquent properties on behalf of community development corporations via Treasurer's Sales. ACCA targeted this area based on its high degree of vacancy with the intention of assembling a critical mass of properties for redevelopment, and seeks to accelerate development activity in this portion of the neighborhood.

The properties will be conveyed without any entitlements or warranty on the suitability of the property for redevelopment. No property survey or assessment of any structural or environmental conditions has been completed for these properties. It will be the responsibility of the selected developer(s) to undertake any necessary due diligence activities.

#### **Goals and Objectives**

The ACCA hopes to build on the market momentum in the neighborhood and spur development in the most disinvested portions of the neighborhood. Given the increasing interest in the neighborhood from private developers, the ACCA made a decision to seek a development partner or partners through an RFP process. Qualified individuals or developers with the financial capacity to move projects forward and an interest in the Allegheny City Central neighborhood should apply.

ACCA expects that the responses to this RFP will be consistent with related goals in its community plan including:

- Increase the rate of homeownership
- Reinforce social and economic diversity
- Build on strengths of what exists in the neighborhood and allow for new housing types.
   Respect history, but allow for something new and innovative.

#### **Funding and Financial Resources**

ACCA is expecting that proposed projects will be privately financed and not require subsidy. Responding developers are encouraged to demonstrate their ability to raise the necessary equity and debt financing. ACCA will not convey title to the property until the financing and approvals for the property are in place.

#### **Role of ACCA in the Development**

ACCA will review the proposed plans and elevations to make sure they are consistent with the Community Plan. Subject to this approval, ACCA will assist with public approvals necessary such as Zoning and Planning Commission Approval.

ACCA reserves the right to reject any and all proposals received in response to this RFP.

# **Appendices**

## **ACCA Controlled Vacant Lots for RFP**

	Par	cel				
	ID			Street	Address	Clear Title
23	F	280		227	ALPINE	no
23	F	279		229	ALPINE	yes
23	F	244		237	CARRINGTON	yes
23	F	246		240	ALPINE	yes
23	F	247	Α	242	ALPINE	no
23	F	249		244	ALPINE	yes
23	F	271		245	ALPINE	yes
23	F	253		248	ALPINE	no
23	F	267		255	ALPINE	yes
23	F	266		257	ALPINE	no
23	F	268		253	ALPINE	yes
23	F	269		251	ALPINE	yes
23	F	270		249	ALPINE	yes
23	F	245		238	ALPINE	yes
23	F	275		237	ALPINE	yes

### **Property Map**

