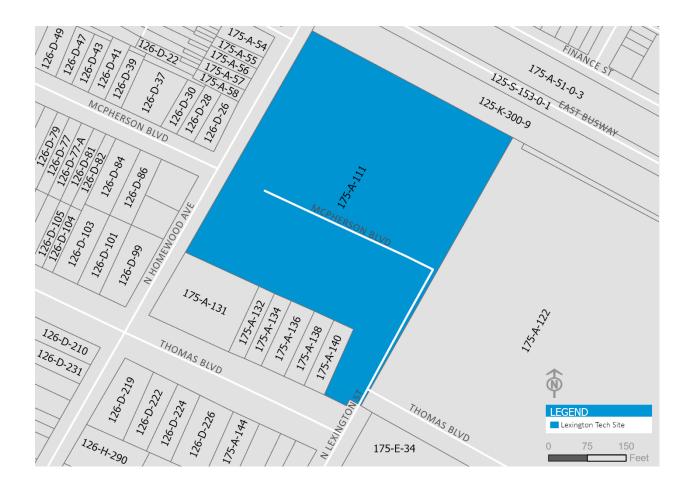


# 7228-7930 McPherson Blvd., Pittsburgh PA 15208 Lexington Technology Park

Issue Date: February 24, 2025, 5:00 PM EST

Qualification Package Due Date: April 28, 2025, 5:00 PM EST



#### 1. Objective

The Urban Redevelopment Authority of Pittsburgh (URA) is seeking qualification packages from developers and/or development teams (the "Developer" or "Respondent") to submit a qualification package for the purchase and redevelopment of 7228-7930 McPherson Boulevard (the "Site") located in the Point Breeze North neighborhood of the City of Pittsburgh.

The goal of this Request for Qualifications (RFQ) is to receive preliminary project concepts for the site that embody neighborhood development goals (see 'Exhibit A,' 'Exhibit B,' and 'Exhibit C') with an emphasis on transit-oriented development due to the site's proximity to the Martin Luther King Jr. Busway (East Busway). Qualification packages should demonstrate previous success developing complex urban in-fill real estate development projects, which includes a sophisticated understanding of urban design. Potential development teams should be able to demonstrate the capacity and depth of experience to raise private capital, and the utilization of public financing tools, such as Low-Income Housing Tax Credits (LIHTC). Qualified firms should be able to raise sufficient financing using the previously mentioned methods in order to construct and

operate real estate development.

The site could be developed into multi-family housing and/or mixed-use development that is attentive to the context of the site and its location. Housing options should include affordable and market-rate housing. Housing options could include multi-family, townhomes, condos, single-family, etc. Amenities should be considered on the site, and particular attention should be given to maintain existing mature trees and address pedestrian connections to the busway and the barrier wall along North Homewood Ave.

Qualified firms will be selected by a Review Committee to submit full proposals for the site's redevelopment. There is no commitment by the URA to provide subsidy for this project.

#### 2. Background

### A. Property Description

Lexington Technology Park is approximately 4.52 acres, which includes a large parking field along N. Homewood Ave. and two vacant single-family residences located at 7930 and 7228 McPherson Blvd. Additional details regarding the structures and the property are available upon request.

The current zoning classification for the site is Urban Industrial (UI). The Developer will be responsible for any zoning changes associated with proposed redevelopment. Although the Site is not currently subdivided, the URA reserves the right to award portions of the Site to multiple Developers or award the entire Site to a sole Developer.

Approximately 100 parking spaces located at the rear of McPherson Boulevard will be reserved by the temporary Zone 5 police station as referenced in image four.

The URA reserves the right to utilize portions of the site for parking throughout the duration of this RFQ and up to five years following the selection of a developer for the site. The portion of the site reserved shall be determined by the URA in its sole discretion.

The Redeveloper is responsible for gaining all necessary approvals and entitlements for their development. The URA also reserves the option to decline any or all submissions for any reason at its sole discretion.

#### B. Environmental Conditions

The project site has received Act 2 clearance from the Pennsylvania Department of Environmental Protection (DEP) and is ready for the development of residential housing.



Image one: Paved parking lot located at the front of 7228-7930 McPherson Blvd



Image two: Paved parking lot located at the rear of 7228-7930 McPherson Blvd



Image three: Adjoining greenspace located to the right of 7228-7930 McPherson Blvd.



Image four: 100 parking spot reservation for Zone 5 located at the rear of McPherson Blvd.

# **Appraised Value**

Parcel	<u>Acreage</u>	Appraised Value:	
		<u>08/30/2023</u>	
175-A-111	4.52	\$2,940,000	
		(Market Value as	
		is land value)	

The appraisal is available upon request.

The acquisition price is \$2,940,000 plus URA incurred costs. The final acquisition price requires approval from the URA Board of Directors at the Approval of Proposal stage in the URA's Real Estate Disposition Process. An overview of the URA's disposition process can be found here: <a href="https://www.ura.org/pages/property-disposition">https://www.ura.org/pages/property-disposition</a>.

### C. Neighborhood Information

Located in the east end of the City of Pittsburgh, the Point Breeze North neighborhood was historically known as the estate location for famous engineer George Westinghouse and entrepreneur Henry J. Heinz. Currently, the neighborhood is comprised of multifamily apartment buildings, single-family houses, and several commercial and industrial spaces, including ASCEND Bouldering Gym, East End Food Co-op and Construction Junction. The site is immediately adjacent to the Rockwell Park development, the East Busway, and single-family homes in the Point Breeze North neighborhood.

Point Breeze North is bordered by the City's Homewood neighborhood to the north, the Larimer neighborhood to the west, and the borough of Wilkinsburg to the east. Another key component of the neighborhood is its proximity to the Homewood Station on the Martin Luther King Jr. Busway (the East Busway).

The East Busway is a rapid transit bus route that extends 9.1 miles from Downtown Pittsburgh through the city's eastern neighborhoods and several of the surrounding boroughs. Since its creation, the East Busway has been heavily utilized by residents and non-residents alike and has transformed the city.

More information about the history of the East Busway and its popularity can be found in the 2018 article "<u>The Making of Pittsburgh's East Busway."</u> From Pittsburgh's NPR News Station 90.5WESA.

#### D. Stakeholder Overview

The site is located within Council District 9 of the City of Pittsburgh, which is represented by Councilman Khari Mosley.

Interested Developers are encouraged to meet with the Point Breeze North Development Corporation, the neighborhood's registered community organization (RCO) throughout the RFQ process to ensure the proposed development project is aligned with community goals outlined in "Homewood Station Transit Oriented Development Study" (**Exhibit B**) and "Bridging the Busway: A Transit-Based Community Plan for Homewood & Point Breeze North" (**Exhibit A**).

### E. Neighborhood Vision

The neighborhood vision for this site can be found in "Exhibit C" and all responses should incorporate the neighborhood vision into any response.

#### F. Market Conditions

In partnership with Allegheny County Economic Development (ACED), the URA conducted and published a Market Value Analysis (MVA) for Allegheny County and the City of Pittsburgh. MVA uses real estate data from a three-year period (2017 – 2019) to help define the local real estate market. The Point Breeze North neighborhood is subdivided into three block groups and the median sales price for block groups is listed in the table below.

POINT BREEZE NORTH HOME SALE PRICES							
Block Group ID	Effective Years	Period	Median Sales Price				
420031405001	2017-2019	3 YR	\$160,000				
420031405002	2017-2019	3 YR	\$211,250				
420031405003	2017-2019	3 YR	\$204,000				

Lexington Technology Park lies within the bounds of Block Group Identification number 420031405001. The MVA can be accessed at: <a href="https://data.wprdc.org/dataset/market-value-analysis-2021">https://data.wprdc.org/dataset/market-value-analysis-2021</a>.

# G. Public Funding

As outlined in the "Bridging the Busway" community plan, affordable housing is a priority for the neighborhood. Public funding is available through Low-Income Housing Tax Credits (LIHTC) awarded by the Pennsylvania Housing Finance Agency (PHFA). LIHTC is a federal program which utilizes 4% or 9% tax credits for the development and/or preservation of affordable rental housing. More information regarding the application guidelines and deadlines for submissions can be found on the PHFA website.

The URA requires the submission of a LIHTC pre-application for all interested developers who are considering applying for the program, so the URA can track the number of applicants in the City of Pittsburgh and to gauge an understanding of the project pipeline. Any development that uses public land or funding must submit a LIHTC pre-application to the URA.

# H. Site Tour

To schedule a site tour, contact Maya Fews, Project Manager, at 412-255-6647 or <a href="mailto:mfews@ura.org">mfews@ura.org</a>.

### I. <u>URA Information</u>

Established and existing under the Pennsylvania Urban Redevelopment Law, 35 P.S. §§ 1701, et seq., the URA, is the City of Pittsburgh's economic development enterprise. The URA is committed to building a prosperous and equitable economy for all of Pittsburgh. It helps to bridge public and private interests to invest in financially viable equitable developments that promote housing affordability, economic mobility, entrepreneurship, and neighborhood revitalization. The URA's work creates and sustains quality jobs, thriving neighborhoods, healthy communities and sustainable businesses for the benefit of all its residents.

Incorporated in 1946 as one of the first redevelopment authorities in the United States, the URA achieves its mission by assembling, preparing, and conveying sites for major mixed-use developments and by providing a portfolio of programs that include financing for business growth; housing construction and rehabilitation; and home purchases and improvements. The URA conducts these activities using unique powers granted by the Pennsylvania Urban Redevelopment Law to deploy and attach conditions to the use of public subsidies and the disposition of publicly owned land.

The URA is a legal entity separate and distinct from the City of Pittsburgh. The URA works closely with the City in fulfilling its redevelopment mission.

Additional information regarding the URA may be found on the URA's website at <a href="www.ura.org">www.ura.org</a>. Questions about this RFQ should be directed to Maya Fews, Project Manager, at 412-255-6647 or <a href="mess@ura.org">mfews@ura.org</a>.

#### 3. Tentative Schedule

A tentative schedule for the selection process is below. This schedule is subject to change. If there is a schedule change, it will be posted as an addendum on lonWave Technologies, the URA's online bidding platform.

Developers must be able to meet the deadlines in the schedule below:

RFQ pre-release meeting	January 2025
RFQ pre-release meeting	February 2025
URA board of directors meeting announcement re. the release of the RFQ	January 2025
RFQ issue date	February 24, 2025
Qualifications due date	April 28, 2025
Developer shortlist for proposals announced	May 2025
Proposal due date	July 28, 2025
Developer shortlist presentation to community	August 2025
URA board authorization to select Developer and award Exclusive Negotiations	August 2025

# 4. Submission Requirements

Each RFQ response should include the following:

# a. RFQ Summary Sheet

- i. This is the cover page and should include the Developer's name, contact person, and contact information.
- b. Table of Contents
- c. Statement of Developer Interest
- d. Preliminary Development Plan
  - Provide a brief overview of your concept for the redevelopment of the property
- e. <u>Development Team Profile and Statement of Qualifications</u>
  - i. Provide a description of the development team, including but not limited to the developer, architect, engineer, etc.
  - ii. Provide a statement of qualification demonstrating your teams' capacity and experience on relevant projects.
  - iii. Experience with M/WBE firms as part of the development team
  - iv. Three years of Financial Statements
    - 1. Income Statement
    - 2. Balance Sheet
    - 3. Statement of Cash Flow

# f. Other Information

i. Please provide any other information you believe is pertinent to the URA's consideration of your firm.

If you have more detailed qualifications than required, please feel free to include this as

supplemental information. If your firm is selected to proceed, you will be invited to submit a full proposal that will include more detailed information, including but not limited to: drawings, schematics, and project financials.

# 5. Response Submission

All responses should include the RFQ Summary Page, which can be found at the end of this document (Exhibit "D"), as the cover page of the qualifications package. Respondents should submit their qualifications package using IonWave Technologies, the URA's RFQ response program. The qualifications should be combined into one file in bookmarked PDF format. Do not send hard copies to the URA.

The qualifications submissions and questions concerning the content of this RFQ must be submitted via IonWave Technologies only.

ALL RESPONSES MUST BE SUBMITTED VIA IONWAVE TECHNOLOGIES BY THE RESPONSE DUE DATE AND TIME AS STATED IN THE RFQ TIMELINE FOR CONSIDERATION. Any responses that are late or received outside of IonWave Technologies will not be reviewed.

ALL RESPONDENT QUESTIONS WILL ONLY BE ACCEPTED AND ANSWERED THROUGH IONWAVE TECHNOLOGIES SUBMISSION, WHERE THE RESPONSE WILL BE MADE PUBLIC.

The URA will not reimburse firms for any expenses incurred in preparing responses to this RFQ. If you have any technical issues with using IonWave Technologies, please contact:

Ivy Coleman 412-255-6691 icoleman@ura.org

#### 6. Evaluation Criteria

Developer(s) will be evaluated based on, but not limited to, the criteria listed below:

- a. Qualifications
- b. Developer's experience in completing similar projects
- c. Ability to assemble a diverse team with the appropriate specialties
- d. Demonstration of experience to advance a mixed-income residential development

The URA shall be the sole judge as to which Developer(s) meet the evaluation criteria and reserves the right, in its sole discretion, to reject any or all responses received, to

waive any submission requirements contained within this RFQ, and to waive any irregularities in any submitted response. The URA reserves the right to verify the accuracy of all information submitted.

One or more Developers may be asked to present their responses to the community for input. As stated in Section 8 below, the URA board must approve all Developers who purchase URA land. One or more Developers may be recommended to the URA board based on the overall quality of the responses to this RFQ. The evaluation of the respondent's qualifications, experience and capacity will be based upon information in the qualifications package submitted by the respondent, interviews, investigation of projects completed by the respondent, assessment of performance in previous undertakings (if applicable), and other pertinent factors. The URA will follow its Disposition Process (see Section 7 below) which includes significant design review and construction oversight.

# 7. <u>Disposition Process</u>

A. <u>URA Disposition Process</u> – Should the URA Board of Directors select a respondent as a Developer, such Developer will be required to comply with the URA's Disposition Process. As part of this process, the Developer must show that all funds needed for the fully realized project are available at the time of closing. In order to ensure that the site will be responsibly redeveloped, the URA will review the Opinion of Probable Cost and construction plans against the evidence of financing to determine if the information presented is reasonable and corresponds. The URA will not close on a property until all the terms of the disposition process are fulfilled. See **Exhibit 'E'** for Disposition Process Overview.

The Developer must be willing to enter into a written Disposition Contract with the URA. The Disposition Contract is the binding document that details the Developer's plan to design, finance, purchase, and construct the redevelopment project. Taxes, liability insurance, site security, historic preservation, and all aspects of owning and redeveloping the property shall be the full responsibility of the Developer at the time of sale, as specified in the Disposition Contract.

The URA board must approve any and all developers who purchase URA property. Upon URA board approval, the Developer's purchase of the property will occur after execution of a Disposition Contract, approval of the final construction documents and issuance of a building permit. The purchase of the property will occur simultaneously with the closing on the Developer's construction financing. The URA reserves the right to select, reject, and/or make no selection through this RFQ at its sole discretion.

#### 8. <u>Legal Information</u>

- A. The URA shall have the right to verify the accuracy of all information submitted and to make such investigation as it deems necessary to determine the ability of each Applicant to perform the obligations in the response. The URA in its discretion reserves the right to reject any response when the available evidence or information does not satisfy the URA that the Applicant is qualified to carry out properly the obligations of the response.
- B. The selected Applicant shall be given an opportunity to inspect the property. If the Applicant is selected and elects to proceed after exercising its due diligence, it shall acquire or take possession of the property in "AS-IS" CONDITION.
- C. The sale of the property in no way guarantees or warrants grading permits, building permits, zoning variances or financial viability. The URA reserves the right to refuse to sell the property until an Applicant is able to obtain all necessary permits.
- D. The selected Applicant will be required to demonstrate a good faith effort to incorporate environmentally sustainable features and practices into their development plan.
- E. The URA reserves the right to accept an offer or proposal other than the highest offer and will determine awards at its sole discretion.
- F. The URA shall be the sole judge as to which, if any, Applicant best meets the selection criteria. The URA reserves the right to reject any or all responses, to waive any submission requirements contained within this response, and to waive any irregularities in any submitted response.
- G. This form is submitted subject to errors, omissions, and/or withdrawal without notice by the URA at any time.
- H. All responses, including attachments, supplementary materials, addenda, etc. shall become the property of the URA and will not be returned.
- I. Applicant and team members must disclose any conflict of interest with regards to any other work performed by the Applicant for the URA, the City of Pittsburgh, or any related entity.
- J. The URA reserves the right to accept, reject, or make no selection at its sole discretion as a result of this RFQ. The URA is under no obligation to invite any submissions to this RFQ to submit a full redevelopment proposal.