

# GRESHAM, OREGON

## CIVIC NEIGHBORHOOD NORTHWEST PARCEL

### DEVELOPMENT OPPORTUNITY



## REQUEST FOR QUALIFICATIONS

September 2017

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Dear Prospective Developer:

On behalf of the City of Gresham, thank you for your interest in the Civic Neighborhood Development Opportunities Request for Qualifications.

Gresham's Civic Neighborhood is ripe with opportunity and development on these sites will help shape the future of the district - serving as a catalyst for further development and encouraging quality projects throughout the neighborhood and community. The City's vision for this district includes an array of housing options, commercial business and entertainment, public gathering areas and green spaces that build vibrant and engaging environments for our citizens, businesses and visitors. We invite you to be a partner in this vision.

This Request for Qualifications is an important component of the One Gresham Initiative which builds partnerships to create attractive, unique and exciting development concepts that promote excellence in design and architecture while connecting people and places to the Gresham community. The City of Gresham is committed to reducing barriers and providing incentives, clarity and certainty throughout the development process for projects that support this effort.

Thank you for your interest in collaborating with us to build a strong foundation of success in the Civic Neighborhood district. The City looks forward to reviewing your proposal.

Sincerely,



Shane T. Bemis  
Mayor





# GRESHAM, OREGON

## COMMUNITY PROFILE

With a population of nearly 110,000, Gresham is the fourth-largest city in Oregon. Nestled between Portland, Mt. Hood, and the Columbia River Gorge, Gresham is a vibrant community that offers access to an abundance of outdoor activities, shopping, dining, and community amenities. Gresham is a dynamic, innovative and rapidly growing city where families and businesses have a mutual desire and drive to thrive.

## PROXIMITY

- Portland International Airport | 13.1 miles via I-84 W
- Downtown Portland | 17.0 miles via I-84 W
- Columbia River Gorge National Scenic Area | 6.5 miles via I-84 E
- Mt. Hood (Timberline Lodge) | 46.0 miles via US-26 E

## AMENITIES

- 23 City Parks
- Arts Plaza and Children’s Fountain
- 942 acres of open space
- Rockwood Rising (redevelopment project, coming 2018: Retail, International marketplace, High-tech workshop, Digital innovation lab, Job training, Health care resources, Business incubator and technical services, public plaza
- Three core commercial hubs with distinct characteristics
- Home to Mt. Hood Community College

## CONNECTIVITY

- 9 Light Rail Stops: Regionally connected to 84 stations & 52 miles of track
- 10 Bus Lines
- 117 Miles of Bike Lanes

## MAJOR EMPLOYERS

- |                          |                             |
|--------------------------|-----------------------------|
| ▪ Boeing                 | ▪ Christenson Electric      |
| ▪ Subaru                 | ▪ Teeny Foods               |
| ▪ Microchip Technologies | ▪ Portland Specialty Baking |
| ▪ ON Semiconductor       | ▪ Frito-Lay                 |

## DEMOGRAPHICS

Population	~110,000	Average annual growth	1.5%
Median Household Income	\$47,000	Median age	34
Median Home Value	\$306,000	Diversity	24% Minority

# CIVIC NEIGHBORHOOD PROFILE



## DISTRICT VISION

One of Gresham's three core commercial centers, Civic Neighborhood is a distinctively urban mixture of uses and people. Inviting, tree-lined streets lead past lively storefronts and high quality buildings with convenient places to live, work, shop and play. The neighborhood's parks and plazas provide great places to gather, while its active transportation network provides easy access to regional trails, Downtown, surrounding neighborhoods, and the greater metro area.

## DISTRICT AMENITIES

- Gresham Station Regional Shopping Center (50 national shops, restaurants, and service businesses, including medical and dental)
- 2 Light Rail Stations
- Center for Advanced Learning
- Gresham-Barlow Web Academy & School District Offices
- City Hall & Civic Services

## DEMOGRAPHICS 1 mile radius from center of Gresham Station

Population	18,700	Median Household Income	\$47,000
Average Annual Growth	2.4%	Average Household Size	2
Median Age	38		



## CIVIC NEIGHBORHOOD DISTRICT

## INITIATIVES

### One Gresham

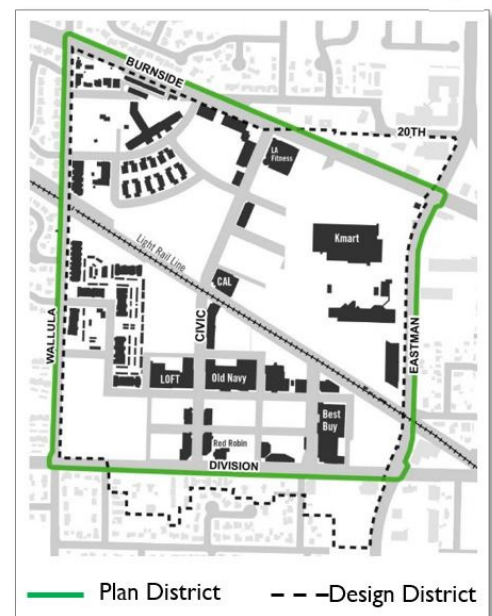
This initiative focuses on the city's three core areas, including Civic, and aims to prime these centers and connecting corridors for development, expand and attract business, create jobs and strengthening our community amenities. *OneGresham.com*

### Community Standards Code & Process Improvements

This project will improve the user experience of the code so that it is easier to understand, more efficient to navigate, and more responsive to the current development climate.

### Civic Neighborhood Vision and Design District Update

This project will provide a new vision for the Civic Neighborhood, as well as new and updated development policies and design guidelines and standards to implement that vision. Updated policies will strive to balance the needs for clarity, flexibility, quality design, and financial feasibility.







- The parcel is one of four Metro owned parcels located in Gresham's Civic Neighborhood and served by the MAX light rail Civic Station, which crosses between the northwest and southwest parcels.

Metro is seeking multifamily, office, and retail development that will advance regional and local goals for the Gresham Civic Neighborhood. These goals include:

- Pedestrian and transit oriented urban design that attracts people and investment to the Gresham Civic Neighborhood and encourages walking and transit use.

- Multiple housing types, sizes, price points and ownership structures to encourage a mix of residents.
- Commercial and retail space providing opportunities for businesses of a variety of sizes.
- An intensity of development that supports transit service (minimum 35 dwelling units per acre overall for residential uses).

***More detail on the City of Gresham's Vision for the Gresham Civic Neighborhood is included as Appendix A.***

### Submission structure

Metro will consider submissions relating to this or any or all of the four parcels. **Submissions for each parcel will be evaluated independently of one another.**

Metro will also consider joint ventures, particularly those between developers of market rate housing and regulated affordable housing.

### Land pricing

The properties are offered at appraised value subject to discount for qualifying costs. Metro will consider write-downs from the appraised value to offset costs needed to achieve higher density construction, mixed use construction or greater affordability than would otherwise be feasible on the property. Common examples of qualifying costs include:

- Concrete podiums to accommodate additional parking compared to wood framed or surface parked buildings.
- Enhanced fire separation or suppression systems required to support mixed use buildings or taller buildings compared to single use wood framed buildings.
- Reduced land value due to affordability covenants.

**In their response, teams will be asked to identify the items and approximate value of potentially qualifying costs for considerations for land-value write down. This is for estimating purposes only. The actual transaction price will be negotiated with the selected development team during the Exclusive Negotiating Period.**

### Local and regional goals

Metro acquired the Gresham Civic properties in order to achieve a vibrant and pedestrian oriented development at the station. Metro is seeking a project or projects that:

- Maximizes opportunities for people to live, work and shop while utilizing transit.
- Achieves an FAR of 35 dwelling units per acre or higher for parcels with residential components.
- Contributes to a safe and appealing environment for pedestrians and transit users.
- Attracts investment to the surrounding area.
- Provides housing serving households with a range of sizes and income levels.

The City of Gresham will be participating in the developer selection process. The City has identified the following priorities for the sites:

- Urban development intensities with a wide variety and scale of uses and users.
- Pedestrian scaled designs focusing on active and engaging streetfronts.
- Walkable site and building designs which connect with neighborhood streets, trails and open spaces.
- Incorporation of pedestrian amenities and green spaces linking development to the natural environment.
- Development of a 0.5 to 1.0 acre plaza on the NW parcel adjacent to MAX platform and Civic Drive.
- Integration of best practices in sustainable urban development in site and building designs.
- Building designs utilizing durable, sustainable, attractive materials which demonstrate excellence in design and architectural expression.



## Zoning and entitlements

The parcels are zoned Transit Development-District-High Density Civic (TDH-C). This zone is intended to encourage mixed use developments, higher density multifamily residential, office, and retail and service uses. Detached single family homes and duplexes are not permitted.

Key requirements are:

- Minimum multifamily density of 30 dwelling units per net acre (no maximum)
- Minimum height of 22'
- Maximum height of 80'
- Minimum parking of 1 space per residential unit (up to 50% reduction possible with approved supporting parking study)
- No parking required for commercial uses.

A City of Gresham project is currently underway to create updated policies and development regulations for the Civic Neighborhood. This Civic Neighborhood Vision and Design District Update project includes:

- An updated vision for the Civic Neighborhood (see Appendix A).
- Updated principles, goals, and objectives for development in the neighborhood (see Appendix C).
- Refinements to the existing zone district standards to support desired development and the updated vision and development objectives.
- Creation of design guidelines and standards specific to Civic Neighborhood consistent with the updated vision and development objectives.

These updates are expected to be enacted in January of 2018. For more information see the project website at <https://greshamoregon.gov/civic/>.

***The City of Gresham's existing Zoning Standards for the Gresham Civic Neighborhood are available in Appendix B.***

## Design standards

The City of Gresham is in the process of establishing design guidelines and standards for the Civic Neighborhood. These standards are expected to be enacted in January 2018, and support projects which:

- Include a wide range of uses and provide multiple options for jobs, housing, shopping and services.
- Create pedestrian-scaled streetscapes with engaging uses and active public spaces at the sidewalk.
- Link site designs with the neighborhood's accessible street and trail network.
- Integrate public amenities and green spaces which build on existing natural features and public spaces.
- Utilize best practices for sustainable urban development.
- Provide high-quality, durable architecture which promotes a unique sense of place and reinforces the neighborhood's urban character.

***Appendix C includes the City of Gresham's Development Principles, Goals, and Objectives for the Civic Neighborhood which the forthcoming Development Standards will reflect.***

### **Certainty in development review process**

Gresham City staff and leadership are dedicated to this public-private development partnership that will promote and stimulate vibrancy and quality of life within the Civic Neighborhood. As such, we are committed to ensuring quality architecture and community oriented spaces while providing certainty and predictability in the City development review process for our private-sector partners.

In the spirit of public-private partnership, the City is offering:

- **Rapid response team:** Early and often collaboration. Our rapid response approach from start to finish will help ensure the project meets goals and timelines.
- **Pre-development services:** Funding to assist with conceptual architectural and design services including floor plans, site plans, elevations, building sections, parking study, general construction cost estimate and Geotech report.
- **Predevelopment city fee estimates:** Early estimation of land use, building permit, SDCs and other City-related fees that provide transparency to help developers plan more effectively.
- **New system development charge rates/methodologies:** Certainty and simplicity methodology improvements including eliminated commercial parks SDCs, reduced water and wastewater SDCs for large projects.
- **Early design advice:** An early design advice meeting with the Design Commission that provides an opportunity for the applicant and architectural team to pre-vet a project ahead of submittal.
- **Expedited development review:** A less than 100-day land use and concurrent building permit review process that provides timeline predictability. The City offers two paths for design approval; projects may apply by meeting the specific design standards or through a discretionary design review process.
- **Building construction permits:** Electronic application submittal and plan review (ePlan) that allows for continuous engagement and quality customer service with the option of concurrent building and public facilities development review.

***Certainty in development review process details included in Appendix D.***

## Northwest parcel



*NW Parcel looking northwest from Civic Drive and MAX platform.*

**Approximate net developable acres:** 5.0

**Current appraised value:** \$6,400,000

**Anticipated uses:** Mix of multifamily residential uses with potential for ownership as well as rental units serving a range of household sizes and budgets. A plaza will be required facing the MAX station. Retail is desired on Civic Drive near the MAX station. *Notable features:* Mount Hood views, direct access to MAX platform, large parcel size.

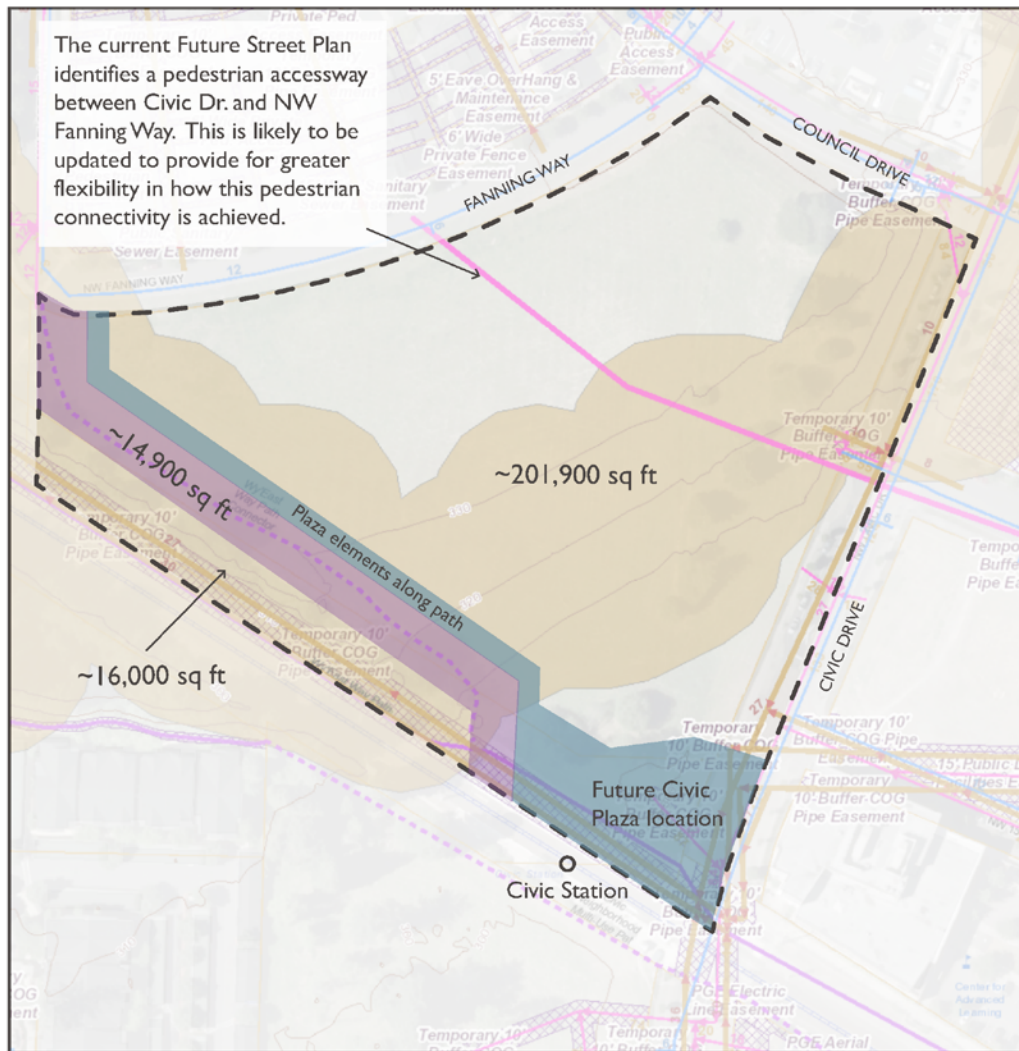
### **Site conditions:**

- The City of Gresham is constructing a pedestrian path connecting the Max station platform to NW Fanning Way along the southern edge of the parcel.
- The City of Gresham is seeking a pedestrian connection connecting 16<sup>th</sup> Street to NW Fanning Way.
- The City of Gresham is seeking a plaza and open space totalling 0.5 to 1.0 acres adjacent to the MAX platform and Civic Drive and potentially continuing adjacent to the pedestrian walkway running parallel to the MAX tracks and up to NW Fanning Way. The City of Gresham has up to \$634,000 of System Development Charge and Local Improvement District funds available to support construction of the plaza and open space with the expectation that the space would be designed and constructed by the developer and dedicated to the City of Gresham. While the plaza would need to be a 1.0 acres to receive the full amount of available System Development Funds, Metro and the City would consider designs with smaller plazas. ***Further details regarding the City of Gresham's goals for Gresham Civic Plaza and available financial resources are included in Appendix E.***
- The site contains areas of sloped topography regulated by the City of Gresham's Hillside Overlay requirements.

*Environmental Status:* Phase I ESA completed November 1, 2001. Site previously contained ash, wood, and debris piles. Testing conducted as part of Phase II ESA, completed November 15, 2001, found debris to be inert and recommended no additional actions. ***The Phase I and Phase II ESAs are included in Appendix F1a and F1b.***



## Northwest parcel site map

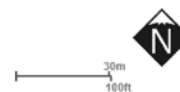


Gresham  
Civic Neighborhood  
Development Sites

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Metro Parcel NW of  
Civic Drive MAX Station

Total buildable area:  
~217,900 square feet



## Financial incentives

Metro's Transit Oriented Development ("TOD") program supports new higher-density development near high frequency and high capacity transit lines that generates more transit trips than would otherwise be generated by development at the lower densities supported by current market conditions. Metro has two potentially complementary mechanisms to support higher-density redevelopment of the sites: 1) land value write down, and 2) purchase of a TOD easement. In addition to these programs, the City of Gresham has authorized the use of Vertical Housing Tax credits for eligible projects on these sites. In addition to these programs, applicants are encouraged to leverage other funding sources and grant opportunities including those for energy efficiency and solar power.

### Land value write down

The TOD program's work plan allows land value write down for projects that achieve higher density or greater affordability than the typical "highest and best" use. Metro's base case assumption for the current market-supported "highest and best" building form on each of the parcels is a three story surface parked building without rental restrictions. Projects may qualify for land value write down to the extent that higher density or affordability reduces financial feasibility compared to the site's highest and best economic use. Prior to entering into a disposition and development agreement with a developer, Metro will engage an updated appraisal reflecting the value of the proposed development program and reduce the land transaction price accordingly. Examples of project elements that could justify a land value write down include:

- Utilization of concrete podiums in building construction to provide parking, ground floor retail, or additional building height.
- Lost land value due to affordability covenants.
- Commitment to creation of public open space such as the plaza on the Northwest parcel or dedication of other public easements.

In no cases will Metro reduce the land transaction price to less than zero dollars.

### TOD easement

The TOD program also anticipates supporting the project through the purchase of a TOD easement. The TOD easement program provides financial support for new construction in exchange for a commitment to develop a project generating higher transit ridership than the site would otherwise support and accepting a 30 year easement committing the land owner to maintain a transit supportive use at the site. Metro typically contributes these funds in two tranches: 50 percent at shell completion and 50 percent upon issuance of a certificate of occupancy.

The value of the TOD easement is constrained by the least of three primary factors: 1) the value of the transit ridership generated by the higher density project compared to a lower density, base case scenario; 2) the density related construction cost premiums used to achieve this higher density, and 3) demonstrated financial need.

In any case, the total value of combined subsidy through land value reduction and construction cost subsidy cannot exceed the value of the transit ridership compared to a base case scenario. Metro's maximum easement contribution is typically \$500,000, with most projects receiving a lesser amount.

Interested parties are advised that, when combined with other forms of public financial support, the commitment of these Metro financial resource tools may result in the application of Oregon prevailing wage laws to the project under ORS 279C.800-810, *et seq.* if the combined BOLI eligible public support exceeds \$750,000.

### **Vertical Housing Tax Credits**

The properties are located in an area designated as eligible for a Vertical Housing Tax Exemption. This program provides a tax exemption of up to 80% on the residential component of mixed-use, multi-story buildings for 10 years. Additional exemption on the underlying land is available for projects with units regulated as affordable to households earning 80% of AMI or less.

Interested parties are advised that further information is available at:

<https://www.oregon.gov/ohcs/Pages/multifamily-housing-finance-vertical-housing.aspx>

## Timeline and process

### Step 1. Registration

In order to ensure that all interested parties receive notification of any clarifications or changes to the request for qualifications, interested parties should register their interest in submitting qualifications along with any questions or requests for clarification by an e-mail to Jonathan Williams, Senior Development Project Manager, at [jonathan.williams@oregonmetro.gov](mailto:jonathan.williams@oregonmetro.gov) no later than **October 2, 2017 at 5:00 pm** local time. Metro will share responses to questions or requests for clarification in an e-mail to all registered parties. For parties interested in learning more about the City of Gresham's goals and vision for the Gresham Civic Neighborhood, the City will host an optional information session open to all registered parties. This session is planned for October 5, 2017 at 10:30 a.m. to noon at Gresham City Hall, 1333 NW Eastman Parkway, Gresham, OR 97030, Oregon Trail Conference Room. Further details will be provided to registered parties.

### Step 2. Submission of qualifications

Submission must be received no later than **December 4, 2017 at 5:00 pm** local time. Responses must be submitted in PDF format via e-mail to [jonathan.williams@oregonmetro.gov](mailto:jonathan.williams@oregonmetro.gov). Files larger than 10 megabytes should be submitted via download link or compressed. If submitting qualifications for more than one parcel, separate documents must be submitted for each response. Late responses will be disqualified.

### Step 3. Advisory Committee developer recommendation

Submissions will be reviewed by an Advisory Committee composed of representatives selected by Metro and the City of Gresham. If needed, interviews will be held with selected finalists. The Advisory Committee will make recommendations to Metro's Transit Oriented Development Steering Committee and the City Council of the City of Gresham.

### Step 4. Metro and City approval of development team and execution of exclusive negotiating agreement

Following the Advisory Committee's recommendation, Metro will evaluate the recommendations and Team(s) and may enter into an Exclusive Negotiating Agreement setting forth the process for and necessary steps and preconditions that must be satisfied prior to entering into a Disposition and Development Agreement. Conditions precedent to Metro approval of the Team include:

- Submission of background information including financial capacity and background verification including audited or certified financial statement from developer
- Metro Transit Oriented Development Steering committee endorsement and Chief Operating Officer approval
- City Council approval of the Team
- Metro Council approval.



Key areas to be addressed in the Exclusive Negotiating Agreement include:

- Exclusive negotiating period to finalize a Disposition and Development Agreement
- Requirements for developer to participate in two project design work sessions with City of Gresham and Metro staff prior to submitting land use application and at least one community meeting
- Parameters for Metro approval of development program, affordability, site plan, exterior materials, and exterior elevations
- Parameters for land value write down and Transit Oriented Development contribution
- Due diligence requirements and conditions for Disposition and Development Agreement.

#### **Step 5. Execution of Disposition and Development Agreement and TOD Purchase and Sale Agreement**

Metro's commitment to transfer parcels to the development team(s) and provide financial support to the project will be formalized through a disposition and development agreement ("DDA"). ***Separate agreements will be established for each parcel.*** Anticipated conditions precedent to entering into the DDA include:

- Developer participation in two project design work sessions with City of Gresham and Metro staff prior to submitting land use application
- Developer hosting of community open house to inform neighbors and solicit comments for consideration
- Submission to Metro of land use and building permit application set, sources and uses, financing commitments and other due diligence items to be defined in the Exclusive Negotiating Agreement
- Securing a predetermination letter from the Oregon Bureau of Labor and Industries establishing the applicability of prevailing wage laws to the project
- Metro Transit Oriented Development Steering Committee and Metro Chief Operating Officer approval of design, land value write down (if applicable), TOD easement contribution (if applicable), and authorization to enter into a DDA
- Metro Council approval to enter into DDA.

Key areas to be addressed in the DDA:

- Final design and development program
- Land Value write down value and TOD easement value
- Timeline for performance
- Repurchase provisions for failure to perform
- Provision of monthly construction monitoring reports and copies of all draw requests.

#### **Step 6. Closing on Disposition and Development Agreement and TOD Easement**

Conditions precedent to closing on the Disposition and Development Agreement will include but are not limited to:

- Execution of financing agreements consistent with sources and uses in DDA
-

- Execution of construction contract consistent with sources and uses in DDA
- Issuance of building permits consistent with plans in DDA.

Prior to entering into a Development and Disposition Agreement, the Team will be required to submit documentation of the development program, design, Team qualifications financing of the proposed project and other due diligence to Metro's full satisfaction. .

### Summary

The timeline for the Request for Qualifications is below:

- Week of September 18, 2017 - Issue RFQ
- **October 2, 2017, 5:00 p.m. local time - Deadline to register interest in submitting qualifications and submit questions and requests for clarification. Parties should register and submit questions by e-mailing Jon Williams at jonathan.williams@oregonmetro.gov.**
- October 5, 2017 - Optional City of Gresham Information Session—Details to be provided to registered interested parties
- October 6, 2017 - Metro target date to provide clarification to submitted questions
- **December 4, 2017, 5:00 p.m. local time - RFQ closes. Parties should submit responses in PDF format to jonathan.williams@oregonmetro.gov.**
- Week of December 11, 2017 – Metro target date for review of Submissions
- Week of December 18, 2017 – Metro target date for interviews (if needed)

### Submission materials and scoring

Required submission materials are listed below. Submissions deemed incomplete may be disqualified at the sole discretion of Metro. **Separate responses must be submitted for each parcel.**

#### General

- Cover page should identify which parcel the submission addresses
- Introductory letter Including:
  - Name of primary contact and contact information for the development team
  - Description of the parcel for which the applicant is submitting qualifications to develop
  - Statement explicitly agreeing to the General Conditions set forth in this RFQ
  - Dated signature of executive or manager authorized to enter into contracts on behalf of the development team

#### Part 1. Experience (40 points)

**Metro is seeking a team with a track record of developing financially successful projects that incorporate pedestrian and transit oriented urban design principles. Please provide the following materials documenting the experience which qualifies your firm to successfully develop the project site.**

**If development team is a joint venture between two development entities (such as an affordable housing developer and a market rate housing developer) please provide a full experience submission for both of the joint venture participants. The page limits below apply to each joint venture partner.**

- 1) Project sheets from up to five previous projects demonstrating pedestrian and transit oriented urban design components. Please include: address, total budget, unit mix, financial sources used, affordability restrictions (if any), exterior photo and key project team members. *(Maximum five pages)*
- 2) Description of key team members' (i.e. architect and developer) past experience working with public agencies, institutions, and community organizations to achieve a well designed project that contributes to the local community. *(Maximum two pages)*
- 3) Bios for project manager and identified critical team members along with their proposed roles on this project. *(Maximum three pages)*
- 4) Schedule of developer's real estate owned including debt service coverage ratios, unit count, and current occupancy percentage. *Property used as personal residences do not need to be included.*
- 5) Firm descriptions for developer and architect. *(Maximum two pages)*

Scoring criteria:

- Do the development firm and identified individuals have experience developing financially successful projects that contribute to attractive pedestrian friendly environments? *(Maximum 30 points)*
- Do the developer and architect have a successful track record of partnership with government, institutions, and community organizations? *(Maximum 10 points)*

**Part 2. Site understanding and approach (30 Points)**

**On each of the parcels, Metro is seeking a developer with a clear understanding of the site and an approach that creates an inviting pedestrian environment, enhances the surrounding neighborhood, and generates significant transit ridership. Projects must also be financially feasible. Financial feasibility is a threshold requirement. Metro will be the sole determiner of financial feasibility and will disqualify responses not deemed to be feasible.**

Please provide the following documentation to document your team's anticipated approach to developing the parcel:

- 1) Massing drawing and schematic site plan showing potential scale and site configuration including any outdoor space and parking. Please be sure to highlight how your site approach addresses public open space (particularly the plaza anticipated for the NW parcel), provides vehicle, pedestrian and bike connections to existing or platted streets, paths and trails, and responds to utility easements and other site constraints. *No materials or architectural details to be shown. (Maximum two 8 ½ " by 11" drawings)*
- 2) Program summary including envisioned residential unit count and tenure, approximate office square footage, approximate retail square footage, approximate total building square feet and number of

parking spaces. If regulated affordable units are anticipated, please describe the number of units and their affordability level. *(Maximum 1 page)*

- 3) Program narrative describing your team's vision for the site and incorporating City of Gresham development principles including anticipated approaches to achieving a high quality pedestrian environment and street level environment and establishing a sense of place and connection to surrounding areas and approach to any public or private open spaces. *(Maximum 2 pages- images illustrative of anticipated materials or design elements allowed within two pages maximum)*
- 4) Preliminary sources and uses and 5-year operating proforma with description of any grants, tax credit programs or other anticipated subsidies. If the team is seeking a land value write down or a TOD grant, separately call out the items that contribute to the reduced feasibility of the project and their estimated cost—either in terms of present value of foregone revenue (for affordable rental uses) or added construction cost.

**Assumption to use for property acquisition price:** For development programs with density related cost premiums which are not supported by expected rents (such as concrete podium construction versus wood frame construction or shared parking or open space amenities required to support a higher density neighborhood) or for projects with anticipated rental income restrictions, please deduct the estimated capitalized value foregone revenue (less the value of 4% LIHTCs if applicable). Please itemize each deduction. **Transaction price is not a scored criteria, but Metro is seeking to ensure that the team is using reasonable assumptions.**

**Figure 1. Preferred Approach for Property Acquisition Price Assumption**

Start with provided appraised value for parcel	
Subtract estimated cost premiums to achieve density or dedications of public open space (examples include cost concrete podiums, or open space to be dedicated)	
Subtract capitalized value of foregone revenue for affordable units (use annual difference between restricted rent and assumed base case rents of \$2.00 psf for studios, \$1.75 psf for one bedroom units, \$1.35 psf for two bedroom units, \$1.25 psf for three bedroom units and divide by 0.05.)	
Subtract estimated financing and legal costs specific to the	



use of 4% low income housing tax credits	
Add back value of any anticipated 4% low income housing tax credits	
<b>Equals adjusted estimated transaction price for land (minimum value of \$0)</b>	

***This is a simplified approach to calculating land value write down to be used solely for the preparation of this response to this developer solicitation. The actual value of any land value write down will be subject to review and recalculation by Metro staff based on additional considerations including projected ridership associated with the development program, project need, a third party restricted value appraisal and a financial analysis of the project.***

**Assumption to use for TOD Easement contribution:** If the value of the cost burdens listed above exceeds the available land value write down, the project may request a TOD Easement Contribution to help cover these costs. It is expected that the maximum TOD program direct contribution would not exceed \$500,000 and would be available only to cover eligible density or affordability related costs beyond those compensated for through land value reduction. These funds would be available in two tranches, half at shell completion, and the balance upon issuance of the certificate of occupancy. ***This approach to calculating the TOD Easement contribution is a simplified approach to be used solely for the preparation of this response. The actual value of any TOD Easement would be subject to review and recalculation by Metro staff based on additional considerations including projected ridership associated with the development program and project need.***

Scoring criteria:

- Financial feasibility- **Financial feasibility is a threshold requirement.** Metro will be the sole determiner of financial feasibility and will disqualify responses not deemed to be feasible.
- Site understanding and approach- Metro is seeking a developer that understands the challenges and opportunities associated with the site and offers a thoughtful response to the site's context. *(Maximum 15 points)*
- Site utilization- Metro is seeking a project that maximizes opportunities for people to live and work near transit while achieving a project that fits within the surrounding neighborhood. *(Maximum 15 points)*

**Part 3. Collaboration and inclusion (20 points)**

**Metro is seeking a developer with experience and a commitment to development processes that embrace community values.**

Please describe how your team will address the values of Diversity and Inclusion, Neighborhood Engagement and Community and Collaboration.

- 1) **Diversity and inclusion (10 points/maximum one page).** Metro encourages the use of minority-owned businesses, woman-owned businesses, businesses owned by service disabled veterans and emerging small businesses, as defined under State law in ORS Chapter 200 and as certified by the Certification Office of Business Inclusion and Diversity (referred to here as COBID Certified Businesses). Please describe:
  - Your team's proposed approach to advancing opportunities for State of Oregon certified COBID enterprises and your targets for subcontracting as a percentage of construction costs for each of these categories.
- 2) **Neighborhood engagement (5 points/maximum one page).** Metro is seeking a developer with a commitment to neighborhood engagement. Metro anticipates requiring the selected developers to participate in at least one community workshop prior to finalization of an Exclusive Negotiating Agreement. *Please describe your proposed process for engaging neighborhood residents and incorporating their values into the design process. Please describe past efforts to solicit and utilize community input into your design processes and the results of those efforts.*
- 3) **Community and collaboration (5 points/maximum one page).** Metro is seeking a built project that enriches the local community. Metro believes that shared parking strategies and parking management solutions with surrounding uses and property owners will be important in the evolution of the Gresham Civic Neighborhood. The Center for Advanced Learning (CAL), a charter high school, located at the station area, has expressed interest in financial partnering with developers of any of the sites to provide student parking. In addition, neighboring large properties may represent opportunities for shared parking arrangements. *Please describe how you would explore and evaluate opportunities to either provide or utilize shared parking.*

## General conditions

1. This RFQ is not a solicitation of competitive proposals or competitive bids. Metro specifically reserves the right in its sole discretion to determine which development team best satisfies the selection and scoring criteria, and to:
  - Revise the solicitation, evaluation, or selection process including extending the deadline or canceling the process entirely without selecting any Projects, by providing written notice to respondents.
  - Request additional information from any and all prospective Respondents if helpful to clarify any information contained in the proposals.
  - Specify additional terms and conditions at any time either before or after responses are submitted.
  - Accept or reject any one or all proposals received as a result of this RFQ, to waive formalities and irregularities, and to conduct discussions with all responsible respondents, in any manner necessary, to serve the best interest of Metro.

- Modify the selection process set forth in this RFQ upon written notification to all respondents who have not been rejected at the time of the modification.
  - Disqualify **without recourse or appeal** any or all responses to this RFQ, with or without cause.
  - Keep all responses submitted in connection with this RFQ, without restrictions on future use.
  - Determine the timing, arrangement and method of any presentation throughout the process.
  - Verify and investigate the qualifications and financial capacity of the development team, and any of the information provided in the proposal.
2. Every effort has been made to provide current and correct information; however, unless citing a specific Metro approved resolution or plan, Metro makes no representation or warranty with respect to the accuracy of any of the information provided in this RFQ. Respondents are instructed to independently verify all information provided herein.
  3. Development teams may respond to more than one site but are restricted to one response to the RFQ per site.
  4. All responses received will become official public records subject to inspection by the public in accordance with ORS 192.502 and Metro's public records policy after the completion of the RFQ process; any may be used for any purposes relevant to the decisions and actions undertaken by Metro.
  5. Financial and business information submitted to Metro marked "confidential" will be considered by Metro to be a confidential disclosure under Oregon public records laws. Metro will seek to protect this information from public disclosure to the extent permitted by Oregon law. However, if ordered to disclose said information by a court of law or the Multnomah District Attorney in response to a public records request, Metro has no obligation to preserve confidentiality.
  6. Every effort has been made to include all the information necessary to prepare and submit a comprehensive response to this RFQ. However, in the event additional information is desired, please contact Jonathan Williams, Senior Development Project Manager at [jonathan.williams@oregonmetro.gov](mailto:jonathan.williams@oregonmetro.gov). Any questions and answers will be shared with all applicants.
  7. Development teams are cautioned not to undertake any activities or actions during the course of this RFQ to promote or advertise their proposals except in the course of Metro-authorized presentations; or to make any direct or indirect (through others) contact with evaluation committee members. Failure to abide by these restrictions may be grounds for disqualification.
  8. Metro accepts no responsibility or obligation to pay any costs incurred by any responders in preparing and submitting responses to this RFQ, or submission of a proposal or in complying with any subsequent request by Metro for information or participation throughout the evaluation process.
  9. For a period of one year after their separation from employment, no former Metro employee shall in any way be part of a development team in this RFQ if such employee participated personally and substantially in the proposed project during the employee's term of employment at Metro. If such employee "exercised contract management authority" in the proposed project, s/he may never be

part of a development team in this RFQ for the proposed project regardless of their length of separation from Metro. Failure to abide by these restrictions is grounds for disqualification.

10. Confidentiality: Developers responding to this RFQ are advised to identify all portions of their submission considered by them to be confidential or trade secret by marking them as such in the header or footer of the submission documents. Metro will exert reasonable efforts to protect the confidentiality of said information in accordance with Oregon law, which provides an exception to disclosure under Oregon's public records laws for confidential and trade secret submissions. Oregon Public Records law, (ORS Chapter 192) requires public disclosure by Metro of most information held by Metro that is deemed to be "public records" upon request of a member of the public. Metro therefore cannot guarantee that it will protect the confidentiality of Developer's Confidential and Trade Secret Information. If Metro receives a public records request and order by the Multnomah County District Attorney seeking disclosure of such Confidential and Trade Secret Information Metro will, prior to Metro's disclosure of any Developer Confidential and Trade Secret Information, provide Developer with prompt notice of such order or request and, as applicable: (a) provide Developer an opportunity to appeal the District Attorney's decision to the State courts and receive a ruling; or (b) allow Developer to apply for injunctive relief from the applicable Oregon authority to prevent Metro from disclosing the Confidential and Trade Secret Information to a third party.