

REQUEST FOR EXPRESSION OF INTEREST



DEVELOPMENT OPPORTUNITY:

Tax Parcel #100.-2-1.21

6-acre parcel at southerly end of Cherry Street, Ithaca, NY 14850

Release date: July 26, 2013
Submission date: September 27, 2013



108 East Green Street
Ithaca, New York 14850
(607) 274-6559

INTRODUCTION/OBJECTIVE

The Ithaca Urban Renewal Agency (IURA) is seeking conceptual proposals from businesses or developers for expressions of interest to purchase and develop an undeveloped, six-acre parcel (the “Site”) in the Cherry Street Industrial Park in Ithaca, NY. Businesses that don’t require the full six-acre site are encouraged to submit a proposal for a portion of the site. The property is owned by the IURA.

Under Urban Renewal law, the IURA is authorized to sell property through a negotiated sales process for a specified end use to a “qualified and eligible sponsor”, who agrees to undertake an urban renewal project. Each party submitting a proposal in response to this Request for Expression of Interest (“RFEI”) is referred to as a “Respondent” and the Respondent(s) that may be ultimately selected for the project through this RFEI process are referred to herein as the “Sponsor”.

The development objective is to create a project that utilizes the Site’s full economic development potential in a creative and compatible manner to benefit the community. The primary goal for the RFEI process is to understand how the Site can best meet needs of businesses, and what conceptual development proposals for the Site are proposed so the IURA can wisely advance a process to achieve the development objective. The IURA may initiate negotiations for sale and development of the site with a respondent to this RFEI.

Primary selection criteria used in reviewing proposals include:

- Economic benefits of the project;
- Community benefits of the project, including compatibility with the surrounding community;
- Respondent’s financial & technical capacity to establish a financially feasible and economically viable project; and
- Willingness to pay fair market value to purchase the Site.

Following review of proposals, the IURA may:

- Negotiate sale and development of the Site with one or more Respondents for all or a portion of the Site
- Issue a Request For Proposals (RFP) for sale and development of the Site, or portions of the site
- Terminate the process and retain ownership of the Site

SITE DESCRIPTION AND CONTEXT

The six-acre parcel for sale is identified as tax parcel #100.-2-1.21 (the "Site"). The wooded, undeveloped Site is located at the southerly terminus of Cherry Street in the City of Ithaca, adjacent to the Cherry Street Industrial Park. The Site was acquired by the City of Ithaca in 1999 and was conveyed to the IURA in June 2013. The deed, boundary survey, maps and more information about the site are available at Exhibit 2.

The Site is bounded on the north by the Cherry Street Industrial Park. Located directly to the east of the Site are the Norfolk Southern railroad tracks. Beyond the railroad tracks is a mobile home park and an undeveloped City-owned 60-acre parcel. The Site is bounded on the south by City of Ithaca land that contains wetlands habitat. Directly to the west of the Site is a 20'-wide strip of land owned by the City of Ithaca intended to act as a vegetated buffer between the Site and the future Black Diamond trail programmed by the NYS Parks to be installed along the east side of the Flood Control Channel. The Black Diamond Trail is a 15 mile, multi-purpose recreation trail that will link four major State Parks: Taughannock Falls S.P., Allan H. Treman State Marine S.P., Buttermilk Falls S.P. and Robert H. Treman S.P.

Suitability of soils for building foundation loads is generally a concern throughout the areas of the City of Ithaca surrounding Cayuga Lake. Soils at the site are characterized by deep glacial lacustrine deposits with limited load bearing capacity. An engineering report on the Site was prepared by Novelli Engineering in 2000 to investigate and estimate costs to extend the Cherry Street Industrial Park to include the project parcel. The report also included a Preliminary Geotechnical Engineering Evaluation prepared by Gaynor Engineering. See Exhibit 3 for the report: *Preliminary Investigation, Site Development, Cherry Street Industrial Park Extension*, January 18, 2000, prepared by Novelli Engineering.

Summary Parcel Characteristics & Services

Address:	Cherry Street, Ithaca, NY
Tax Parcel:	#100.-2-1.2
Site Area:	261,360 square feet (6 acres)
Assessed Value:	\$600,000
Zoning:	I-1, Industrial zone
Street Frontage:	66 feet
Rail access:	yes
Electric service:	yes
Gas service:	yes
Street access:	yes
Water service:	yes
Sanitary sewer:	yes

SELECTION CRITERIA

The IURA will use the following criteria to review proposals.

40% Economic benefits of the project:

1. Extent to which the project contributes to strengthening the local economy, including but not limited to the number and type of jobs created/retained, project cost and expansion of existing local businesses.
2. Extent to which the project fiscally benefits the community, including but not limited to the purchase price of the Site, total payroll, generation of property taxes or other City revenues.
3. Project feasibility, including the extent to which economic benefits will be achieved.

30% Community benefits of the project:

1. Extent to which the project discourages sprawl development through full utilization of the site, possibly including multi-story buildings and/or multiple businesses on the site.
2. Extent to which the conceptual physical design of the project is likely to be architecturally attractive, innovative and sensitive to surrounding uses.
3. Extent to which the project will provide a positive experience for users of the adjacent future Black Diamond Trail.

30% Qualifications and experience of Respondent to undertake and complete the project in a timely manner:

1. Respondent's financial and technical capacity to establish a financially feasible and economically viable project.
2. The demonstrated experience of the development team, including the architect, to complete similar projects in a timely manner.
3. Integrity & credit history of Respondent (current on taxes; free of financial interest in properties with violations of zoning or building code, etc...)
4. Project feasibility, including extent to which the level of commitment by any end user/tenant is documented.

(Note: If the development project is phased, emphasis will be placed on public benefits to be achieved in the initial phase of the project)

RFEI PROCESS

Responses will be checked for completeness by IURA staff. The IURA Economic Development Committee ("EDC") will score proposals based on the listed selection criteria. The IURA, or its agent, may request additional information, presentations and/or interviews, and Respondents may be authorized to supplement their proposals.

Following review of proposals, the IURA, or its agent, may:

- Enter into negotiations for sale and development of the Site with one or more Respondents for all or part of the Site;
- Request one or more Respondents to provide additional information about their proposed use and qualifications;
- Seek multiple Respondents to collaborate on a joint proposal to acquire and develop the Site;
- Issue a Request For Proposals (RFP) for sale and development of all or part of the Site;
- Reopen the process to seek additional Expressions of Interest; or
- Terminate the process and retain ownership of the Site.

It is the IURA’s preference to designate one or more Respondents as Sponsors and offer to enter into an Exclusive Negotiation Agreement (“ENA”) to structure an acquisition and development agreement for all, or part of, the Site.

The selected Sponsor(s) will be provided with exclusive negotiating rights for a 90-day period to resolve sales terms, including the final description of the project, time line with project milestones, binding commitments of the Sponsor, and submission of schematic site development and building plans.

Terms of the sale will be subject to the inclusion of performance requirements to ensure economic and community benefits proposed are achieved in a reasonable time frame.

Please see Exhibit 4 for additional information about the IURA process of selling real property.

ZONING

Zoning:	I-1 (Industrial)
Allowed uses:	Light industrial, manufacturing, research & development, office, business services and medical. Residential use is not permitted in the I-1 district. All business and commercial uses permitted in other districts of the City are permitted in the I-1 district.
Max. Lot Coverage:	50%
Max. Building Height:	4 stories; 40 feet
Min. Building Height:	none
Required yards:	
Front:	20 feet
One side:	12 feet
Other side:	6 feet
Rear:	15% or 20 feet
Min. Street Frontage:	50 feet
Min. Lot Size:	5,000 square feet
Off-Street Parking:	Required, generally 1 space/2 employees on maximum work shift
Off-Street Loading:	Required

SITE VISIT & INSPECTIONS

Potential respondents may attend a site tour with IURA staff on Monday, August 19, 2013 at 10 AM. Please email nelsb@cityofithaca.org by August 16, 2013 if you plan on participating in the site tour. The tour will begin at the end of Cherry Street.

Alternatively, the site can be visually inspected independently by walking along the mowed portion of the Flood Control Channel. On-street parallel parking is available on Cherry Street. Follow the short trail at the end of the Cherry Street to the Flood Control Channel. Please do not park or turn vehicles around on private property.

QUESTIONS AND ANSWERS

Questions about the Site or the proposal requirements may be submitted to nelsb@cityofithaca.org. Answers to questions will be posted on the Ithaca Urban Renewal web page (www.IthacaURA.org).

CONFIDENTIALITY AND OWNERSHIP OF PROPOSALS:

Please label as “confidential and proprietary information” any elements of your proposal that you believe should be protected from public disclosure. The IURA will protect confidential and proprietary information submitted from disclosure to the full extent permitted by the New York State Freedom of Information Law.

Under the New York State Freedom of Information Law, the following categories of records are protected from public disclosure:

- Records that would result in an unwarranted invasion of personal privacy, such as disclosure of employment, medical or credit histories or personal financial statements.
- Records that are trade secrets.
- Records submitted by a commercial enterprise which if disclosed would cause substantial injury to the competitive position of the commercial enterprise.

Proposals received are the property of the IURA upon receipt.

FORM OF THE RESPONSE

Responses are more likely to be viewed favorable if they are concise and specific. All materials submitted shall be included in a single, unbound format with no pages larger than 11" x 17" in size.

1. Cover letter indicating interest to acquire and develop the Site. Please address the following questions in the cover letter:
 - A. Is Respondent interested to acquire the entire Site or only a part of the site? If part, please indicate size of parcel sought.
 - B. Will Respondent locate a business on the Site or is Respondent acting solely as a real estate developer?
 - C. Will Respondent be ready to commence development promptly upon acquisition of the Site?
 - D. Are there any firm deadlines for a proposed construction start date in order to complete the project? For instance, the date that an existing lease expires for an expanding business interested in locating at the Site.

Address cover letter to:

Nels Bohn, Director of Community Development
Ithaca Urban Renewal Agency
108 East Green Street
Ithaca, NY 14850
Subject: Cherry Street RFEI

2. Exhibit 1 – IURA Sponsor Information Form must be completed and signed (see below).
3. Conceptual Development Proposal, include the following information:
 - A. Narrative description of the project concept (attachment of a schematic site plan indicating the size and location of building(s) and sketches of buildings are encouraged but not required)
 - B. Type(s) of business(es) to locate on the Site
 - C. Total estimated square footage of buildings to be developed
 - D. Total projected project cost (or cost/sf)
 - E. Number & type of jobs to be created
 - F. Average annual salary of jobs created
 - G. Number & type of jobs to be retained
 - H. Average annual salary of jobs retained
 - I. If project phased, please describe phasing plan
 - J. Proposed construction start date
4. Financial Capacity, marked "confidential and proprietary information" – Provide Financial information for Respondent to demonstrate financial capacity to finance and

complete the proposed project, including but not limited to financial statements for the Respondent's business entity, or personal financial statements.

5. Project Experience & Technical Capacity
 - A. Provide examples of past relevant projects:
 - i. Project summaries, including project cost
 - ii. Dates of project completions
 - iii. Role of current project development team members on completed projects
 - iv. If no past relevant project, describe how the assembled development team provides the experience necessary to undertake and complete the project.
 - B. Provide Names and qualifications of key personnel

SUBMISSION DEADLINE

One (1) originally signed response in a sealed envelop labeled "Cherry Street RFEI" must be submitted and received by the IURA **by Noon, September 27, 2013**. Such Proposals must be delivered to the following address:

IURA
Attn: Nels Bohn, Director of Community Development
City Hall, 3rd floor
108 E. Green Street
Ithaca, NY 14850

Additionally, the response shall be sent electronically in a PDF format to nelsb@cityofithaca. Please note that email attachments up to 4 MB in size can be received without being zipped up.

The City of Ithaca and the Ithaca Urban Renewal Agency reserve the right to reject any and all proposals.

BROKERAGE

The IURA agrees to pay at sale up to a 3% sales commission to a real estate broker representing the purchaser.

LIMITATIONS

The issuance of this RFEI and the submission of a response by any person or firm or the acceptance of such response by IURA do not obligate the IURA in any manner whatsoever. Legal obligations will only arise upon execution of a formal contract by IURA and the person or firm selected by the IURA.

IURA reserves the right to:

1. amend modify or withdraw this RFEI,
2. revise any requirements of this RFEI,
3. require supplemental statements or information from any responding party,
4. to accept or reject any or all response thereto,
5. to negotiate or hold discussions with any respondent and to correct deficient responses which do not completely conform to the instructions container herein; and
6. to cancel, in whole or part, this RFEI, if IURA deems it in its best interest to do so.

IURA may exercise the foregoing rights at any time without notice and without liability to any respondent or any other party for its expenses incurred in the preparation of responses, attending oral presentation, or any other associated costs. Responses hereto will be prepared at the sole cost and expense of the responding party.

Neither the IURA nor the City of Ithaca is obligated to pay and shall not pay any costs incurred by any Respondent at any time unless the IURA or the City of Ithaca has expressly agreed to do so in writing.

To the best of IURA's knowledge, the information provided herein is accurate.

END

Exhibit 1

IURA Sponsor Application Form

Exhibit 2

Site Description

1. Boundary survey
2. Aerial photo
3. Deed
4. Tax Assessment report – tax parcel #100.-2-1.2
5. Map of Black Diamond Trail

Exhibit 3

Novelli Engineering Report – Cherry Street Industrial Park Extension, 2000

Exhibit 4

IURA Process - Sale of Real Property

IURA disposition of real property is governed by §507 of General Municipal law. Following is a step-by-step summary of major milestones in the disposition process.

Disposition Process Milestones

1. Issuance RFEI
2. Receipt & review of proposals by the IURA Economic Development Committee
3. Selection of “Eligible & Qualified Sponsor” (a/k/a preferred developer)
4. Exclusive Negotiation Agreement (up to 90-day term)
5. IURA approval of Disposition and Development Agreement (“DDA”)
6. Publication in newspaper of notice of public hearing and disclosing terms of the proposed sale
7. Public hearing held on proposed sale
8. Common Council approval of DDA
9. Execute DDA
10. Convey deed upon satisfaction of seller contingencies

The disposition process is depicted visually on the following page.

