



City of Pendleton, Oregon

Request For Qualifications (RFQ)

Redevelopment of the

Pendleton Fire Training Bungalows

Issued:

Responses Due:

August 31, 2023, 4:00pm (PST)

For More Information Contact:

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I. Unique Development Opportunity

It has often been said that Pendleton has one of the most underdeveloped riverfronts in America. In most communities, waterfront and/or water-view are typically the most prized property in a city, but not here in Pendleton strangely. The beautiful Umatilla River winds right through the middle of the city, which allows locals and visitors to enjoy fishing, swimming and rafting in the middle of Downtown, but still almost no new development in decades. The river levee also features a 2+ mile paved riverwalk running its entire length, passing directly by the subject properties in this Request for Qualifications (RFQ). With the recent investment into the neighboring property, these properties are crying out to serve a higher and better use than they are currently serving.

The Pendleton City Council (the “Council”) is pleased to announce a redevelopment opportunity for two small riverwalk adjacent bungalows sitting on two little city lots (.06 acres each). The two homes at 107 & 103 SW 9th Street are situated at the north end of SW 9th Street, directly adjacent to the east side of the former Fire Station #1, which is now the popular BackFire Station Restaurant and Bar. The north side of the property abuts the river levee, which could feature riverwalk access, and adding a second story would open up magnificent river views.

These homes are literally a stone’s throw from the famous Roy Raley Park, gateway to the Round-Up Campus, which is home to the legendary Round-Up Stadium (capacity 22,000), Happy Canyon Arena (capacity 4,000), and Pendleton Convention Center (capacity 3,800); and soon the biggest indoor riding arena between Portland and Boise as well. Over the last 113 years, Pendleton has become well known for hosting one of the world’s greatest rodeos, but there are numerous other big events and concerts throughout the year as well, so these homes would be outstanding for year-round living or as an investment property. Subject properties are located almost equidistant between the Round-Up stadium and Pendleton’s historic and happening Downtown District, home to over a dozen great restaurants, bars and attractions.

The City is looking for a developer(s) with a vision for these properties, and one who is willing to invest in that vision and in Pendleton’s future. This RFQ is intended to provide an opportunity for developers to demonstrate their interest and capability to redevelop these properties consistent with the vision and goals of the City.

Specifically, the Council is seeking responses from experienced developers or development teams willing to develop the property alone or in partnership. This Letter of Interest, together with its Supplemental information, comprises the RFQ. The objective is for prospective developers and development teams to submit sufficient information so that the Council can select a short list of finalists who will be invited to present their project concepts to the Council.

RFQ responses are due by 4:00 p.m. on August 31, 2023. Late proposal responses are not accepted. We look forward to your submittal.

Development Team

The Council seeks qualifications from developers and development teams with a demonstrated ability to develop projects which are an asset and a "correct fit" with the community. We are seeking a partnership with individuals and entities that have experience in developing, financing, marketing, selling, and /or managing projects of a similar size, scope and nature. Compliance with budgets and schedules will be considered essential, as will their ability to demonstrate sufficient financing capacity to complete the Project. In addition to the qualities of the developer and development team, the Council desires a proposed concept that positively contributes to the community – fiscally, socially, aesthetically and environmentally. To this end, respondents and responding teams should include any discipline they deem appropriate including, but not limited to:

1. Development entity (lead team member)
2. Architect (experience with sustainable development preferred)
3. Real estate broker
4. Planner
5. Civil engineer
6. General contractor
7. Marketing/sales support
8. Financial partner
9. Any other partners deemed appropriate

A. GENERAL INFORMATION/BACKGROUND:

THE COMMUNITY



Located in the rolling hills of Eastern Oregon, Pendleton is the county seat and home to one of the largest populations in the region. It has long been considered the cultural hub of the eastern half of the State. Pendleton is located along Interstate 84 and Highway 395 with easy access to neighboring communities, great mountain biking, and other outdoor recreation. Pendleton is also less than a one-day's drive to Seattle and Spokane, WA; Portland, OR; Boise, ID; Salt Lake City, UT; and Vancouver, B.C. Eastern Oregon Regional Airport boasts the only subsidized air service in the Northwest, offering 3 round-trips daily to

Portland (PDX).

Pendleton takes tremendous pride in its 113-year-old Pendleton Round-Up, voted top large outdoor rodeo in North America 6 of the last 7 years. Pendleton is also home to the original Pendleton Woolen Mill, a world-renowned brand still making blankets here. They don't actually bottle Pendleton Whisky here, but if they name a top 10 selling whisky in the world after you, then you must be doing something right. We're also home to many big events, like Pendleton Whisky Music Fest and Jackalope Jamboree. If that's not enough, then Pendleton boasts:

- Historic Western Main Street with Great Restaurants and Bars
- "Top 20 Small Towns to Visit in the US" (The Smithsonian, 2018)
- Top 10 Fastest Internet in Oregon
- Nearly New Hospital and New Cancer Center
- High Graduation Rate from High School
- Affordable Office Space and Industrial Lands
- Most Solarized City per Capita in Oregon
- State-of-the-art, Eco-friendly Municipal Water and Wastewater Systems
- One of the Busiest Autonomous Systems Test Ranges in the US
- "Oregon's Most Underrated City" (MSN, 2018)



THE LOCAL ECONOMY

Due to its central location in the Pacific Northwest, Pendleton enjoys a very diversified economy with manufacturing, food processing, medical testing, distribution and government as the leading employers. We are proud to be the West Coast home to Keystone RV Company, Newly Weds Foods, and the original Pendleton Woolen Mill. Hill Meat Company, the largest premium pork processor in the Northwest, and the largest independent medical testing lab, Interpath Lab, also call Pendleton home. In addition, Pendleton's Downtown boasts numerous artisans making hand-crafted saddles, boots, bags, clothing and cowboy hats.

Regionally, Umatilla County is home to about 80,000 residents with another 12,300 and 26,212 in neighboring Morrow and Union Counties, respectively. Just over the border resides another

210,000 residents of Benton County, WA, and another 62,000 in Walla Walla County, WA. Pendleton is a quick 30, 45, 50 and 60-minute commute from Hermiston, Port of Morrow, Walla Walla and Tri-Cities. The latter two are both highly affluent communities with commercial airports of their own. There are two Columbia River ports within 45 minutes, and Pendleton's Eastern Oregon Regional Airport's (PDT) Boutique Air is serving three daily direct flights to and from Portland International Airport (PDX), the only subsidized air service in the Northwest. Jobs are plentiful here and hundreds of units of housing are either under construction or planned for construction. Low cost of living, high quality of life, affordable power and abundant water are just some of the many reasons to expect the region to continue its rapid growth. Over 4,000 people commute into Pendleton for work each day, most coming from more than 25 miles away.

B. THE SITE:

The 103 & 107 bungalows sit on the west side of SW 9th Street, where the street runs into the levee. The cross street is Court Street, one of the primary east-west arteries traversing Pendleton. The site, located on the western side of Downtown, enjoys excellent views and access to the Umatilla River as well as an easy walk to both Roy Raley Park and the Pendleton Round-Up Grounds.

A. Street Address:

103 SW 9th Street – House

107 SW 9th Street – House

B. Property Identification

Map & Tax Lot: 2N3210AC00400

Map & Tax Lot: 2N3210AC00401

c. PROPERTY SIZE: 2 tax lots of .06 acres each. Total is .12 acres.

D. BUILDING SIZE:

I. Lot Sizes 2,500 s.f. and 2,500 s.f.

II. House 103 SW 9th = 834 SF

III. House 107 SW 9th = 884 SF

IV. Total: 1,718 SF

E. EXISTING STRUCTURES & USES:

These two little bungalows were built in 1910 and 1917, respectively. Their tax assessed Real Market Value (RMV) is \$136,840 and \$137,880. One is a 2-bed, one-bath, and the

other is a one-bed, one-bath. They both have basements. The City does not have a clear preference whether developer demolishes homes and builds new or renovates the existing homes; however, some actions may impact more positively or negatively on the 15 evaluation criteria.

F. COMPREHENSIVE PLAN DESIGNATION:

The site is located within the City's land use designation as Central Commercial Mixed Use. The purpose of this RFQ is to provide land areas and uses that preserve and enhance the City's core area, within which occur concentrations of retail, business, government and residential activity.

The site is highly valued by the community due to its proximity to the Umatilla River, public walkways, and for its function as a physical conduit between Downtown and the Round-Up Grounds. The site holds unique potential as a mixed-use area embracing both commercial and residential purposes. The property could feature pedestrian-friendly shops and restaurants at street level with commercial, retail and/or residential uses above street level. Any proposed use should capitalize on these amenities while maintaining the natural beauty and health of the Umatilla River.

G. ZONING DESIGNATION:

The site is designated Central Mixed Use (C-1) Commercial Zone. This zone allows for various commercial, retail, and housing type uses. Please note that industrial land uses are not envisioned for the properties. All permits for vertical and horizontal development will be issued by the City.

H. TOPOGRAPHY:

Flat, at street level.

I. FLOOD PLAIN STATUS:

North side of property abuts southside of Umatilla River levee.

J. UTILITIES:

The site has electric, natural gas, water service, wastewater service as well as connections to the city storm water lines. Two water meters serve the site.

K. ENVIRONMENTAL CONDITIONS:

City knows of no environmental issues related to the properties.

L. BUILDING CONDITION:

Both bungalows are showing their over 100-year-old age. Possible sewer line replacement needed in one. Both are being offered in “as is” condition.

M. TRANSPORTATION:

The subject properties are located at the west end of downtown. Quick 5-7 minute commute to most parts of the city. The property has approved vehicle access directly to SW Court Avenue. Connections to public bus transportation and the Riverwalk pathway is a short distance away.

Relevant Documents

There are additional documents pertinent to the RFQ that can be downloaded for reference from the city’s website—www.pendleton.or.us:

- . See page for a full list of documents available.

II. Project Objectives

The project objectives for the site are consistent with Comprehensive Plan designation and development policies for the City.

The City of Pendleton desires to work in partnership with the Development Team to facilitate development of the subject site to meet the following objectives. The City is looking for a coordinated concept plan for the entire site. The concept plan diagram does not need to be detailed at this point (e.g., a bubble diagram or schematics of the site). Even if a Development Team’s ultimate plans only propose to develop a portion of the site, the City needs an overall concept plan for the entire site to evaluate how the whole site could be developed.

The City of Pendleton vision for redevelopment of the two Fire Training House bungalows is a project that will:

- Enhance the Riverwalk, River Quarter & Downtown Area
- Be a catalyst that will help encourage additional new investment/development; result in flow of bringing people to the river and downtown

OBJECTIVES OF THE PROJECT:

Recommendation 1: The project should be considered a destination place and stimulate the downtown.

The Council envisions the redevelopment of the subject properties as an opportunity to have a significant impact on the downtown/River Quarter. The project should be financially successful on its own as well as having a broader catalytic or stimulative effect that will lead to further redevelopment, higher property values and increasing spending in the downtown. As the project should go beyond something that is minimally feasible and offer more amenities, have an attractive design and inviting appeal.

Recommendation 2: The project may be developed as a public-private partnership.

In order to fulfill the vision defined above, the Council recommends a public-private partnership approach. This approach would not only include the City but could also include other partners such the Urban Renewal District. Public partnership participation could include regulatory and permitting assistance, public outreach and communication, marketing, offsite infrastructure and financial resources.

Developer Responsibilities:

1. Development Schedule. The developer, in conjunction with the Council, will be responsible for developing detailed schedules for the numerous planning, designs, financing, construction, and maintenance activities.
2. Design. The developer will create, in collaboration and coordination with the Council.
3. Development Approvals. The developer is responsible for procuring all necessary regulatory approvals.
4. Financing. The developer will be responsible for financing the entire cost of its portion of the project, including the following:
 - a. Negotiating a project financing plan that details public and private finance sources and uses.
 - b. Securing all necessary private sources of equity and debt to fund development.
 - c. Financing the cost of the project, including pre-development and development costs.
 - d. Designing and construction required infrastructure and public realm improvements.
 - e. Vertical development and/or sale and assignment of development rights.

- f. Complying with the City’s land use regulations and securing any required land use approvals and building permits.
- g. Acquiring the property per the terms of any negotiated agreement.
- h. Establishing and managing any project-specific financing districts, if applicable.
- 5. Construction. The developer will be responsible for the construction of all necessary cores and shells, tenant improvements, fixtures, and equipment, and onsite and right-of-way landscaping within the project development area. The developer will be required to comply with all applicable state and federal regulations regulating prevailing wage and other labor-related issues.
- 6. Maintenance and Operations. The developer will be responsible for the on-going operation, maintenance, and improvements of buildings and grounds developed in the project.
- 7. Community Relations. The developer must commit to working collaboratively and cooperatively with the Council, adjacent property owners, neighborhoods, and stakeholders. This activity includes the possibility of conducting strategic community meetings, creating and maintaining comment processes for community involvement in the overall planning, creating and maintaining channels for public information and comment, and working with elected officials and the media.

III. Pre-Submission Meeting & Tour

Interested parties are invited to participate in a pre-submission meeting and tour of the property by City of Pendleton staff. During the meeting and tour, participants will be provided with the opportunity to walk on the site and through the existing buildings to inspect the condition and ask questions of City of Pendleton staff. The pre-submission meeting will take place at the following time and location:

Date: July 27, 2023
Time: 1:00pm-4:00pm
Location: Pendleton City Hall
 500 SW Dorion Ave
 Pendleton, OR 97801

IV. Submission Requirements

In order to be considered responsive, all proposals must contain the following information in the format described below:

1. Cover Letter & Development Program and Design

Provide a signed cover letter from an authorized officer or director of the Development Team submitting the proposal introducing the firm(s) involved and summarizing areas the team is interested in pursuing. Describe the Development Team and interest in the project. Please also indicate to the extent known, your preliminary thoughts about the development program for the site. Though not required, if you have broad or specific ideas about programming (e.g. use mix, density of development, etc.) please so indicate.

Describe how your proposed development will meet the objectives outlined in Section II. Address each of these specific items:

- A. Narrative description of the project including vision, goals, major design elements, and urban design approach
- B. Include a general illustrated concept for the site (e.g. bubble drawing, schematics)
- C. Housing: type/units/size orientation
- D. Commercial Space
- E. Parking
- F. Design character and quality standards
- G. Open/green/public space if any
- H. Relationship to adjacent Riverwalk and the City's Main Street area
- I. Identified constraints or challenges
- J. References

2. Development Team Capability

Outline of Development Team, including:

- A. Principals, members and/or members of Development Team. Provide resumes for key members.
- B. Summary of financial capacity
- C. Project Manager
- D. Ownership Entity

- E. Development Experience. Describe the team's experience with development of high quality, successful urban infill projects. What is the team's recent experience with this type of development, particularly in light of the current challenging financial environment?
- F. Status of Projects and Locations (optional: send photos of similar projects).
- G. Describe the team's previous experience working with public sector partners and the types of public-private partnerships.
- H. References

V. General Conditions

- All facts and opinions stated within this RFQ and all supporting documents and data are based on information from a variety of sources. No representation or warranty is made with respect thereto.
- The City of Pendleton reserves the right in their sole discretion to accept or reject all responses in response to this RFQ without cause.
- The City of Pendleton reserves the right in their sole discretion to modify the selection process or other aspects of this RFQ, including extending the deadline or canceling the RFQ without selecting a developer or team. The City will take reasonable steps to ensure that any modification or clarification to the RFQ shall be distributed in writing to all persons who have requested a copy of the RFQ.
- The City of Pendleton reserves the right to request additional information following their review of the initial submission. In addition, they may retain consultants to assist in their evaluation of submissions.
- In the interest of a fair and equitable selection process, the City of Pendleton reserves the right of determine the timing, arrangement, and method of any presentation throughout the selection process. Teams are cautioned not to undertake any activities or actions to promote or advertise their proposals except during City-authorized presentations. Teams are encouraged to contact relevant City staff to learn more about ideas and visions for the site and the area. However, developers and their representatives are not permitted to make any direct or indirect (through others) contact with members of the Pendleton City Council concerning their proposals, except in the course of City-sponsored presentations. Violation of these rules is grounds for disqualification of the team.
- All submissions shall become the sole and exclusive property of the City of Pendleton. Teams shall not copyright, or cause to be copyrighted, any portion of their submission.

Within the bounds of public records laws, the City will maintain the confidentiality of submissions at least until the preliminary selection of a developer team. Any proprietary financial information or other information which developer teams submit will be maintained as confidential as allowed by public records law. Submissions or information that the proposal team would like to remain confidential must be marked confidential.

- The City of Pendleton makes no representations as to whether or not a project to be developed as a result of this RFQ, or any possible City participation therein, is a “public improvement” project or a “public works” project as those terms are defined in the Oregon Public Contracting Code and therefore no representations as to whether a project will be subject to public contracting procedures and/or federal or state prevailing wage laws.
- News releases by the selected team pertaining to its selection will require prior written approval from the City of Pendleton.
- The City of Pendleton permits the participation of real estate brokers acting on behalf of and with the authorization of teams, provided that the broker arranges for the payment of its commission or other compensations exclusively by the proposed developer team. The City has not retained any broker in connection with the project.
- The City of Pendleton reserves the right to verify and investigate the qualifications and financial capacity of any and all members of the proposing teams.
- The City of Pendleton accepts no responsibility or obligation to pay any costs incurred by any party in the preparation or submission of a proposal or in complying with any subsequent City request for information or for participation throughout the evaluation process.
- By responding to this request, the team certifies to the best of its knowledge that it is not aware of any actual or potential conflicts of interest. A “conflict of interest” for the purposes of this RFQ and any project(s) that result from its means that because of activities, relationships, or investments with persons or entities, including activities, relationships or investments of a team’s owners or officers in their individual capacity, a team is unable or potentially unable to impartially assist and partner with the City. “Persons or entities” include the City of Pendleton or any person or entity that may benefit from a project resulting from this RFQ. A team is disqualified if it has an actual conflict of interest. If a team believes a potential conflict of interest may exist it must provide, as an exception to the certification, a statement describing the potential conflict of interest in a form acceptable to the City. The City will review the statement and any facts relating to the potential conflict and will decide, in their sole discretion, whether the potential conflict disqualifies the team.

The City of Pendleton has not set a specified page limit for responses; however, we expect to receive responses that are thorough, concise, and to the point without unnecessary content.

Questions about any matter contained in this RFQ should be emailed to: Robb Corbett, City Manager, no later than ten (10) business days prior to the deadline of this RFQ. All material changes or qualifications of any matter contained in this RFQ will be posted on the City of Pendleton website and sent directly to the pool of potential respondents who have registered to receive such updates.

Due Date Submittal Deadline: 4:00pm August 31, 2023

VI. Evaluation Criteria & Selection

All complete and responsive proposals will be evaluated by an evaluation committee of the City of Pendleton. The evaluation will be based on the information submitted as well as any related information that the City of Pendleton may discover or request in analyzing or verifying information submitted in the proposal. In addition, to the extent that the proposed project meets the project objectives described earlier, the following additional criteria will be considered in evaluating responsive proposals.

Development Program

- Extent proposed development meets community objectives for this site
- Extent the proposal demonstrated quality site planning concepts, architectural design concepts and urban design considerations

Development Team Capability

- Demonstrated ability of the Development Team in the successful development, operations and economic performance of projects of comparable type, size, scale and complexity including projects with public/private development relationship.
- Demonstrated ability of the Development Team in financing, constructing and completing projects of the comparable type, size, scale and complexity on time and within forecasted budgets.
- The quality of architectural and urban design aspects of other projects completed by the Development Team.
- Financial capacity of the Development Team to complete the project as proposed.

Projects will be scored by a team of evaluators on 15 criteria*:

- 1. Projected Property Value Increase Upon Completion of Project**
- 2. Number of Dwellings Upon Completion of Project**
- 3. Number of Possible Bedrooms Upon Completion**
- 4. Level of Investment/Project Cost**
- 5. Developer's Offer Amount (some projects may be lot value only)**
- 6. Requested Funding Assistance from City/PDC**
- 7. Other Developer Investments or Influencing Factors**
- 8. Project Design Aesthetics**
- 9. Project Makes Better Use of the River (view, access, etc.)**
- 10. Improves the Property, Court Street and/or 9th Street**
- 11. Improvement to Landscaping**
- 12. Developer(s) Experience and Reputation**
- 13. Developer(s) Past Projects**
- 14. Financial Readiness**
- 15. Projected Start Date & Completion Date (faster is better)**

*Note: Weight of the score may vary for each of the 15 criteria.

The RFQ may lead to one of the following outcomes:

- A request for additional information from one or more RFQ respondents, including potential interviews
- A selection of 1-3 RFQ respondents who will be invited to submit more detailed major design elements and site plan information along with a financial budget and business terms.
- Cancellation of this RFQ without the selection of a Development Team.

VII. Additional Information

Supporting Material will be posted at the following web site or at the Pendleton City Hall.

<https://pendleton.or.us>

The site will include links of the following documents:

- Comprehensive Plan
- Unified Development Code (Zoning)
- McKenzie Bond Report