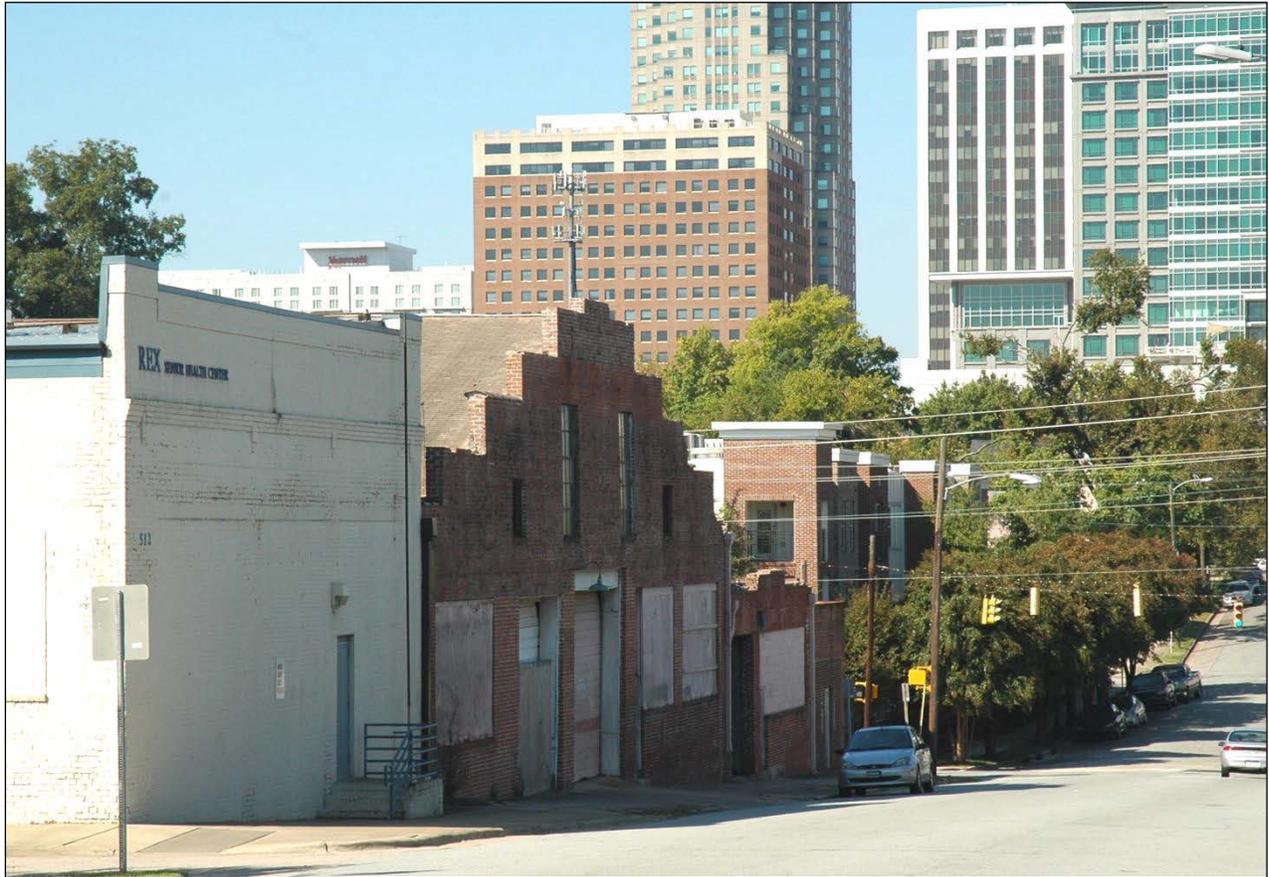


REQUEST FOR PROPOSALS

**For the Purchase and Redevelopment of City-Owned Property
In Downtown Raleigh, NC**

**THE STONE'S WAREHOUSE SITE
(500/ 510 East Davie Street, 400 Chavis Way, & 419 South East Street)**



City of Raleigh Community Development Department

Table of Contents

1. Background 3

2. Development Site Description..... 4

3. City of Raleigh: Overview 6

4. Price of the Land 6

5. Method of Land Sale 6

6. Note to All Developers 7

7. Relevant Documents & Reports 7

 Appraisal.....7

 Asbestos Report7

 Environmental Assessment.....7

 Lead-Based Paint Inspection.....7

 Structural Inspection7

 Survey7

8. Transportation 8

9. Development Components 8

10. Developer Selection Process 10

11. Submittal Requirements 12

12. Selection Criteria..... 16

13. Submittal Instructions..... 17

14. Schedule 18

15. Conditions and Limitations 18

16. Confidentiality of Documents 19

1. Background

The City is seeking proposals for the redevelopment of a City-owned site at the eastern edge of Raleigh's Downtown Business District, commonly referred to as The Stone's Warehouse Site. The selected proposal will be part of the ongoing revitalization of the area to the immediate east and south of the downtown. This Request for Proposals (RFP) is a follow-up to the Request for Expressions of Interest (RFEI) which was issued by the City of Raleigh in February 2014. Some information included in the RFP may be duplicative of the information received in the RFEI but all respondents are expected to read the RFP in its entirety to ensure they have all necessary information. The RFP is open only to the seven (7) development teams which were presented and approved by the City of Raleigh's Budget and Economic Development Committee on April 8, 2014.

The Stone's Warehouse Site is located in one of the neighborhoods immediately east of downtown. Revitalization of these neighborhoods has been a focus of the City since the late 1970s. Several redevelopment areas have been established and plans adopted: the Stone's Warehouse Site sits on the western edge of the Thompson/Hunter Redevelopment Area, Phase II. A large proportion of the City's Community Development Block Grant (CDBG) budget has been invested in these neighborhoods over the years, attracting significant amounts of private leveraged funds. The poverty and unemployment rates in these neighborhoods, however, remain higher than Citywide averages.

The City's original intent for this redevelopment project was to benefit low- and moderate-income households. The CDBG funds which were used to acquire this site include restrictions for residential and commercial development on-site. Based on the RFEI submittals received, the City does not expect that any of the proposals will meet the CDBG requirements. In order to remove the CDBG requirements, the purchase price for the property must be no less than its appraised value of \$2,020,000. Additionally, the City must take the steps outlined on page 11 below to remove the CDBG requirements.

In addition to providing goods and services to the nearby neighborhood, the City has outlined a number of goals for the development of this site. Successful developers will present proposals that preserve the Stone's Warehouse structure and include a mixed use site with a housing element as well as promoting minority participation, helping to build economic capacity of the residents and the minority business enterprises of the surrounding neighborhoods. These goals will be further detailed below.

2. Development Site Description

The Stone's Warehouse Site

Addresses

- **500/ 510 East Davie Street**
 - Real Estate ID: 62087
 - PIN: 1703 97 1116
 - Wake County Deed Book: 09881, Page: 1321
- **400 Chavis Way**
 - Real Estate ID: 9677
 - PIN: 1703 97 2121
 - Wake County Deed Book: 06114, Page: 0257
- **419 South East Street**
 - Real Estate: ID 42073
 - PIN: 1703 97 1002
 - Wake County Deed Book: 05574, Page: 0321

Planning Related

The Stone's Warehouse assemblage consists of three (3) parcels, two with existing, abutting buildings and one that is vacant, which total approximately 2.02 acres. The City of Raleigh is in the process of rezoning the assemblage to Neighborhood Mixed Use Urban Limited with a maximum height of 3 stories (NX-3-UL) from a previously created Planned Development District (PDD) that failed to materialize.



Zoning

The Neighborhood Mixed Use – 3 stories – Urban Limited (NX-3-UL) Zoning is defined in the Unified Development Ordinance (UDO). Please refer to the UDO for allowed uses, setback requirements, and other design development guidelines: [Unified Development Ordinance](#)

The following pages give specific guidance to several components of the NX-3-UL zoning:

[Section 3.1.2 - Zoning District Components](#) – page 61

[Section 1.4.2 - Building Types Allowed by District](#) – page 13

[Section 3.4.7 - Urban Limited \(-UL\)](#) – page 78

[Section 6.1.4 - Allowed Principal Use Table](#) – page 127

The City is pursuing NX-3-UL zoning based on guidance from the 2030 Comprehensive Plan and the Area Plans for this area, which are detailed below. The City will advise Developers of the date of the Planning Commission meeting when it is known. Developers will have the option to petition for alternate zoning at

the Planning Commission meeting should they wish to do so. The City intends to complete the rezoning by December 2014.

2030 Comprehensive Plan

In 2009, the City Council adopted the *2030 Comprehensive Plan*. The *Plan* is guiding Raleigh toward greater density, environmental preservation and sustainability, and multi-modal transit.

Within the Plan, the Future Land Use Map recommends this site for Neighborhood Mixed Use. This category applies to neighborhood shopping centers and pedestrian-oriented retail districts. The service area of these districts is generally about a one mile radius or less. Typical uses would include corner stores or convenience stores, restaurants, bakeries, supermarkets (other than super-stores/centers), drug stores, dry cleaners, video stores, small professional offices, retail banking, and similar uses that serve the immediately surrounding neighborhood. Residential and mixed-use projects with upper story housing are also supported by this designation. Where residential development complements commercial uses, it would generally be in the Medium density range. NX is the most appropriate zoning district for these areas. Heights would generally be limited to three stories, but four or five stories could be appropriate in walkable areas with pedestrian-oriented businesses.

For information on the *2030 Comprehensive Plan*, visit the City of Raleigh website here:

<http://www.raleighnc.gov/business/content/PlanLongRange/Articles/2030ComprehensivePlan.html>.

The Stone's Warehouse Site lies within the *Olde East Raleigh Area Plan*; some comprehensive plan policies refer directly to the Stone's Warehouse Site:

Policy AP-OER 4 - Olde East Raleigh Western Edge

Encourage Moderate-Density Residential (townhouse and low-rise multi-family) on Olde East Raleigh's western edge, north of Cabarrus Street.

Policy AP-OER 5 - Olde East Raleigh at East and Davie Streets

Encourage two to three story mixed-use development (small-scale Office, Retail, and/or Moderate-Density Residential) at the corner of East Street and Davie Street (known as the Stone Warehouse Site).

For more information on the *Olde East Raleigh Small Area Plan*, visit the following link and click on the Olde East Raleigh PDF below the heading titled "Area Plans."

www.raleighnc.gov/business/content/PlanDev/Articles/LongRange/2030ComprehensivePlan.html

Historic Designation

The structure at 510 East Davie Street—the Carolina Coach Garage and Shops (i.e., Stone's Warehouse)—is listed in the National Register of Historic Places.

Preservation of the structure is a stated objective of this Request for Proposals. To view the National Register nomination, visit the North Carolina State Historic Preservation Office's website at <http://www.hpo.ncdcr.gov/nr/WA4968.pdf>.

3. City of Raleigh: Overview

Raleigh is one of the fastest growing cities in the United States, growing by 53 percent between 2000 and 2012. Since 2003, there has been \$2.3 Billion worth of completed, planned, or under construction development projects in Raleigh's Central Business District (CBD). The number of people working downtown on week days is approximately 40,000. Investment of \$320 Million is planned or under construction in several mixed-use, multi-family residential developments in the CBD expected to produce 1,600 units of market rate rental apartments. Citywide, approximately 72 percent of all permitted residential units in 2012 were in multi-family developments.

The Stone's Warehouse Site is located in a neighborhood immediately east of downtown in the Thompson/Hunter Redevelopment Area, Phase II; one of six redevelopment areas east and south of the CBD (Census Tracts 507, 508, and 509). The poverty and unemployment rates here remain higher than the citywide average. An important goal of the City in the redevelopment of the Stone's site is to benefit low- and moderate-income households and continue ongoing neighborhood revitalization. *American Community Survey 2007-2011, Five Year Estimate* census data of these CTs compared with Citywide data give a sense of the area relative to the city as a whole:

- **Median Income**
 - Citywide: \$52,819
 - Redevelopment CTs: \$9,754 - \$21,452
- **Poverty rate**
 - Citywide: 15.1%
 - Redevelopment CTs: 29.8% - 52.9%
- **Educational Attainment** (*residents with Bachelor's degree or higher*)
 - Citywide average: 47%
 - Redevelopment CTs: 3.0% - 12.4%
- **Minority Concentration**
 - Citywide average: 41.2%
 - Redevelopment CTS: 60.0 - 91.0%

For more information on Raleigh's demographics, visit the City of Raleigh website here:

<http://www.raleighnc.gov/business/content/PlanLongRange/Articles/RaleighDemographics.html> and here:

<http://www.raleighnc.gov/home/content/PlanLongRange/Articles/RaleighDemographics.html>.

4. Price of the Land

Pursuant to state law, the purchase price for the property must be no less than its appraised value of \$2,020,000. This appraisal has been updated to reflect the new zoning that the City intends to attain on this property.

5. Method of Land Sale

The property will be sold by private sale in compliance with NC General Statute 160A-457. This statute requires a public hearing after the City Council chooses the winning proposal. A development agreement would be negotiated with the selected developer prior to any private sale.

6. Note to All Developers

Though the subject property is owned by the City of Raleigh, the purchaser and redeveloper of the property should not anticipate receiving any special consideration from the regulatory authorities concerning the redevelopment of the property. All development regulations and processes of the City of Raleigh will apply to the selected development. The City will deliver the property zoned as NX-3-UL. The rezoning process is expected to be complete December 2014. All proposals are expected to be accommodated by this zoning.

7. Relevant Documents & Reports

All documents listed below are available for Developers to view via Dropbox at: <https://www.dropbox.com/sh/vyn98v9j87atj7s/AACzIGDjW0Tdc9tgauTfL3Uga>.

The City makes no representations regarding the conditions of the property.

Developers may wish to obtain their own asbestos, environmental, and/or lead-based paint inspections/reports. If they wish to do so, the appropriate consultant(s) should plan to attend the **mandatory** Pre-Submittal & Site Inspection meeting on Wednesday, August 20, 2014 from 9:00 AM to 12:00 PM. ***If consultants are unable to meet on this day, the building will be opened by appointment for consultants representing those developers who attended the mandatory Pre-Submittal & Site Inspection meeting.***

Note: If additional time will be needed on August 20, 2014 for the Consultants' observation, the Developer should send an email to Britni Edwards (britni.edwards@raleighnc.gov) indicating the additional time that will be needed that day so accommodations can be made.

Appraisal

The City commissioned an appraisal on May 27, 2014 which is based on the proposed new zoning of Neighborhood Mixed Use – 3 – Urban Limited (NX-3-UL).

Asbestos Report

An Asbestos survey was completed on February 12, 2008.

Environmental Assessment

Phase I and Phase II Environmental Assessments of the site and buildings have been performed.

Lead-Based Paint Inspection

A Comprehensive XRF Lead-Based Paint Inspection Report was completed on February 11, 2008.

Structural Inspection

A Structure Inspection Report was completed on July 16, 2011.

Survey

A survey of the site was performed on February 5, 2014.

8. Transportation

Two of the streets that surround the Stone's Warehouse assemblage are included on the street typology map:

<http://www.raleighnc.gov/content/PlanDev/Documents/LongRange/ComprehensivePlan/StreetTypologyMap.pdf>

The site abuts East Davie Street, which is defined as an east-west two-lane avenue, undivided street which connects the residential neighborhoods to the east with the downtown business core. The site also abuts South East Street, which is defined as a north-south Neighborhood Street.

Chapter 8 of the UDO defines appropriate streetscapes, parking and other considerations for the street typologies:

[Section 8.4.4 - Local Streets - page 238](#)

[Section 8.4.5 - Mixed Use Streets - page 240](#)

In addition the site is adjacent to the Chavis Way Greenway, a part of the City-wide pedestrian greenway system. Current transit options abound, with Capital Area Transit (CAT) routes operating on Martin, East, Lenoir and Person Streets and Moore Square Transit Station a short walk away. The area is served by both CAT and the Triangle Transit Authority (regional bus). Both the CAT Short Range Transit Plan and the Wake County 2035 Transit Plan call for a continued high level of transit service in this area. The Raleigh-Durham International Airport is 15 miles west of downtown Raleigh (<http://www.rdu.com/>).

9. Development Components

Following the Request for Expressions of Interest (RFEI), the City used the submittals it received to determine certain criteria that would be recommended and/or required for RFP submittals. Those criteria are outlined below and will be used to rank and select the preferred development proposal:

- a) **Preservation of Stone's Warehouse Structure** – The core of the site is the Stone's Warehouse building, listed in the National Register of Historic Places as the "Carolina Coach Garage and Shops." Given the building's historical significance, the City desires to have the Stone's Warehouse structure preserved. At a minimum, preservation is defined as preserving the four (4) exterior walls and the truss system.

The warehouse should remain a prominent feature of the site and should not be "over-shadowed" by other buildings which are constructed on-site. The scale and massing of additional development on-site will be an important evaluation criteria.

Developers should be aware that this development will require a number of reviews to ensure compliance with preservation goals. At a minimum, a successful proposal must be reviewed and approved by the North Carolina State Historic Preservation Office's Section 106 process prior to Council's selection; the final elevations shall be reviewed by the Raleigh Historic Development Commission for exterior changes to the historic structure and the adjacent development's general character, specifically that adjoining buildings not overshadow the historic warehouse. Developers are encouraged to review the [Design Guidelines for Raleigh Historic Districts](#) and use those guidelines in developing their proposals.

Federal and state historic rehabilitation tax credits may be available for the rehabilitation of the Carolina Coach Garage and Shops. For more information on

Federal and State historic rehabilitation tax credits, visit the North Carolina State Historic Preservation Office's website at <http://www.hpo.ncdcr.gov/tchome.htm>. Additionally, designation of the building as a Raleigh Historic Landmark (RHL) would yield a 50% Wake County property tax deferral. Should a developer be interested in pursuing RHL designation, the City will provide technical support to the developer in that process.

- b) **Mixed Use**– The City desires proposals that will provide a community benefit such as job training, job creation, access to food and broader economic development benefit. The site should contain a variety of uses, which may include residential, retail/commercial and community space. Uses do not need to be stacked vertically in the same building to be considered mixed-use.

Additional points will be awarded to those proposals which include mixed uses and clearly articulate how proposed uses benefit both the local neighborhood and downtown Raleigh.

- c) **Housing Element** – The City is requiring a housing element in all proposals for the Stone's Warehouse site. While the City acknowledges that this project will be difficult to develop as housing that only serves primarily low- and moderate-income households, proposals that include a long-term commitment to providing an affordable housing element will receive additional points depending on the percentage of units that are reserved for low- and moderate-income households and the term of affordability.

The City's affordability guidelines for both ownership and rental units are based on the Department of Housing and Urban Development (HUD) definitions of affordability. These guidelines can be found in the Dropbox file entitled "Stone's Warehouse Affordability Guidelines" at <https://www.dropbox.com/sh/vyn98v9j87atj7s/AACzIGDjW0Tdc9tgauTfL3Uga>.

- d) **Rex Senior Health Center** - Rex Senior Health Center is a physician's practice health facility which currently leases approximately 5,000 square feet in the front portion of the 11,200 square foot building at 512 East Davie St. The center has served the health needs of people who are 65 years of age and older in this location since August 2002. Their lease is a month to month lease for \$1,228 per month. The lease requires a 60 day notice to terminate by either party.

The City understands the importance of the Rex Senior Health Center to the local community yet also understands that the current below-market rental rate would be a hindrance to potential developers.

Developers should include a statement in their proposal clearly indicating their project intentions relating to the ongoing retention of this facility. Any commitment made between Rex Senior Health Center and the developer should be included in the proposal. Development proposals that keep Rex Senior Health Center on site will receive additional points; developers who provide relocation assistance to a "nearby" location will also be awarded points.

10. Developer Selection Process

The City will follow a four-step process to choose a Master Developer for the publicly owned properties outlined in this document:

STEP 1

Request for Proposals (RFP), Pre-submittal and Site Inspection Meeting

Interested developers who submitted a development concept to the Stone's Warehouse Request for Expression of Interest are invited to respond to this RFP with a development proposal.

A Pre-submittal and Site Inspection meeting will be held on-site with key City staff and others regarding the details of the site, the intent of the plans referenced in this RFP, progress of surrounding key construction projects associated with these efforts, and any other subject helpful to development candidates in the preparation of proposals. A portion of the meeting will be allocated to allow interested parties to walk through and view the interior and exterior of the properties. Attendance by interested developers is mandatory for both portions of the meeting. **Developers are invited to bring their consultants to this meeting. If consultants are unable to meet on this day, the building will be opened by appointment for consultants representing those developers who attended the mandatory Pre-Submittal & Site Inspection meeting.** Most of the buildings do not have electricity so interested parties should bring flashlights with which to view the inside of these buildings.

The **mandatory** Pre-submittal and Site Inspection meeting will be held on **Wednesday, August 20, 2014 at 9:00 am.**

Following the Pre-submittal and Site Inspection meeting, developers will be allowed to submit additional written follow-up questions. Questions must be e-mailed by the deadline shown below to:

Britni Edwards, CD Program Coordinator
EMAIL: britni.edwards@raleighnc.gov

To assure uniformity of information, answers to all questions received will be sent via email to everyone attending the Pre-submittal and Site Inspection meeting and those who request it in writing. Questions will be accepted until **Wednesday, September 3, 2014 at 4:00pm.**

Proposals are due **Wednesday, October 8, 2014 at 3:00 pm.** Proposals may be hand delivered to 310 W Martin Street, Suite 101, Raleigh, NC 27601.

Upon receipt of proposals, the submittals will be reviewed by a committee consisting of key City staff and consultants.

STEP 2

Selection of the Preferred Proposal

Development proposals will be evaluated and ranked by the review committee relative to the criteria noted in this document. Upon selection of a short-list of development proposals, each selected development candidate will be invited for one or more formal interviews to discuss details of their proposal. The City's staff review team will then recommend the proposal which best addresses the City's goals to City Council. The Council will then make the final selection of the

development proposal for the property. Council may require a community meeting before making a final selection.

STEP 3

Removal of Federal and Local Affordability Restrictions

The lots were acquired with federal Community Development Block Grant (CDBG) and local Housing Bond funds for the purpose of creating affordable housing to principally benefit low- and moderate-income (LMI) persons. Unless specific steps are taken by the City prior to sale, the reuse must principally benefit LMI persons as defined by the U.S. Department of Housing and Urban Development (HUD). As the City does not expect that proposals fulfilling this requirement would also be capable of achieving other City goals as summarized in the evaluation criteria, the City intends to explore reuse scenarios (such as market-rate housing) that do not have to meet CDBG rules. This requires: 1) public notification, 2) a 30-day comment period and a public hearing of the non-CDBG reuse to amend the City's Action Plan, and 3) sale of the property at no less than current market value. The funds thus generated must be placed in the City CDBG budget to be spent on CDBG-eligible activities. The release of the local housing bond restriction to provide LMI affordable housing will be achieved as well by following the federal requirements.

STEP 4

Preparation of the Development Agreement

After approval by the City Council, the selected developer and the City will enter into negotiations on the final terms of the agreement to bring about the development of the property. This agreement will specify the relative roles and responsibilities of the City and the developer, the specific program to be developed, a schedule for development, and any specific financial or procedural details determined by the parties. This agreement will include performance guarantees and penalties for lack of performance such as loan recapture and/or property revestment provisions. After a negotiated agreement is deemed acceptable by the developer and by the City Manager, the development agreement will be presented to the City Council for final approval. This step of the process may include a public hearing and one or more community meetings.

The City reserves the right to change this process, and the timing of any step, based on its needs and on the responses to the RFP.

11. Submittal Requirements

The minimum requirements for consideration in the Request for Proposals are as follows. Proposals will be evaluated based on a 100 point scale with a potential for 10 bonus points. Please address **all items** concisely.

A. Transmittal Letter – Total of 2 points

A **transmittal letter** must accompany the submittal, signed by a principal of the proposed development team. This must be accompanied by a "Certificate of Authority" listing the officers in the firm who are authorized to negotiate and execute agreements on behalf of the company.

B. Developer Information – 25 points total

1. Development Team Members

- a. Primary contact name and contact information for all correspondence and legal notifications, including e-mail address of primary contact;
- b. Principal officers authorized to negotiate with the City;
- c. Identification of the Urban Design professional(s) responsible for that aspect of the project (include resumes);
- d. Team organizational structure chart;
- e. Description of the proposed legal structure of the team (i.e., joint venture, partnership, etc.).

2. Developer Experience

- a. Development experience with comparable public / private downtown developments. Descriptions should include dates, nature of involvement (financial, management and/or implementation), implemented developments, sizes and uses, dates of completion;
- b. Summary of key participant qualifications and the role they will play;
- c. Marketing experience for similar developments and the marketing plan for this development;
- d. Evidence of adequate liability and worker's compensation insurance and professional licensure;
- e. Three professional references with contact information.

3. Developer History, Financial Position and Abilities

- a. Description of the history of the development entity, other non-related development work undertaken successfully, unique skills and / or markets in which the development entity has particular skill or ability;
- b. Financial information that will show the relative financial strength of the development entity, its connections to equity markets, ability to finance complicated projects, and success in the implementation of similar ventures;
- c. Provide authorization for the City to obtain a credit report for his/her business. Builder/developer must provide list of subcontractors and suppliers (with contact information) used in last

24 months; please provide authorization to contact subs and suppliers to determine if builder is current with payments;

- d. Builder/developer must also provide two (2) years of signed financial statements for his/her business. The builder/developer must be current on repayment of City debts and loans, and all projects receiving City funding must be in good standing and proceeding according to schedule. The City's preference is to receive audited financial statements; if audited financial statements are not available, reviewed financial statements would be the next preference. If neither of these is available, compiled statements would be required. If either reviewed or compiled statements are submitted, tax returns of the financially responsible party should be included as well.

4. Financing

- a. Proposed financing method, debt-to-equity ratio, types of debt to be utilized;
- b. Financial partners, equity partners, financial institutions with which developer will create a relationship in this project. A written commitment from a bank or lender should be included;
- c. If historic or low income housing tax credits will be applied for as a part of the funding structure, pro formas should include the expected value of tax credits that will be required to develop the project. Additionally, the anticipated award date of any tax credits should be noted;
- d. Information about the stability and dependability of financial partners;
- e. General pro forma for development and operation of the project;
- f. An outline of expenses as they relate to preservation (if applicable);
- g. Amount of direct equity in the project by the developer.

- 5. Proposed Associate Team Members** – Any other firms or entities that are suggested to be part of the development team, including, but not limited to architecture firms, planners, construction firms, construction management firms, marketing firms, etc., their primary representatives on the team and their relevant qualifications and resumes as noted above.

C. Project Information – 73 points total

- 1. General Description of Development Concept** - A written description of the proposed development, noting its overall concept and outlining any features that would be a unique asset to Downtown Raleigh in this location. The following required components should be addressed explicitly in the proposal:

- a. **Preservation of Stone's Warehouse Structure – 15 points** - Preservation of the Stone's Warehouse is defined as preserving the four (4) exterior walls and the truss system at a minimum. Proposals should include detailed description of which elements will be preserved and include detailed cost estimates as they relate to preservation. Proposals should note whether the developer intends

to use historic tax credits (State and/or Federal) and if the developer intends to apply for Raleigh Historic Landmark designation. Proposals will receive points based on the extent of preservation planned for the warehouse and based on how realistic the estimated preservation expenses are.

Developers who provide a structural report or written opinion from a licensed Structural Engineer on their team are encouraged to submit the report as evidence that the design concept is feasible and to back-up cost estimates.

Proposals will be ranked based on the level of preservation that is proposed as well as how realistic the estimated preservation expenses are. Proposals that intend to preserve the warehouse as defined above will receive up to 8 points while those that intend to seek Raleigh Historic Landmark designation will receive up to 15 points. Proposals that fall between these point definitions will be ranked accordingly.

- b. **Mixed Use – 10 points** - The site should have mixed uses, including residential, commercial and community space. Proposals will be evaluated based upon their potential to provide community benefit. Examples of community benefits include, but are not limited to: job training, job creation, providing access to food, and other social and economic development opportunities. Proposals should include a description of the mixed use elements with a detailed description of how each element will provide a community benefit.

Proposals should identify opportunities for the enhancement of locally-based enterprise and the creation of jobs for existing residents of the downtown community, particularly for the operation of the proposed development.

Proposals will receive one (1) point for each of the following: 1) job training, 2) job creation (operation of proposed development), 3) access to food (grocery), 4) access to food (restaurant), 5) community benefit (existing community), 6) community benefit (bringing new development into Southeast Raleigh), 7) community event space (available to surrounding community), 8) community event space (available to vendors/tenants of the site). Additional points may be awarded based on whether the development provides a use that is open to community use, fulfills an identified community need and/or creates jobs for neighborhood residents. Points for residential development will be awarded under "Housing Element" below.

- c. **Housing Element – 10 points** – The proposal must include a housing element. Proposals which include an affordable housing element, as defined by HUD's regulations, and which include a commitment to at least a 10 year affordability term for homeownership units or 30 year affordability term for rental units will receive additional points. The point scale below reflects the percentage of affordable housing and affordability term.

The points scale for housing will be as follows: No housing element = 0 points, housing element = 2 point, 15% affordable units = 4 points, 30% affordable units = 7 points, 50% affordable units = 10 points.

- d. **Rex Senior Health Center – 4 points** - Developers should include a statement in their proposal clearly indicating their project intentions relating to the ongoing retention of this facility. Any commitment made between Rex Senior Health Center and the developer should be included in the proposal.

Points will be awarded as follows: Rex Senior Health Center On-site = 4 points, Assist Rex Senior Health Center in Relocating = 2 point, No assistance to Rex Senior Health Center = 0 points.

2. Development Specifics – Developers should include a site plan and description that details each of the following:

- a. Proposed uses, square footage of each use, number of units if residential;
- b. For residential, specify for sale or rent, mix of different types and costs of units, square footage, general price or rent targets;
- c. For retail or office, specify retail types and footprints for each type of use, and give an example of another existing project or projects comparable to the quality and target market of the proposal;
- d. For other types of uses specify types and footprints, and give an example of another existing project or projects comparable to the quality and market target of the proposal;
- e. Any proposed parking facilities to be included in the development.

3. Building Proposal

- a. Proposed building or buildings, construction type, proposed height, general dimensions, and total square footage;
- b. Illustrations indicating bulk and general architectural massing of the proposal in context; elevations showing street level design treatment and any unique architectural features that may affect adjacent properties or streets;
- c. Illustrations or other descriptions of how the building will be designed relative to all four facades, particularly regarding frontage and access to the pedestrian environment on the adjacent public rights-of-way;
- d. Circulation diagrams showing pedestrian and vehicular access to the site and connections to other adjacent properties or public areas;
- e. Illustrations showing proposed landscaping (plant selections should be all native and/or non-invasive species) and streetscaping (the latter per prescribed Street Typologies, as applicable);
- f. Any other building details that may illustrate the overall character of the development relative to the surroundings.

4. Project Schedule - A realistic draft project schedule that specifies key development and financial milestones, construction commencement, completion, lease-up, and opening.

5. Statement of Small Disadvantaged Minority and Women Owned Business (SDMWOB) Participation

- a. Indication of the good faith efforts to be used to encourage Small Disadvantaged Minority and Women Owned Business (SDMWOB) participation in the project;
- b. Developer's strategies or opportunities offered for long-term career enhancement for SDMWOB firms in the Raleigh area.
- c. For residential, a detailed marketing plan showing strategy for outreach to low- and moderate-income residents

6. Sustainable/Green Construction - The City has a stated goal of encouraging sustainable development. The City has specified that all new projects constructed by the City should be rated LEED Silver in the US Green Building Council's rating system.

Developers should construct the proposed development to LEED Silver or another comparable standard. Developers not using the LEED rating system should illustrate how the comparable standard is equivalent or better than LEED Silver in terms of energy efficient and sustainable construction.

7. Special Conditions - Any and all special conditions that the Developer may wish to propose or request the City to provide as part of the final Development Agreement;

8. Proof of Concept (recommended) – 10 points – Bonus points will be awarded for proposals that demonstrate that the concept presented is feasible both in terms of the market and in terms of financing.

- a. **Commitments** – The commitments are not required but will help determine project feasibility. Examples of commitments are letters of intent and/or signed leases with vendor/companies.
- b. **Market Study** – Developers that commission market studies are encouraged to submit a copy of the study showing the capacity of the commercial or residential market to absorb the project through lease-up or sales.

12. Selection Criteria

The City will evaluate each proposal based on whether it meets the City's goals and objectives. The selected proposal will be the one which aligns best with those goals and objectives. Proposals will be evaluated based on a 100 point scale with a potential for 10 bonus points.

The Raleigh City Council is ultimately responsible for selecting a developer for The Stone's Warehouse Site. The staff committee and Council will thoroughly evaluate proposals based on the following criteria (not necessarily in priority order):

- Experience on similar projects.
- The qualifications and experience of each team member to be assigned a stated role on the development team.
- The developer's understanding of and proven ability to meet expectations on this type of project.
- The ability of the developer to arrange financing of the project, and the ability of the developer to make projects successful financially for the City as well as the development entity.

- The responsiveness of the proposed development concept to stated objectives in the *Olde East Raleigh Small Plan* and the *2030 Comprehensive Plan*.
- The ability of the development concept once complete to contribute to the revitalization of the neighborhood and add to the quality of life of residents of the neighborhood and surrounding areas of downtown Raleigh.
- The creativity and planning shown toward urban design issues in the relationship between the development, the surrounding pedestrian environment, the architectural presence of all proposed buildings, and the appropriate mix of land uses.
- The degree to which the plan proposed by the developer for SDMWOB participation will be able to meet minority and women business enterprise goals (the City goal is 15% participation in any development), and the creativity shown in expanding meaningful job opportunities for residents of Raleigh, particularly the residents of the surrounding neighborhoods.
- The degree to which the goals outlined in the section entitled "Development Components" are met.
- The sustainability/green construction initiatives which will be met in constructing the development.

13. Submittal Instructions

Please submit one (1) complete paper original of proposal addressing all Submittal Requirements in 8 ½" x 11" format, ten (10) paper copies of the RFP response document in 8 ½" x 11" format, and (1) digital version of the RFP response document on compact disk (MS Word Document or Portable Document Format (PDF) format). If large-format drawings or exhibits are included in the submittal, copies of these exhibits shall be reduced to 8 ½" x 11" format (or folded 11" x 17" format) and shall be included with the one original, the digital copy, and the 10 paper copies as noted above. The proposal shall address each item in the Submittal Requirements section of this RFP, above, and must be received prior to the deadline. The City of Raleigh reserves the right to request additional information after submittal as may be necessary to adequately assess each response.

Responses must be sealed and clearly marked with the following: "RFP Response – The Stone's Warehouse Site." Submittals must be received no later than as noted below, and should be delivered to:

Britni Edwards, CD Construction Program Coordinator
 City of Raleigh, North Carolina
 Community Development Department
 310 West Martin Street, Suite 101
 Raleigh, NC 27601

Additional copies of this RFP are available from the Community Development Department, City of Raleigh, P. O. Box 590, Raleigh, NC 27602, attention Britni Edwards (telephone 919-857-4330) or by email britni.edwards@raleighnc.gov.

14. Schedule

The City intends to proceed in accordance with the schedule noted below. The City reserves the right to alter the schedule at any point in the process, but agrees to provide adequate notice to respondents should the schedule be amended.

8/5/2014	City issues Request for Proposals.
8/20/2014	Mandatory Pre-Submittal & Site Inspection meeting from 9:00 AM – 12:00 PM at 500/510 E. Davie St. (<i>Please bring a flashlight.</i>)
9/3/2014	Last day for written questions to be received on the RFP document intent or document interpretations. 4:00PM deadline.
9/10/2014	City's written response to questions will be sent out no later than this date.
10/8/2014	Proposals due by 3:00PM (Community Development Department, 310 West Martin St., Suite 101, Raleigh, NC 27601.)
October 2014	Developer Candidate Interviews will begin this month.
December 2014	City Completes Rezoning
December 2014	Recommendation to City Council
TBD	City Council Decision and Resolution
TBD	Final Development Agreement

15. Conditions and Limitations

This RFP does not represent a commitment or offer by the City of Raleigh to enter into an agreement with a respondent or to pay any costs incurred in the preparation of a response to this RFP. The timely responses and any information made a part of the responses will not be returned to the sender. The RFP and the selected Developer's response to this RFP may, by reference, become a part of the final Development Agreement between the Developer and the City of Raleigh resulting from this solicitation.

The respondent shall not offer any gratuities, favors, or anything of monetary value to any official or employee of the City of Raleigh, the City's appointed review committee in the selection process, or any other organization that may have a clear interest in the outcome of the selection process, for the purposes of influencing the outcome of the RFP response selection process.

The respondent shall not collude in any manner or engage in any practices with any other respondent(s), which may restrict or eliminate competition or otherwise restrain trade. Violation of this instruction will cause the respondent'(s) submittal(s) to be rejected by the City. The prohibition is not intended to preclude joint ventures or subcontracts.

All responses submitted must be the original work product of the respondent. The copying, paraphrasing or otherwise using of substantial portion of the work product of another respondent is not permitted. Failure to adhere to this instruction will cause the response to be rejected.

The City of Raleigh has sole discretion and reserves the right to reject any response that does not conform to the terms of this RFP or all responses received with respect to this RFP and to cancel the RFP at any time prior to entering into a formal agreement. The City reserves the right to reasonably request additional information or clarification of information provided in the response without changing the terms of the RFP.

16. Confidentiality of Documents

Documents that are submitted as part of the response to this RFP shall be subject to the requirements of North Carolina public records law (NCGS 132). It is the responsibility of the respondent to properly designate any materials that may be protected from disclosure as trade secrets under North Carolina law as such and in the form required by law prior to submission of such materials to the City. The respondent, by submission of their response to this RFP, acknowledges and understands that the City may take any and all actions necessary to comply with federal, state, and local laws and/or judicial orders and that any such actions will not create any liability on the part of the City towards the applicant.

If the City reasonably believes that a document submitted by the respondent that is marked "confidential" or "trade secret" does not qualify for such protection under North Carolina law, the material will not be shielded from public inspection.

By submitting to the City a document that the respondent designates as "confidential" or "trade secret", the respondent agrees that in the event a third party brings any action against the City or any of its officials or employees to obtain disclosure of the document, the respondent will indemnify and hold harmless the City and its affected officials and employees from all costs, including attorney's fees incurred by or assessed against any defendant, of defending against such action. The respondent also agrees that at the City's request the Developer will intervene in any such action and assume all responsibility for defending against it.