



**SOLICITATION NO. RC160276LS**

**TRI-COUNTY METROPOLITAN TRANSPORTATION  
DISTRICT OF OREGON**

**REQUEST FOR STATEMENTS OF QUALIFICATIONS  
FOR  
DEVELOPMENT OF PROPERTY AT  
2133 N. ARGYLE STREET**

1. The Tri-County Metropolitan Transportation District of Oregon (“TriMet”) invites sealed Statements of Qualifications for development of Property at 2133 N. Argyle Street (“SOQ” or “Proposal”). TriMet desires to maximize density to support increased transit ridership and activate the station area. The development must include a minimum of 200 residential units, with at least 25 percent of those units being affordable, and must also include a ground-floor retail presence to create an active street frontage.
2. TriMet will receive sealed Statements of Qualifications by courier or in person at 1800 SW 1<sup>st</sup> Avenue Ste. 300, Portland, Oregon 97201, Attention Les Spitler **until 1:00 pm., Pacific Standard Time, on June 22, 2016**. If sending by mail allow enough time for delivery. Late Proposals may not be accepted. Proposals will not be publicly opened.
3. A non-mandatory informational meeting will be held on site at 2133 N. Argyle Street, Portland, Oregon on May 13, 2016 at 10:00 am PST. **Attendees are hereby cautioned to wear appropriate footwear as the site is currently being used as a construction staging site and is covered in gravel.**
4. All questions should be referred to Les Spitler at (503) 962-3055 or via email at [spitlerl@trimet.org](mailto:spitlerl@trimet.org).

**TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON**

BY: Les Spitler

Issue Date: April 22, 2016

## **1. Introduction:**

TriMet is the public transit provider for the Portland region. TriMet promotes the integration of transportation and land use goals through the practice of transit oriented development (“TOD”). TriMet owns three vacant parcels located at 2133 N. Argyle Street, near the Kenton/ N. Denver MAX Station on the Interstate MAX light rail line (“Argyle Property” or “Property”). To generate increased activity in the station area and support regional land use goals, TriMet seeks a qualified Proposer or Proposer team to develop the vacant parcels.

TriMet invites qualified Proposers interested in planning, designing, permitting, financing, constructing, owning and managing the development project to submit SOQs. If appropriate, Proposers are encouraged to form Proposer teams in order to best address the criteria for selection set out in this RFQ.



### **Argyle Property**

## **2. Property Description**

The Argyle Property is approximately 2.18 acres (approximately 94,960 square feet) on three tax lots with 480’ of frontage on N. Argyle Street. It is located on the northern edge of the Kenton neighborhood at the intersection of N. Argyle St. and N. Denver Ave. The Property is flat and covered in gravel. Approximately 8,000 square feet of the northeast corner of the Property is sloped 1.5:1 and covered in rip-rap. The slope may require re-grading or a building setback to meet building code. A Geotechnical Report dated May 15, 2014 is available upon request.

**Context**

To the west of the Argyle Property is a light industrial building owned by the Portland Development Commission (PDC) and the 11 acre Kenton Park owned by the City of Portland. To the south are modern privately owned multi-family buildings and several older commercial buildings owned by PDC. The Argyle Property is one block north of the growing retail amenities of Kenton’s Historic Downtown on N. Denver Ave. and approximately 500 feet from the Kenton/ N. Denver MAX Station, which provides excellent access to downtown Portland and the regional transit network. The Argyle Property sits on a bluff above the Columbia Blvd. industrial corridor to the north.

PDC has produced a study regarding the development potential of the publicly-owned properties in the area to help inform potential development phasing. The Argyle Property is recommended to be the first of a potential phased development plan that would dramatically change N. Argyle Street into a dense node of activity at the north end of the Kenton downtown. PDC’s study, called the Argyle Properties Development Study, is included as Appendix A.

**Zoning**

The Property is currently zoned Central Residential (RXd) for high density residential development. The site has a Design Overlay (d) and is part of the Kenton District Plan. Due to the proximity of the Kenton/N. Denver MAX Station no parking is required for commercial uses, and residential uses require a minimum of .33 parking spaces per unit.

**Current Zoning Summary**

	Height	FAR	Minimum Density	Max. Building Coverage
RXd	100ft (55ft on Denver)	6:1	1 unit per 500sqft	100% of site area

**Proposed Zoning**

The City of Portland is currently updating its Comprehensive Plan. As part of that effort, the proposed designation for the Property is expected to be Mixed Use – Civic Corridor. The Property is expected to be rezoned from Central Residential (RXd) to Commercial Mixed Use 3 (CM3). The new zone would allow 65’ height, but have a 10’ setback for heights above 55’ on N. Argyle. The FAR would change to 3:1 with bonuses up to 5:1. There will likely be a new Centers Main Street Overlay that would require active ground floor uses for 50 percent of the building ground floor. For more information on this proposed zoning please see Mixed Use Zones Project Discussion Draft Report, available on the City’s website at <https://www.portlandoregon.gov/bps/63621>.

**Federal Property Interest**

TriMet purchased the Argyle Property in 2004 with 80 percent funding from the Federal Transit Administration (“FTA”). With FTA approval, TriMet has the ability to sell the property as excess or to lease the property. However, FTA rules require TriMet to receive fair market value for the Property.

### **3. Development Program**

Through this RFQ, TriMet desires to maximize density to support increased transit ridership and activate the station area. TriMet also desires to maximize the number of affordable units on the site. To that end, TriMet seeks a development team to provide mixed-use building(s) with both market rate and affordable housing, and a ground-floor retail presence to create an active street frontage. TriMet requires that the development program provide a minimum of 200 residential units with at least 25 percent of the units providing long-term affordable housing for those with incomes at or below 60 percent of the Median Family Income (<http://www.portlandoregon.gov/phb/50010>). If feasible, construction of more than 25 percent affordable housing units is desirable.

Federal Transit Administration rules require receipt of fair market value when properties are sold by TriMet. Proposers should assume that they will be required to pay TriMet a minimum fair market value of \$4,791,600 for the Property, as determined by an appraisal performed for TriMet on January 20, 2016. However, depending on the proposed benefit to TriMet's project goals, TriMet may consider a reduction in fair market value of up to 20 percent.

TriMet desires the involvement of Disadvantaged Business Enterprises (DBE) and Minority, Women and Emerging Small Businesses (M/W/ESB) during construction of the project and will work with the selected Proposer to determine the recruitment and reporting of participation.

The final development program for the Argyle Property must do the following:

- Maximize density;
- Provide significant affordable housing units;
- Provide revenue, through sale of property and increased ridership;
- Include TOD characteristics such as reduced auto dependency, enhanced connections between the surrounding area and transit station, improved availability of retail goods and services near transit station, and activation of public spaces;
- Support community aspirations as stated in land use or other public documents; and
- Catalyze future development.

### **4. Potential Funding Sources**

A. The Portland Housing Bureau (PHB) has made a tentative commitment to provide direct subsidy to the project in order to maximize the number of affordable housing units. PHB determines the total amount of its funding based on, among other things:

- Total number of affordable housing units;
- Bedrooms counts/configurations of affordable units;
- Level of affordability, i.e. income restrictions;
- Duration of affordability;
- Demonstrated financial need;

- Cost of affordable housing units and the leverage of PHB funds;
- Any public benefits provided to the tenants of the affordable units such as resident or supportive services.

PHB will determine the level of financial need through underwriting. However, Proposers are expected to be familiar with the principals of subsidized affordable housing finance and related funding requirements. For Proposers requiring it, PHB will also consider requests for indirect financing through the Multi-Unit Limited Tax Exemption (<http://www.portlandoregon.gov/phb/61191>). Proposers should also consider use of PHB's System Development Charge Exemption program (<http://www.portlandoregon.gov/phb/61105>).

B. Metro's Transit-Oriented Development Program provides developers with financial incentives that enhance the economic feasibility of higher-density, mixed-use projects served by transit. The program may be a source of funding if the future project is determined eligible by Metro. Metro considers funding based on, among other things:

- Project density;
- Transit rider generation;
- Financial need;
- A reduction in regional VMT;
- Improvement to the pedestrian realm;
- Affordability;
- A low parking ratio.

A full list of funding requirements and program contact information is available at the TOD Program's website (<http://www.oregonmetro.gov/tools-partners/grants-and-resources/transit-oriented-development-program>).

C. The Portland Development Commission may provide financial and technical support for ground-floor commercial space that supports neighborhood business growth and provides goods and services to the N/NE Portland community. To be eligible for PDC loans and/or grants, projects must be consistent with the following priorities:

- Provide affordable and stable space for for-profit business owners long-term – especially for minority-owned businesses;
- Enable wealth creation opportunities for people of color, low-income community members, and previously displaced businesses;
- Provide needed goods and services to the community that are culturally specific and multi-generationally relevant; and
- Compliment, rather than compete with, other nearby businesses to help ensure their collective success.

More information about PDC programs can be found at [www.pdc.us](http://www.pdc.us) or by contacting Sue Lewis, [LewisS@pdc.us](mailto:LewisS@pdc.us).

## **5. Submission Requirements**

Seven copies plus one original of the Proposal and one electronic copy on CD or flash drive must be received by TriMet no later than 1:00 pm PST on June 22, 2016.

Submit SOQs to:

Les Spittler  
TriMet Procurement & Contracts  
1800 SW 1<sup>st</sup> Avenue, Suite 300  
Portland, OR 97201

Proposers shall use a standard 12-point font, single-spaced, double-sided, with one-inch page margins. At a minimum, each Proposal must address the items described in each section below. The selection of the Proposer will be based on the quality, clarity and thoroughness of the submitted proposal and its compatibility with this development solicitation's stated objectives, intent, and submission requirements in addition to information gathered from any interviews with Proposers or reference checks requested by TriMet.

**The Evaluation Committee will evaluate Proposals based on the following criteria:**

**A. Cover Letter (max: 1 page)**

The cover letter should include an introduction to the Proposer and should briefly describe the Proposer's team and its approach to the Project. Include the Proposer name and contact information including address, phone and email.

**B. Development Team Qualifications and Experience      80 points  
(max: 12 pages)**

1. Provide names and qualifications for primary members of the Proposer's team. Identify the role each team member will play relative to the project described in this solicitation.
2. Provide examples of completed projects similar to this development opportunity in size, type, and complexity. Descriptions of completed projects should include the type of project, size, number of market rate and affordable housing units, total budget, financial sources used, density, location, community involvement, and any other information that demonstrates experience with the attributes of Transit-Oriented Development. Project descriptions shall clearly state which team members were engaged on the project and their role. Photos of completed projects are encouraged and will not be included in the page count.
3. Provide examples of the use of State of Oregon certified Disadvantaged Business Enterprises, Minority Business Enterprises, Women Business Enterprises, or Emerging Small Businesses in past projects. Include the Proposer's approach to advancing opportunities for these firms, and potential contracting or subcontracting opportunities during design or construction of this Project.



4. Describe the Proposer's proposed timeline for development of the Project and demonstrate capacity to develop the Project in accordance with that timeline by including a description of projects currently under development and planned for future development, with expected completion dates.

5. Provide examples of experience working in the City of Portland or, if none, how Proposer would plan to comply with all City permitting and planning issues.

6. Describe the Proposer's understanding of the local community of North Portland and the Kenton Neighborhood, or how Proposer would educate itself on issues important to the community. Describe how Proposer would involve the neighborhood and the community during all phases of the Project, from design through construction.

**C. Approach to Development and Financing (max: 2 pages) 40 points**

1. Briefly describe a preliminary development program on the Argyle Property. Provide the number of residential units (market rate and affordable), number of retail spaces and square footage, and parking spaces. **No architectural renderings or design drawings shall be submitted.**

2. Provide financial information as warranted to show the Proposer's financial soundness for developing the Project as proposed, such as letters from potential lenders or a Certified Financial Statement. **These documents do not count against the page limit.**

**Financial feasibility is a threshold requirement. TriMet will be the sole determiner of financial feasibility and will disqualify responses not deemed to be feasible.**

**D. Payment 35 points**

1. As stated above, purchase of the Argyle Property was made with 80 percent FTA funding. FTA rules require TriMet to receive fair market value in the sale of the Argyle Property. However, TriMet is willing to negotiate utilizing some portion of the local share of the Argyle Property value (up to 20 percent) if the proposed use is sufficiently beneficial to TriMet's project goals. Proposer shall either:

a. Agree that it will pay an amount equal to or greater than the appraised fair market value of \$4,791,600 for the Property. Complete Form 9.3 with the proposed amount; or

b. Agree to pay an amount between 80 percent and 100 percent of the appraised fair market value of \$4,791,600. In such case, Proposer shall complete Form 9.3 with the amount proposed to be paid to TriMet, and include a description of the benefit to TriMet's Project goals from the reduced payment. Examples of Project benefits could include, but are not limited to, increased affordable units, increased residential units, higher quality exterior finishes, more or larger retail space(s), etc.

## **6. Approximate Project Schedule**

After review and final selection of the successful proposer, TriMet anticipates signing a Letter of Intent for a six month negotiation and due diligence period. During this negotiation and due diligence period TriMet and the Proposer will agree on a program for the Property, and Proposer will have an opportunity to pursue public funding if needed. When the development program is finalized, TriMet and Proposer will enter a Disposition and Development Agreement (DDA) which will contain terms of the agreement, and a more detailed development schedule.

<b>Activity</b>	<b>Completion Date</b>
RFQ Issued	April 22, 2016
Proposals Received	June 22, 2016
TriMet review and final selection	August 22, 2016
Letter of Intent executed	September 22, 2016
Negotiation & Due Diligence Period ends	March 17, 2017
Disposition and Development Agreement executed	April 21, 2017

## **7. Selection Process**

The Evaluation Committee, consisting of representatives from TriMet, the Portland Housing Bureau, and possibly Metro and the Portland Development Commission, will employ the evaluation criteria set forth in this RFQ and in any addenda subsequently issued, as well as sub-criteria logically following from the criteria.

Following review by the Evaluation Committee, Proposers may be asked to provide clarifying or additional information at any time during the solicitation process. At the Committee's discretion, Proposers may be invited to participate in interviews. If necessary, interviews will be held at TriMet's offices at 1800 SW 1<sup>st</sup> Avenue, Ste. 300, Portland, Oregon 97201. At the conclusion of this process, the Evaluation Committee will finalize scores, which may change based on any additional information received or responses provided in interviews.

The Evaluation Committee will then make a recommendation to the TriMet Executive Director of Capital Projects. The Executive Director of Capital Projects, in consultation with PHB, may or may not accept the recommendation of the Evaluation Committee.

All responsive Proposers will receive written notice of the Executive Director's determination and TriMet's decision to enter into exclusive negotiations with the selected Proposer. TriMet will provide the names of proposers and final scores at this time.

It is anticipated that TriMet will sign a Letter of Intent to Negotiate with the successful Proposer for an exclusive negotiation and due diligence period of approximately six months. During this period TriMet and the Proposer will agree on a program for the Property, including but not limited to number of units, number of affordable units, cost of the Property, and activation of street frontages with retail. During this negotiation period the Proposer should pursue public funding if needed, including funding from Portland Housing Bureau. If successful, this negotiation will result in the execution of a Disposition and Development Agreement (DDA) between the parties. It is anticipated that development activities will commence in advance of a



DDA, but with no obligation by TriMet for any expenses incurred by Proposer and no obligation for TriMet to execute a DDA if mutually agreeable terms are not found. TriMet reserves the right to cancel this solicitation and negotiations hereunder at any time without liability prior to execution of the DDA by TriMet.

In the event that TriMet is unable to negotiate a satisfactory DDA with the successful Proposer, TriMet shall formally terminate negotiations with that Proposer. TriMet then may, at its sole discretion:

1. Undertake negotiations with the second most qualified Proposer. Failing agreement with the second most qualified Proposer, TriMet may, at its discretion, terminate negotiations and proceed with negotiations with the third most qualified Proposer, and so on; or
2. Cancel this solicitation and proceed (or not proceed) with a new solicitation process.

Prior to execution of the DDA, TriMet believes that the public interest will be harmed by disclosure of Proposals, Proposal supplements, and all communications made in the course of procurement negotiations, and will hold all such documentation in confidence until after the execution of the DDA pursuant to ORS 192.502(4).

After the execution of the DDA, TriMet will treat Proposals, Proposal supplements, and all communications made in the course of procurement negotiations a matter of public record, except to the extent they contain trade secrets, confidential information, or are otherwise exempt from disclosure under Oregon or federal law.

To ensure appropriate confidentiality, Proposers must clearly and specifically identify confidential or trade secret information in their Proposals and must cite statutory or regulatory authority for exemption from public disclosure. TriMet may find a waiver of confidentiality if a Proposer provides blanket-type identification by designating whole pages or sections as containing proprietary information, trade secrets or confidential commercial and financial information. In addition, TriMet disclaims liability for inadvertent disclosure of trade secrets or other information entitled to confidential treatment if the Proposer has failed to identify trade secrets or other confidential information clearly, has failed to cite statutory or regulatory authority for keeping such information confidential, or identifies an entire proposal supplement as confidential or exempt.

## **8. Communications and Addenda**

Individuals are cautioned that until submission of their Proposal, they may have contact only with Les Spitler, the TriMet Contracts Manager, regarding matters related to this RFQ. Discussion or communications in any capacity with Evaluation Committee members, TriMet employees, or members of TriMet's Board of Directors are strictly prohibited. Any violation of this restriction may result in disqualification of the firm from further participation in this solicitation.

Firms shall not rely on verbal or written representations regarding this RFQ unless issued in writing by TriMet's Procurement Department.

TriMet reserves the right to make changes to the RFQ. All changes to the RFQ prior to receipt of Proposals shall be made by written addenda which shall be issued to all firms who have downloaded the RFQ from TriMet's Ebid System. All addenda will be electronically posted to TriMet's Ebid System, which can be accessed at <https://www.ebidexchange.com/trimet/>. Following receipt of Proposals, any changes to TriMet's requirements will be conveyed in writing by TriMet to those firms still under consideration for award.

A prospective Proposer may request a change in the RFQ by submitting a written request to the address set forth above. The request shall specify the provision of the RFQ in question, and contain an explanation for the requested change. TriMet shall evaluate any request submitted, but reserves the right to determine whether to accept the requested change.

# **Forms**

**Form 9.1**

**FORM OF BUSINESS**

Name of Lead Firm: \_\_\_\_\_

Principle Business Address: \_\_\_\_\_

Phone: \_\_\_\_\_ E-Mail: \_\_\_\_\_

1. What form of business is your organization? (check one)

\_\_\_\_ Sole Proprietorship

\_\_\_\_ Partnership ( \_\_ Limited \_\_ General)

\_\_\_\_ Corporation

\_\_\_\_ Other

2. If a corporation, when and where was your organization incorporated?

3. If a limited partnership, when and where is your organization certified?

4. If "other" checked, when and where is your organization created?

5. If not certified or incorporated in Oregon, is your organization authorized to do business in Oregon?

6. State of Oregon Certified M/W/ESB\* Firm: \_\_\_\_yes \_\_\_\_no

If yes, Certification Number(s): \_\_\_\_\_

7. If asked, can you provide information that your organization is in good standing?

\*For more information on certification please contact the State of Oregon Office of Minority, Women and Emerging Small Business at (503) 947-7976.

**Form 9.2.**

**Receipt of Addenda**

ADDENDUM RECEIVED:

Addendum No. \_\_\_\_\_ Date Received \_\_\_\_\_

Addendum No. \_\_\_\_\_ Date Received \_\_\_\_\_

Addendum No. \_\_\_\_\_ Date Received \_\_\_\_\_

Addendum No. \_\_\_\_\_ Date Received \_\_\_\_\_

Addendum No. \_\_\_\_\_ Date Received \_\_\_\_\_

Addendum No. \_\_\_\_\_ Date Received \_\_\_\_\_

If no addendum received write "None Received": \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (print)

\_\_\_\_\_  
Title



**Form 9.4**

**Certificate of Compliance with Oregon Tax Laws**

By submitting this Proposal, Proposer certifies under penalty of perjury, that Proposer is, to the best of Proposer's knowledge, not in violation of any Oregon tax law imposed by ORS Chapters 118, 314, 316, 317, 318, 320, 321, and 323 and section 10 to 20 Chapter 533, Oregon Laws 1981, as amended by Chapter 16, Oregon Laws 1982 (first special session); the Homeowners and Renters Property Tax Relief Program under ORS 310.630 to 310.690; and, local taxes administered by the Oregon Department of Revenue under ORS 305.620.

\_\_\_\_\_

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

\_\_\_\_\_

Name (print)

\_\_\_\_\_

Title

\_\_\_\_\_

Firm