



PHILADELPHIA REDEVELOPMENT AUTHORITY

REQUEST FOR PROPOSALS

**GERMANTOWN YWCA
5820-24 GERMANTOWN AVENUE**

JULY 18, 2016



**Development Opportunity for
5820-24 Germantown Avenue**

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1. Introduction



The Philadelphia Redevelopment Authority (“PRA”) invites competitive proposals from developers to purchase and rehab the former Germantown YWCA structure at 5820-24 Germantown Avenue (Attachment A) in Philadelphia’s Germantown neighborhood. The structure is 48,768 square feet. The current zoning is CMX-2.5 which is a pedestrian-friendly neighborhood commercial corridor. Ground floor commercial use is a requirement in the zoning designation and basic permitted uses include professional offices and services, retail, grocery stores, sit-down restaurants, educational facilities, government offices, and artist studios. Residential uses are prohibited along the ground floor frontage. If your proposed project will require a change in zoning, please indicate in the Executive Summary narrative.

Owned by the PRA, the YWCA is located within the Germantown Special Services District (GSSD). The GSSD is a well-established special services district that serves the Germantown Avenue commercial corridor. This commercial corridor and others in Germantown are managed by a Corridor Manager that is employed by Germantown United CDC and funded by the City’s Department of Commerce. Directly adjacent to the building is Vernon Park, a well-maintained public park that underwent major renovations



completed in summer 2015, funded by a grant of \$1,200,000 through Councilwoman Cindy Bass and Parks & Recreation.

The YWCA was built in 1914 and added to the Philadelphia Register of Historic Places in 1984. It was one of the first racially integrated YMCA facilities and a community gathering place for decades until it closed approximately ten years ago when its previous owner went bankrupt. The vacant building has since then deteriorated as a result of vandalism and fires. It was deemed imminently dangerous by the City in 2012, but further investigation in 2015 resulted in the City reconsidering this designation. At that point, Councilwoman Cindy Bass and the PRA committed funding for the immediate stabilization of the building scheduled to begin in September 2015 and completed as of February 2016.



Two pre-submission site visits will be held on Wednesday, July 27, 2016 at 10:00 AM and Wednesday, August 10, 2016 at 10:00 AM at the Germantown YWCA, 5820-24 Germantown Avenue. Interested parties are urged to attend these visits. These are the only times entry will be permitted for interested developers. No individual requests for entry outside of these days will be permitted. Proposals will be reviewed to determine the most responsive proposal in accordance with the evaluation/selection criteria listed below.

ABOUT GERMANTOWN

The heart of Germantown is located six miles northwest from Center City and is centered at the intersection of Germantown and Cheltenham commercial corridors. The neighborhood is generally bisected by Germantown Avenue and stretches two miles from Wayne Junction to Johnson Street, spanning between Wister Street and Wissahickon Avenue. The neighborhood is rich in well preserved, colonial era sites and buildings, most of which are historic landmarks or districts. The following data* should be considered:

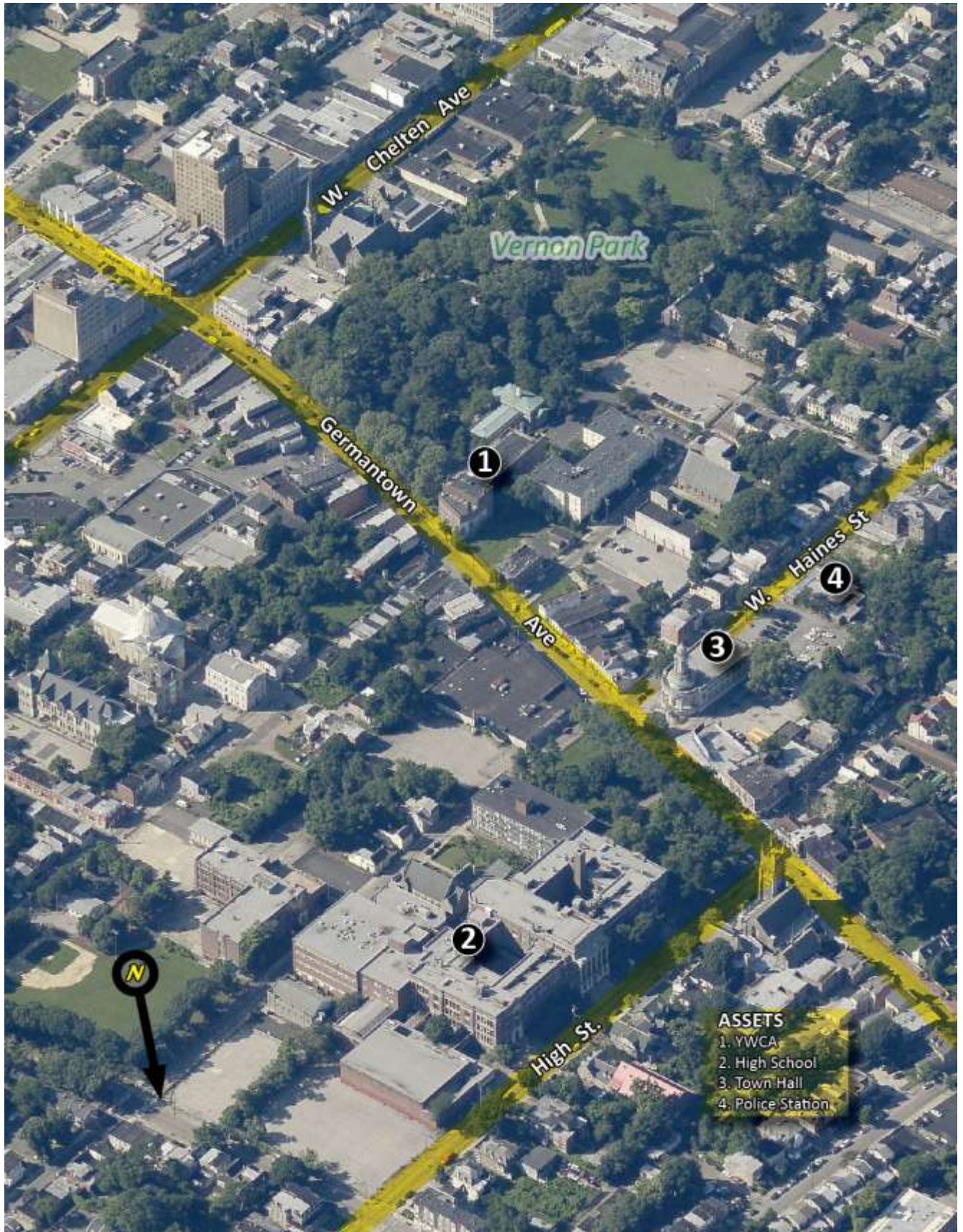
		<i>Germantown</i>	<i>City</i>
Population Growth	(2000-2014)	-4.11%	1.37%
Median Age	(2014)	36	34
Median Household Income	(2014)	\$40,060	\$46,470
Average Household Size	(2014)	2.32	2.58
Residential Sales			
Median Sales Price	(2015 Q2)	\$74,000	\$124,900
Sales Price Change	(2013 Q4 -2014 Q4)	15.91%	-0.54%
Sales Number Change	(2013 Q4 -2014 Q4)	21.77%	17.35%
Vacancy			
Residential	(2015 Q4)	4.53%	2.69%
Commercial	(2015 Q4)	8.95%	8.28%

* Source: Policy Map (Zip Code 19144)



NEIGHBORHOOD ASSETS

In addition to the YWCA, three significant publicly-related assets impact the Germantown commercial corridor. All facilities are mapped below.



Germantown High School (GHS) – 40 High Street



After 99 years of operation, GHS graduated its final class in 2013 and the Philadelphia School Reform Commission (SRC) permanently closed the large four-story structure's doors within the same week. In 2014, SRC approved the sale of the school building to The Concordia Group, a Maryland group of real estate investors. The company bid \$6.8 million for GHS and five other school buildings and is currently pursuing closing on these properties.



Germantown Town Hall – 5928-30 Germantown Avenue



Owned by the City of Philadelphia, Town Hall was built in 1923 and modeled after William Strickland's Merchant Exchange Building built almost a century earlier in Old City Philadelphia. It had been used for city offices until 1998 and has been vacant since then. The structure is listed on the Philadelphia Register of Historic Places and is in a state of disrepair, requiring significant façade, masonry and structural improvements.



4th District Police Precinct – 43 W. Haines Street



Located directly behind Town Hall, this structure is owned and operated by the Philadelphia Police Department and serves as its headquarters to the 14th district – an area spanning northern Germantown, Mount Airy and Chestnut Hill. The one-story, utilitarian style building is modest in size and almost completely surrounded by parking



2. Scope of Work

The purchase and rehabilitation of the structure at 5820-24 Germantown Avenue must consider the building's appointment on the list of the Philadelphia Register of Historic Places. Please refer to the Structural Assessment (Attachment I) and Completed Scope of Work (Attachment J) for building information.

3. Schedule

The timeline for this Development Opportunity is as follows:

Event	Date
Notice of RFP Opportunity Posted	July 18, 2016
Pre-Submission, 1 st Site Visit	July 27, 2016, 10:00 AM
Questions and/or Requests for Additional Information Due	August 3, 2016
Pre-Submission, 2 nd Site Visit	August 10, 2016, 10:00 AM
Proposals Due	September 16, 2016, 3:00 PM
Respondent(s) Selected - (Estimate Only)	September 30, 2016
Agreement Drafted - (Estimate Only)	October 14, 2016

PRA reserves the right, in its sole discretion, to alter this schedule as it deems necessary or appropriate.

4. Proposal Requirements

Responses to this Request for Proposals must contain the information described below and conform to the following format:

A. EXECUTIVE SUMMARY

A written narrative of the proposed development should be provided in the form of a cover letter addressed to Jessie Lawrence, Project Manager. The narrative should be no longer than two (2) pages in length and should succinctly summarize and describe the proposed development. At a minimum, it should seek to address all of the evaluation criteria and note the bid price.

B. FINANCIAL SUMMARY

Responses must demonstrate financial wherewithal and development capacity to carry out proposed redevelopment of the property. Submissions must provide a written narrative of a financing plan and documentation of available funds in an amount no less than the bid amount plus total development cost. Failure to provide clear evidence of committed sources of funds for the proposal to purchase and redevelop the property will disqualify submissions.

1. Completion of the Property Application Package Form (Attachment B).
2. A development budget and operating pro forma for projects.
3. Evidence of financial capability to fund the total cost of the development program as outlined in the Property Application Package Form. Acceptable forms of evidence include:
 - Audited Financial Statement for last two (2) fiscal years
 - Interim Financial Statement for most recent quarter (Income & Balance Sheet)
 - signed commitment letter(s) that reference funding this project as proposed and include draft term sheets or terms of financing equivalent to those found on a term sheet, or
 - other written evidence of financial support from one or more lending institutions specifying amount to be committed.



These elements will be reviewed and summarized as the financial components of the proposed development program.

4. **Litigation/Judgments** – The proposal must contain information regarding any litigation (pending or threatened) in which the development entity or any members of the development team are involved and any judgments that have been rendered against the development entity or any member of the development team that may affect the ability to successfully execute the proposed project for the Property.

C. DEVELOPMENT PLANS

The proposed rehab should take into consideration the local context and provide attractive, well-designed development that enhances the quality of the built environment and improves the overall quality and physical appearance of the community. All proposals must indicate what entitlements they will be seeking, including zoning, easements, exceptions from public entities, street changes, utility alterations (new or relocated).

Renovation should be sensitive to the building's historic context and preserve the building's facade. Full set of plans (basement, ground floor, first floor and second floor) will be made available for purchase and pick up at the Philadelphia Redevelopment Authority's office. Please provide a check for \$50 made payable to the Philadelphia Redevelopment Authority when picking up the USB drive containing plans and engineering report.

We encourage developers to incorporate sustainable, "green" design features and building materials. Proposals should consider building performance objectives and Energy Star's building design guidelines that integrate energy efficiency.

D. DEVELOPMENT SCHEDULE & MILESTONE

1. **Predevelopment Schedule** – Include a schedule listing important milestones and dates, beginning with due diligence activity (no more than 60 days), securing required government approvals and financing commitments. Please provide an anticipated closing date.
2. **Post-Closing Construction Schedule** – Include, at a minimum, a schedule showing critical milestones such as construction commencement and completion deadlines.

E. DEVELOPER TEAM QUALIFICATION

The development team should outline their experience of the scope of work required, overall approach and tasks to complete the work and quality control process. Members of the development team should be listed in the Property Application Package (Attachment B) and a narrative that provides past relevant experience of the team should be included. The narrative should detail past performance and record of successful completion of similar projects by team members, particularly with the City of Philadelphia or other public agencies (if applicable).

F. ECONOMIC OPPORTUNITY POLICY AND PROJECT GOALS

The development team should demonstrate their experience working with MBE & WBE firms in addition to completing the "City of Philadelphia Economic Opportunity Plan" form (Attachment C).

G. PROPOSAL DEPOSIT

Proposals must include a proposal deposit of 10% of the bid price (the "Proposal Deposit") in one of the following forms, in order of preference: a cashier's check, certified check, or money order made payable to PRA.



The Proposal Deposit of the selected developer for the Property will become “hard” money upon execution by the Developer of the Redevelopment Agreement, a form of which is attached as Attachment G and approval of the Agreement by the PRA Board. The amount will be credited toward the security completion deposit and ultimately refunded at project completion with the issuance of a Certificate of Completion. The Proposal Deposits of unsuccessful bidders will be refunded within thirty days after rejection notices. Interest earned on deposits of unsuccessful bidders will not be returned.

H. CERTIFICATE OF NON-INDEBTEDNESS

All proposals submitted in response to this RFP must contain a fully executed Certificate of Non-Indebtedness to the City of Philadelphia. A copy of this Certificate is attached as Attachment D.

I. CAMPAIGN DISCLOSURE FORMS

Each member of the development team must complete the Campaign Disclosure Forms attached as Attachment E.

J. CONFLICT OF INTEREST FORM

All proposals submitted in response to this RFP must contain a fully executed Conflict of Interest form. A copy of this form is attached as Attachment F.

K. FINE ARTS REQUIREMENT

The Developer selected will be required to comply with the policies and procedures of the Fine Arts Program. (Attachment H)



5. Evaluation/Selection

The PRA is requiring a minimum bid of \$65,000 to cover expenses associated with the acquisition of the building at sheriff sale and including incidentals.

PRA will initially conduct a Threshold Review of each proposal submitted to determine its compliance with the Proposal Submission Requirements. Only proposals that comply with these requirements will be considered for evaluation. If no proposal meets these requirements, the Authority may allow all developers to supplement their submissions to conform to these requirements.

Proposals selected pursuant to the Threshold Review will be evaluated by a Proposal Review Team using the evaluation factors listed below (see Attachment K: Scoring Sheet). Proposals will be evaluated in their entirety – i.e., no one factor, but rather a combination of all of the following factors will determine the successful developer. Final selection is subject to approval by the PRA Board and Philadelphia City Council.

The following criteria will guide PRA in using its professional judgment to determine which respondent has submitted the best proposal. In addition to any other factors that PRA considers relevant in the evaluation of these responses, the following are the evaluation factors:

1. **Financial**
 - Bid Price.
 - Financing Plan: Provide Letters of Intent from any financing sources listed.
 - Demonstration of Project Feasibility: Developer demonstrates the feasibility through adequate financing for construction, pro formas that conservatively show the project being able to sustain itself through operations and/or reasonable exit, and capacity to support any necessary debt financing (based on the Sources & Uses included in the Property Application Form).
2. **Project**
 - Concept Design Quality: Proposals should demonstrate a strong and viable use program and development concept that appropriately utilizes the building and exercises creativity. Proposals are required to incorporate the reuse of the building.
 - Alignment With Local Community/Context: Strength of the proposal's response to the community and its existing conditions, consideration toward the current residential/commercial market and potential to be a catalyst for other development.
 - Development Timeline (with compliance to PRA disposition process): Project completion within twenty-four months of settlement.
3. **Developer**
 - History of Team Partnership: The development team's experience working together will be considered.
 - Ability of the developer provide a track record of similar and successfully completed projects.
 - Competence and proven track record working with private sector, governments and development organizations and Inclusion of experience with MBE, WBE and DBE firms.
4. **Economic Opportunity Plan**
 - Goals for MBE/WBE Inclusion as expressed on the City of Philadelphia Economic Opportunity Plan.

SELECTION OF DEVELOPER

The disclosure statements and other documentation submitted to PRA are the most important sources of information upon which PRA may base its selection and approval of a developer. Accordingly, any substantive misstatement or omission in any such disclosure statement or documentation shall be sufficient for PRA to reject the proposal.



Upon completion of the review and evaluation, PRA will recommend a course of action to PRA Board of Directors, PRA shall make the final decision with respect to development proposals and shall notify all developers of the results and return Proposal Deposits to unsuccessful developers.

DISPOSITION PROCESS

After the PRA reviews the proposals and a developer's proposal is selected, the PRA Board, City Planning Commission and City Council approval must be obtained before the PRA can execute the Redevelopment Agreement (see Attachment G: Form of Agreement) and construction can commence. Following is a general sequence of events in this approval process:

1. PRA review and approval of schematic architectural plans, and all financial documents (including budgets, sources and uses, pro forma, financing letters, term sheets, and developer financial statements)
2. Execution of Redevelopment Agreement by the Developer. At this time the Proposal Deposit is credited toward the deposit required under the Redevelopment Agreement;
3. PRA Board approval of the Redevelopment Agreement;
4. City Planning Commission approval of the Redevelopment Agreement;
5. City Council approval of the Redevelopment Agreement;
6. Execution of the Redevelopment Agreement by PRA;
7. Settlement. At this time PRA requires proof of construction financing;
8. Pre-construction conference;
9. Construction period;
10. Review of the completed development to determine compliance with Agreement. If the development is found to be in compliance with the Agreement, PRA issues a Certificate of Completion and the security completion deposit is returned.

The Developer shall be responsible for securing and paying all costs associated with all permits, licenses, approvals, lot line relocation, or variances necessary to comply with the development controls, City code, and the approved architectural plans.

EVENTS OF DISQUALIFICATION OR DEFAULT

Subsequent to the selection of a developer, and before execution of an Agreement, the PRA may treat any of the following as an event of disqualification or default:

1. Unilateral withdrawal by the selected developer;
2. Failure to proceed substantially in accordance with the proposal as submitted;
3. Failure by the Developer for any reason whatsoever to timely execute the Agreement when tendered;
4. Material misrepresentation, omission, or inaccuracy contained in any document submitted either as part of the Request for Proposals, or subsequent thereto. For the purposes of this section, the PRA places particular importance on the information required by the Developer's Statement of Qualifications and Financial Responsibility and the Developer's Statement for Public Disclosure;
5. Failure to provide in a timely manner the additional material required after selection throughout the PRA disposition process.

REMEDIES

Upon the happening of an event of disqualification or default by the Developer, PRA shall have the right, at its election, to:

1. Rescind its selection of the Developer; or
2. Declare null and void an Agreement that may already have been executed; and/or
3. Retain the Proposal Deposit as liquidated damages.



6. Declarations and Other Information

MBE/WBE/DBE Firms: The PRA strongly encourages and promotes the employment of qualified MBE/WBE/DBE firms in all aspects of its procurement of goods and services. If applicant is a Certified M/W/DBE, defined as Minority Business Enterprises (MBE), Woman Business Enterprises (WBE), or Disabled Business Enterprises (DBE); please submit information to confirm Certification as part of bid proposal.

Tax Clearance and Conflict of Interest Form: Respondents, upon request of the PRA, must provide evidence satisfactory to the PRA that all municipal taxes, including business taxes, real estate, school, water and sewer charges, if applicable, are current for both the individual applicant and the applicant's firm and neither is currently indebted to the City; will at any time during the term of the agreement be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. Please complete the Philadelphia Tax Status Certification and Conflict of Interest form (Attachment F) and submit it with your proposal.

Campaign Contribution Disclosure Forms: Please complete the applicable disclosure forms (Attachment E) and submit with your proposal.

Reservation of Rights

By submitting a proposal in response to this RFP, an Applicant affirmatively acknowledges: (i) its acceptance of the terms and conditions of this RFP; (ii) the PRA may exercise in its sole discretion the following rights; and (iii) the PRA may exercise the following rights at any time and without notice to any Applicant.

1. to reject any and all proposals;
2. to supplement, amend, substitute, modify or re-issue the RFP with terms and conditions materially different from those set forth here;
3. to cancel this RFP with or without issuing another RFP;
4. to extend the time period for responding to this RFP;
5. to solicit new proposals;
6. to conduct personal interviews with any Applicant to assess compliance with the selection criteria;
7. to request additional material, clarification, confirmation or modification of any information in any and all proposals;
8. to negotiate any aspect of a proposal, including price;
9. to terminate negotiations regarding any and all proposals at any time;
10. to expressly waive any defect or technicality in any proposal;
11. to rescind a selection prior to contract execution if the PRA determines that the proposal does not conform to the specifications of this RFP;
12. to rescind a selection prior to contract execution if the PRA determines that the specifications contained in this RFP are not in conformity with law or that the process in selection of a proposal was not in conformity with law or with the legal obligations of the PRA;
13. in the event a contract is awarded, the successful Applicant or Applicants shall procure and maintain during the life of the contract liability insurance in an amount to be determined prior to the award of any contract;
14. in the event a contract is awarded, all Applicants agree to perform their services as an independent contractor and not as an employee or agent of the PRA;
15. in the event a contract is awarded, all Applicants agree that no portion of performance of the contract shall be subcontracted without the prior written approval of the PRA; and
16. each Applicant agrees to indemnify, protect and hold harmless the PRA from any and all losses, injuries, expenses, demands and claims against the PRA or the City of Philadelphia sustained or alleged to have been sustained in connection with or resulting from (i) the submission of the Applicant's proposal; (ii) the delivery by the Applicant to the PRA of any other documents or information; and (iii) any other conduct undertaken by the Applicant in furtherance of or in relation to the Applicant's proposal. Each Applicant agrees that its duty to indemnify and hold harmless shall not be limited to the terms of any liability insurance, if any, required under this RFP or subsequent contract.



7. Application Process

Applicants must submit proposals **no later than September 16, 2016 at 3:00 PM**; absolutely no proposals will be accepted after that time.

An applicant, whether an individual, partnership, LLC, non-profit, for profit or other business entity, may submit only one response to this RFP. Individuals that are related to each other or business entities that are legally related to each other or to a common entity may not submit separate proposals. The Authority, in its sole and absolute discretion, retains the right to reject any proposal where: 1) applicants or principals of applicants are substantially similar or substantially related parties; or 2) the Authority has determined that the applicant has violated these conditions or the spirit of these conditions.

Proposal submission will be accepted as follows:

1. **Online Submission** – via PRA’s website (<http://www.philadelphiaredevelopmentauthority.org/>);

or

2. **Hard Copy Submission** – Submit 3 original copies of the proposal and one electronic copy on a USB Flash Drive to the PRA via hand delivery or registered mail. Files on the USB Flash Drive may only be in Microsoft Word or Adobe PDF. Applicants may hand deliver or send proposals via registered mail to:

Jessie Lawrence
Philadelphia Redevelopment Authority
1234 Market Street, 16th Floor
Philadelphia, PA 19107
Phone: 215-854-6500

Contact for Additional Information

All questions and requests for additional information should be directed in writing to Jessie Lawrence at jessie.lawrence@pra.phila.gov. Questions will only be accepted until August 3, 2016. Questions and/or requests for additional information and the PRA’s responses to them will be posted on the PRA website.

NOTICE: The Philadelphia Redevelopment Authority is subject to the Pennsylvania Right to Know Law. Any information provided in your response to this Request for Proposals may be subject to disclosure to the public.

