



Redevelopment Authority of the City of Lancaster
Presents this

REQUEST FOR PROPOSALS
FOR THE REDEVELOPMENT OF THE
BULOVA BUILDING-LANCASTER SQUARE EAST
101 N Queen Street, Lancaster PA 17603

RFP Issued: 5/22/15
Proposal Deadline: 7/17/15

For Additional Information Contact:

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Lancaster, Pa 17602
717-291-4760 or rpatterson@cityoflancasterpa.com

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I. INTRODUCTION AND BACKGROUND

The Redevelopment Authority intends to develop a public-private partnership with the selected Respondent. It is the Redevelopment Authority's intention to proceed to take possession of the property by eminent domain upon selection of a Respondent. The property is located in an approved Redevelopment Area of the City of Lancaster. The selected Respondent will be required to enter into a Redevelopment Contract with the Redevelopment Authority. That contract will be negotiated upon selection of a Respondent. At the time of the taking the selected Respondent will be required to be in a financial position to pay to the Redevelopment Authority sufficient funds necessary to pay the determined Just Compensation to the owner of 101 North Queen Street, Lancaster, PA.

Property Description:

The Redevelopment Authority of the City of Lancaster (the "Redevelopment Authority"), proceeding in anticipation of taking ownership of the building located at 101 North Queen Street, Lancaster, PA (more commonly referred to locally as the Bulova Building) is seeking to partner with a qualified Respondent to prepare a conceptual plan, budget, timeline and related matters for the redevelopment of this property as cited below.

The property is located at the corner of North Queen Street and East Orange Street in the City of Lancaster, Lancaster County, Pennsylvania, known and numbered as 101 N Queen Street (the "Property"). The Property contains approximately 1.10 acres and improvements. The building is approximately 212,500 square feet. The first, second and third floors, which include mezzanines are approximately between 49,041, 46,825 and 48,529 square feet respectively of leasable space according to Lancaster County assessment records . The 4th floors contain 43,215 square feet of leasable space. The structure was originally built as a Hess's Department Store in 1970-71. It has most recently been used as a light industrial building. The building retains elevators and escalators installed for the department store. The building is sprinklered primarily with a wet system but certain areas have a dry fire suppression system. The property is served by public sewer and water, gas and electric.

The Property is located in the CB1 – Central Business Core District, as defined in the Lancaster City Zoning Ordinance (See Exhibit D). Further information concerning the zoning of the Property can be obtained from the City of Lancaster Zoning Officer at (717) 291-4736. Further information related to land development issues can be obtained from the City of Lancaster's Planning Office (717)291-4759.

The property is located in the City's Downtown Investment District. Additional information regarding the Downtown Investment District can be obtained by contacting Mr. Marshall Snively at the Lancaster City Alliance office at (717) 394-0783.

The property is also located in the City's City Revitalization and Improvement Zone. Additional information on the potential financing benefits of this program can be obtained from the City of Lancaster's web site at www.cityoflanasterpa.com/business/criz or by contacting Randy Patterson, Acting Executive Director of the CRIZ Authority at 717-291-4760.

Development Vision:

The City of Lancaster and the Redevelopment Authority of the City of Lancaster prefer that the redevelopment of the Bulova Building be done as part of a more comprehensive redevelopment of what is known as Lancaster Square. This includes the Bulova Building, The Hotel Lancaster property and adjoining annex and the plaza area now owned by the City of Lancaster. The Hotel Lancaster and adjoining annex are privately owned by Square Development, LP, a local development group. The plaza and the walkways adjoining the Bulova Building and The Hotel Lancaster are currently owned by the City of Lancaster. The City will consider transferring the ownership of the publicly owned real estate to the Redevelopment Authority of the City of Lancaster to expedite the redevelopment of the east side of Lancaster Square.

The development of the east side of Lancaster Square must be complimentary to the development of the west side of the square which includes the City-owned Binns Park. The City and the Redevelopment Authority would expect the redevelopment of the east side of Lancaster Square to include the reopening of Marion Street to North Queen Street either as a functioning street, or as a pedestrian walkway from North Christian Street to North Queen Street.

The preferred redevelopment of the east side of Lancaster Square would include mixed-use development to include additional retail or restaurant uses built to North Queen Street; retail or other active pedestrian uses in the first floor of the Bulova Building; entertainment uses, professional office space and residential development as for-sale or market rate apartments. One of the principal goals of this redevelopment project is to reconnect the unit block of North Queen Street to the 200 and 300 blocks of North Queen Street with active uses creating new pedestrian traffic along this block.

Interested Respondents should access the Lancaster City Economic Development Strategic Plan to be released on June 11 and the City of Lancaster Walkability Study released in May for additional references. Interested Respondents should also contact John Meeder or

Sam Wilsker, partners in Square Development, LP at 717-394-9500 or by email to john@meedcor.com to discuss their plans for the redevelopment of The Hotel Lancaster and the adjoining annex.

The Redevelopment Authority has intentionally decided not to be too prescriptive in this development vision to allow interested Respondents to propose a redevelopment project that meets the broad vision presented above while allowing for the development of a financially feasible and sustainable development project.

Proposal Details:

The successful Bidder shall receive fee-simple title to the Property and shall be liable for the payment of any taxes, including realty transfer taxes, fees or other expenses of transfer and recording. The Redevelopment Authority makes no warranties or other representations as to the title or condition of the Property; however, the Property will be sold free of all mortgages, judgments or other monetary liens. The successful Bidder shall take the Property under and subject to all restrictions and agreements of record and all existing easements, and rights of way and such restrictive covenants as shall be imposed at the time of transfer as described in this Request for Proposals and take ownership of the Property from the Redevelopment Authority "AS IS". At the present time the Redevelopment Authority does not have access to the property to allow for inspections. Respondents interested in inspecting the property would need to make arrangements with the current owners of the property.

Prospective Respondents may examine a copy of the Request for Proposals and other materials and information currently available at City of Lancaster, City Hall, 120 North Duke Street, Lancaster, Pennsylvania, 17602, Mondays through Fridays, from 8:30 am to 5:00 pm. It should be noted that the Redevelopment Authority expressly reserves the right to reject any and all proposals. Any person submitting a proposal shall be referred to herein as Respondent.

A. ADMINISTRATIVE AND CONTRACTUAL INFORMATION

The objective of the Request for Proposal is to provide Respondents with sufficient information to facilitate preparation and submission of bid proposals that will advance the goals of the City of Lancaster and the Redevelopment Authority of the City of Lancaster. The date of issuance of this Request for Proposals is May 22, 2015 and is expressly authorized by the Redevelopment Authority Board of Directors by action taken at a public meeting of the Board of Directors on Tuesday, May 19, 2015.

A pre-proposal conference will be scheduled for June 17, 2015, beginning at 2:00 pm in the City Council Chambers at City Hall located at 120 North Duke Street, Lancaster PA 17602. Attendance is not mandatory but is encouraged. It is noted that information

presented may be valuable in the preparation of proposals and all interested Respondents are urged to attend. If you plan to attend, please notify Randy Patterson, Acting Executive Director at (717) 291-4760 or by email at rpatterson@cityoflanasterpa.com on or before 12:00 pm (noon) June 15, 2015.

Questions and inquires, both verbal and written, will be accepted from potential Respondents attending the pre-proposal conference. A summary of all-substantive questions and answers will be distributed to all potential Respondents receiving this Request for Proposal and will be posted on the Redevelopment Authority web page hosted on the City of Lancaster website (www.cityoflanasterpa.com/government/redevelopment-authority). Questions and inquiries should be directed to Randy Patterson. The closing date for submitting pre-proposal conference written questions is 12:00 Noon on June 12. Responses to all written questions received will be distributed to all recipients of the Request for Proposal at the Pre-proposal Conference.

Any questions apart from the pre-proposal conference must be in writing and should be submitted to Randy Patterson in writing at City of Lancaster, 120 North Duke Street, PO Box 1599, Lancaster PA 17608-1599. All such questions should be submitted no later than 12:00 (Noon) on June 30, 2015, and answers will be provided no later than July 10, 2015.

B. SUBMISSION OF BID PROPOSALS

In accordance with the Notice for Requests for Proposals which was advertised in the Lancaster Newspapers (LNP—Always Lancaster) and published on the City of Lancaster web site (www.cityoflanasterpa.com/government/bids-bid-ad-auctions) and the Redevelopment Authority page (www.cityoflanasterpa.com/government/redevelopment-authority), the closing date for bid proposal submissions is 12:00 PM (Noon) on July 17, 2015. All such Proposals shall be bound.

All Respondents must submit ten (10) copies of the proposal plus one copy in PDF format on a CD-ROM or flash drive, accompanied by a non-refundable fee of \$200.00 to Redevelopment Authority of the City of Lancaster, C/O Randy Patterson, Acting Executive Director, 120 North Duke Street, PO Box 1599, Lancaster, PA 17608-1599. Submissions should be clearly marked “Bulova Building-Lancaster Square Proposal.”

Oral, facsimile, telegraphic, electronic mail or mailgram proposals will not be accepted. All Respondents are responsible for assuring that their proposals, including proposals delivered by US Postal Service, are delivered to Randy Patterson before the scheduled time for receipt of Proposals.

C. DURATION OF OFFER

Proposals submitted in response to this request for bids are to be valid and irrevocable for a period of one hundred twenty (120) days following the final date for the submission of proposals. This period may be extended by written mutual agreement between the Redevelopment Authority and Respondent recommended for award.

D. COSTS

The Redevelopment Authority will not be responsible for any costs incurred by any Respondent in preparing and submitting a proposal in response to this Request for Proposals or requested supplemental information.

E. COMPLIANCE WITH THE LAW

By submitting the proposal in response to this Request for Proposals, the Respondent, if selected, agrees that it will comply with all federal, state and city laws, rules, regulations and ordinances applicable to its activities and obligations under this Request for Proposals.

II. STANDARDS AND CONTROLS

- A. The proposed uses in the proposal must include a plan to provide adequate parking to support the uses.
- B. All service areas, including but not limited to trash containers and dumpsters, must be adequately screened from view at street level.
- C. Proposals must include façade streetscape treatments that are inviting to pedestrians and meet the streetscape design standards of the City of Lancaster.
- D. All mechanical equipment, including but not limited to those on rooftops, satellite dishes, or other communications antennas visible from adjacent streets must be screened from view at street level.
- E. Building design must adhere to all federal, state and local ordinances and the Americans with Disabilities Act, as modified from time to time.
- F. All plans and specifications for demolition, alteration and/or new construction must be submitted to and approved by the Planning Commission for the City of Lancaster prior to the submission to the City for a building permit. The selected Respondent must comply with all applicable zoning and building codes now in effect.
- G. The selected Respondent will be responsible for obtaining at its sole cost, all permits, zoning appeals, subdivisions approvals, and any engineering and environmental studies required to support the project, including any studies necessary to determine the

feasibility of construction. In addition, the selected Respondent shall be solely responsible for the costs of appraisals, surveys, legal descriptions, etc.

III. PROPOSAL CONTENT AND SUBMISSION REQUIREMENTS

- A. The Proposal should provide a clear and concise demonstration of the respondent's capability to satisfy the requirements and objectives of this Request for Proposals. Proposals need not be elaborate or costly, but should be prepared in a professional manner. Unique capabilities or advantages of the respondent should be clearly stated in the proposal. Proposals may include any background or other supporting information that the respondent feels necessary and, must, at a minimum include the response requirements set forth in this section of this Request for Proposals. The Redevelopment Authority will not be limited solely to the information provided by the Respondent. Additional information may be obtained by the Redevelopment Authority regarding the perspective Respondent and the perspective Respondent's proposed uses. A Respondent is required to submit the following information in sufficient detail to enable the Redevelopment Authority to give consideration to the proposal. Such information should include, but not necessarily be limited to the following:
- a. Table of Contents. The proposal must include a table of contents referencing each of the sections listed below.
 - b. Project Summary. The proposal must include a five-page maximum summary with the following information:
 - i. Project Description (i.e., retail entertainment, office, residential, parking, hotel, mixed use, building to suit; size/density; project phasing);
 - ii. Names of proposed owners and proposed ownership structure.
 - iii. Names of project team members, including the developer, architect, engineers of all appropriate disciplines, general contractor and construction manager; real estate professionals, environmental consultants and other professional consultants.
 - c. Information on Project Team. Each respondent must demonstrate in a detailed narrative that it has the background, experience and technical competence within its project team to effectuate its proposed development. The narrative should pay particular attention to projects undertaken by the respondent that are similar to the development proposal and that emphasize those aspects of the respondent's qualifications that are believed to be exceptional or unique. In conjunction therewith, each respondent shall provide a list of relevant projects

undertaken by the respondent, including a description of the project, the dollar value of the development and, where appropriate, the name, address and telephone number of the client, and the name, address and telephone number of the project manager.

Each respondent must submit the resume of each member of the project team adequately describing the experience of the team member on projects similar to the proposed development. Further, each respondent must provide documentation of its financial capabilities to complete the sale. Non-publicly treated companies or entities must submit audited financial statements for the most recent fiscal year end. Further details regarding financial information will be set forth hereinafter. All financial information shall remain confidential until such time as the Redevelopment Authority selects a development partner. At that time all financial information from Respondents not selected will be returned. Financials for the selected development partner will be available for public review only as required by the Commonwealth of Pennsylvania Right to Know law.

- d. Schematic Plans. The proposal shall include conceptual plans, including a site plan showing the location of the structures, public use space, ingress and egress, parking, service area, etc. In addition, typical floor plans and elevations of fronts, sides and rear of the structure should be included. A schedule of the design and construction schedule and the anticipated occupancy date must also be included. That schedule must address the possibility of phased completion and occupancy if appropriate.
- e. Proposed Uses. The proposal shall include a detailed description of the uses intended for the proposed development, including a tenancing plan for any commercial, office or residential space intended for lease or sale.
- f. Ownership/Leasing Structure. The proposal shall include a detailed description of the ownership/leasing structure for the development.
- g. Project Budget. The proposal shall include an estimate of construction costs and an estimated development budget, including all soft costs; particularly fees to be paid to the developer. Costs shall include the cost of engineering studies, environmental studies, environmental remediation and demolition, if and where appropriate.
- h. Financial Information. Each proposal must include an estimated sources and uses statement clearly identifying the amount of debt and equity financing by funding source. The statement must address the following:
 - i. Disclosure of terms and sources for debt and equity. A commitment letter or letter of interest from a lending institution is highly desirable but not required at this time.

- ii. Disclosure of all requests for public funds, including recommended structure and terms under which the funds are to be provided. Note that no public funding sources have been identified and none are anticipated.
 - iii. Justification for the amount of public funds requested relative to the amount of private funding, including a description of the method used to determine required public support (for example: discounted cash flow model) must be included.
 - iv. Disclosure of any anticipated sale or take out of the Project by a third party prior to year ten and projected terms of the take out.
 - v. Three years of tax returns and financial statements for each investor in the project. These will remain confidential and returned if the proposal is not selected by the Redevelopment Authority. For the selected proposal the release of this information will be governed by the Commonwealth Right to Know law.
 - vi. Financial reference (names, addresses, phone numbers) for each investor in the project. Those reference should be contacted prior to the submission of the proposal to assure that they will give full and adequate information to the Redevelopment Authority.
- i. Purchase Terms. A detailed narrative clearly indicating the Respondents ability to pay the required Just Compensation at the time of the taking of the property by the Redevelopment Authority.
 - j. Statement of Project Feasibility and Economic Benefits. Respondent must provide a detailed narrative statement explaining why the proposed use is economically feasible, including the market assumptions that support such revenue projections. The statement must delineate how the proposed use is compatible with the existing businesses in the immediate area where the Property is located.
 - k. Authorization. Each proposal shall be signed by an officer authorized to make a binding contractual commitment for those submitting Proposals. The submission shall include signed acknowledgements to all addenda issued by the Redevelopment Authority.
 - l. Reference. The proposal must include a minimum of three current development project references, including the name of each organization, contact person and telephone number. Those references should be contacted prior to the submission of this proposal to assure that they will give full and adequate disclosure of information to the Redevelopment Authority. Failure of a reference to provide any information shall make the proposal not responsive to this request for proposal.
 - m. Additional Information. Proposals may include any background or other supporting information that the respondent feels necessary, but must include at a

minimum the response requirements listed above. It should be noted that the financial ability of the Respondent to complete the project is of utmost importance to the Redevelopment Authority.

IV. EVALUATION CRITERIA

Evaluation will be based on the Redevelopment Authority's understanding of the respondent's capacity to implement and complete the proposed development. In making this judgment, the factors to be considered include, but are not limited to the following:

- a. The ability to pay the Just Compensation distribution when required.
- b. The respondent's experience in planning, financing, constructing, marketing and managing projects similar in size and scope to the proposed project.
- c. If the project involves leasing, the Respondent's experience with leasing to the types of tenants proposed in the plan.
- d. The Respondent's ability to provide or obtain sufficient financial resources to start and complete the project in accordance with the timetable set forth in the bid proposal.
- e. Scope and quality of the proposed development.
- f. Benefits to the City and the City's development initiatives as a whole.
- g. Financial returns to the City and the Redevelopment Authority, including but not limited to incremental new tax revenues.
- h. Use of City-based businesses in the development, design, engineering, construction and management of the project.
- i. Inclusion of opportunities for participation by minority and women-owned businesses in the development of the proposed project
- j. Expectations for hiring Lancaster City residents for construction and for permanent positions with those tenants or businesses occupying space in the proposed development.

V. PROPOSAL ACCEPTANCE

- A. Please note that all of the documents submitted in accordance with this Request for Proposal shall be incorporated into a negotiated Redevelopment Contract and shall be deemed binding representations, warranties, and covenants of the Respondent.

VI. RIGHTS RESERVED BY THE REDEVELOPMENT AUTHORITY

- A. The Redevelopment Authority reserves the right to extend the due date by reasonable time and to recommend the award of a contract related to this RFP based upon the written proposals received by the Redevelopment Authority without proper discussion or negotiation with respect to those Proposals. All portions of the Request for Proposals as set forth above, will be considered to be part of the Redevelopment Contract and will be incorporated by reference. The Redevelopment Authority reserves the right to accept or reject any and all Proposals, at its sole discretion, to waive minor irregularities, and to conduct discussions with all responsible respondents. Further, the Redevelopment Authority reserves the right to request additional information from any and all perspective Respondents, if necessary, to clarify that which is contained in the Proposal.
- B. The Redevelopment Authority may designate a review panel to evaluate the Proposals received. If deemed necessary, Respondents may be required to make oral presentations to the review panel prior to final selection. The selected Respondent shall make presentations of the development proposal to the Redevelopment Authority or other groups as requested.

VII. SCHEDULE OF EVENTS

Date of Issue	May 22, 2015
RSVP for Pre-Proposal Conference	Noon, June 15, 2015
Re-Proposal Conference	2:00 pm, June 17, 2015
Due date for written questions	Noon, June 12, 2015
Response to written questions	2:00 pm, June 17, 2015
Due date for all other written questions	Noon, June 30, 2015
Response for all written questions	July 10, 2015
Proposals Due	Noon, July 17, 2015
Oral Presentations (if required)	TBD
Notification of Award (no later than)	TBD