



REQUEST FOR PROPOSAL

RFP #06-21 – VACANT LOT DEVELOPMENT



673-687 SOUTH 16TH & 678-690 SOUTH 17TH AVE, NEWARK, NJ

**ADMINISTERED BY:
NEWARK LAND BANK**

**RFP Release Date:
RFP Pre-Bid Meeting:
Due Date:**

**Monday, August 2, 2021
Tuesday, August 17, 2021
Thursday, September 9, 2021**

**Bernel Hall, President & CEO
Martha Baez, SVP of Land Bank Operations
Roger Johnson, SVP of Real Estate Development**

A. INTRODUCTION

The Newark Land Bank (NLB) invites proposals from **experienced Developers** as we seek a joint venture (JV) partner to purchase & construct a high-quality mid-rise multifamily with 80 or more mixed income units with parking (at least 30% of the units must be affordable per Newark's IZO). The property is located at 673-687 South 16th & 678-690 South 17th St. in Newark, NJ. This vacant property is owned by the Newark Land Bank.

B. PROJECT SUMMARY

The primary objective of the City of Newark's master plan is to achieve security, economic abundance, and an environment that is nurturing and empowering for families of the South Ward. Accordingly, as part of the Kent/Brenner/Springfield Avenue Redevelopment Plan, this site sits in the Parkfront Residential (PR) district. The PR District is comprised of lots immediately surrounding West Side Park and provides the same attractive housing choices as the Residential District. This District, however, also permits multifamily mid-rise apartment buildings to front West Side Park, taking advantage of the Park's ability to accommodate increased density with its more than 30 acres of open space. The additional density and activity created by this District assists in addressing public safety issues within the community by putting extra "eyes on the park." It is expected that the redevelopment of Parkfront Residential properties will be well-executed, mixed-use developments that will:

- Embrace the objectives of the City of Newark
- Create structures that compliments the area and increase the quality of living & housing in the South Ward
- Deliver a high-quality development in terms of building design and materials

This 38,500 sf lot, near one of Newark's busiest main corridors, is zoned as a Redevelopment & Special District (RDV-SD) Zone allowing maximum building height of 8 stories and 96 feet.

As managing partner, the Newark Land Bank, will negotiate a memorandum of agreement (MOA) with the awarded organization. With our partnership, NLB will: (1)

provide the assembled property for the project site, (2) expedite the permitting approval process, (3) provide a tax-exemption on the cost of construction materials (Federal Tax ID documents will be provided), (4) obtain a Payment in Lieu of Taxes (PILOT) for the project, (5) assist with project financial modeling and, (6) NLB has already acquired a Phase 1 environmental report.

The offered joint venture agreement to the selected developer will be structured with the acquisition cost being a discount of the appraised market value (See Appendix B), a share of the developer fee at 50/50 with Invest Newark and a share of the yearly net cash flow.

C. PRE-BID MEETING

There will be mandatory pre-bid meeting with a site walkthrough / question and answer session with the Real Estate Development team as follows:

Date: Tuesday, August 17, 2021

Time: 9:30 AM

Location: 673-687 South 16th Street, Newark, NJ

Participation at the Pre-Bid Meeting is **mandatory**, and is preferably limited to two (2) people per firm. The purpose of this meeting is to give bidders the opportunity to ask questions about the attached documents and to see the project site. If you are intending to send representatives to this meeting, please send a confirmation email to nlbinfo@investnewark.org by 3:00 PM on August 16, 2021.

Answers to Questions at the Pre-Bid meeting will be distributed to all bidders.

Further questions may also be submitted, by email, until the deadline for questions noted above. Questions will be answered by the appropriate individuals and answered within 2 business days. Questions and answers will be shared with all bidders

D. PROJECT SCHEDULE

Unless negotiated otherwise, submission of the full set of construction drawings shall be done and submitted for permit approvals within 6 months of the project being awarded. The project construction shall commence no later than 30 days after final plan approvals are obtained. Contractors shall submit a complete proposed construction schedule with their bid, confirming their ability to start construction on April 1, 2022 and confirming a substantial completion date.

E. EVALUATION AND SELECTION

All RFP submittals will be reviewed using the following evaluation and selection criteria:

By use of numerical and narrative scoring techniques, RFP submittals will be evaluated by the Invest Newark staff against the factors specified below. Shown in parentheses next to each criterion is the maximum number of points that can be awarded by the evaluator based on a 100-point scale.

A minimum score of 75 points must be obtained in order for a contractor to proceed to the final selection process.

1. RFP Application: Complete Package (10 points)
2. Proposed Scope of Work (20 points)
3. Experience over last 3yrs (20 points)
4. References and Past Clients (20 points)
5. Newark Resident / Business (10 points)
6. MWBE or Veteran Business (10 points)
7. Profit Offer Split Amount (10 points)

As part of the selection process for the most qualified applicants, Invest Newark may require finalists to interview to further explain their submittals. If such interviews are conducted, the presentations will also be factored into the final scores. However, applicants are advised that selection may be made without interviews or further

discussion. Invest Newark reserves the right to reject any or all submittals and to waive any irregularities or informalities in the submittals received. In the event of any such rejection, Invest Newark shall not be liable for any costs incurred by the applicant in connection with the preparation and submittal of the RFP.

G. SCOPE OF SERVICES

For the ground up construction at this site, some of the things needed to build your intended use are: a schematic design, site planning (existing structure demolition) & pre-development work by all necessary professionals. Your submission should include any preliminary sketches, floor plans or 3D renderings to "sell" your project. The design and workmanship of the construction needs to be of high quality to maximize the market. Finishes should be mid to high end with granite counters, hardwood or LVT flooring, tile in shower, backsplashes, LED light fixtures, four-piece stainless steel appliances, etc. The design should fit into the fabric of the neighborhood.

Contracts with all Developers shall include a provision to bind them to the terms set by NLB as applied to the employment of women and minority persons, the employment of residents of the City of Newark, the employment of apprentices and the use of Newark suppliers of construction equipment, supplies and materials.

The general contractor is required to be licensed by the State of New Jersey and will be responsible for all permitting costs (to be added to the budget). The property is to receive all inspection approvals, be completed in full and obtain a Certificate of Occupancy & Fire Inspection Certificate provided by the City of Newark.

H. PROPOSAL REQUIREMENTS

All proposals must be received in their entirety before 5pm on September 9, 2021. One (1) PDF copy shall be submitted via E-mail. All proposals should be made out to:

Invest Newark
111 Mulberry Street, Suite LL
Newark, NJ 07102
ATTN: Land Bank

RFP for Vacant Lot Development – South 16th & South 17th Street Development

Submission Requirements:

- **Development Team Information, Overview and Organizational Structure**

Submitters shall provide a company overview for each member of the proposed Development Team. Organizations must identify the lead Developer and the role of each member of the Development Team, as well as the proposed Project Manager and Project Architect.

Submitters shall provide an organizational chart and narrative description that identifies the proposed team structure clearly delineating relationships between the members. Summary qualifications of key Project staff should be included as well as a description of their role on this Project and relevant experience.

- **Past Performance**

Submitter's qualifications should demonstrate expertise, financial capacity and proven experience in the development of similar product types and public-private partnerships. Submitters must provide illustrative materials on three (3) recent projects of similar or comparable size and scope in the region over the past 5 years. Past Performance examples shall include at a minimum:

- a. Name / address / location of project
- b. Development team members including lead developer, project architect, general contractor, lender(s) and equity provider(s)
- c. References including names, addresses, telephone numbers and email addresses and a letter authorizing each reference to respond to

inquiries regarding the design, financing and development of the project as well as prior projects

- d. Site plan, photographs, project renderings
- e. Development scope
 - i. Land area (square feet)
 - ii. Square footage of buildings (broken down by product type)
 - iii. Project Cost & Schedule (start and finish date)
 - iv. Residential unit mix (market rate units and below market rate units)
 - v. Parking spaces and orientation (above grade structured, surface, below grade)
 - vi. Construction type (high rise, mid-rise, low rise)
- f. A list of any projects on which the Developer, its parent company, or any member of the Development Team has **defaulted or declared bankruptcy**, and an explanation of each default or bankruptcy.
- g. Detailed information regarding **any criminal indictments or felony convictions** of the Developer or any principal, officer, director, partner, member, manager or equivalent of any person or entity constituting a member of the Development Team.

- **Development Plan**

The Development Plan should demonstrate an understanding of the site's opportunities and constraints and the optimal mix of uses for the site. The Development Plan must include at a minimum, the following:

- a. Brief narrative description of the Submitter's vision for the Project
- b. How the Development Plan addresses each of the City's vision, goals and requirements addressed in Sections B of this RFP

- c. A phasing plan that indicates the sequence in which the site(s) will be developed
- d. Detailed description of the design / materials of the proposed building(s)
- e. Proforma

- **Site Plan and Renderings**

Submitters must submit a proposed conceptual site plan and/or building renderings.

- **Project Schedule**

Submitters must submit a Project schedule, detailing the duration (in number of months) and dates for key milestones beginning at initial selection through completion of construction and initial occupancy. Submitters must identify the anticipated time required for each governmental approval. The Project Schedule must address at a minimum, the following:

- a. Local governmental approvals and actions (zoning, design review, etc.)
- b. Schematic design, design development and construction drawing preparation and approval
- c. Permitting process
- d. Project construction period
- e. Completion and initial occupancy

- **Financials**

Submitters shall provide their anticipated sources of Project financing. Anticipated financing costs, discussion of the risks and benefits of the proposed structure, and how it is the most advantageous to the City shall also be addressed.

- a. Historical Financials - Copies of Developer's audited financial statements or tax returns for the past three fiscal years.
- b. Financial Qualifications - Statements regarding the Developer's financial creditworthiness and past development experience which can be verified, including the names and addresses of at least three (3) commercial or institutional credit references and a letter authorizing each credit reference to respond to inquiries from the City of Newark. At least two (2) of the references should be lending institutions.

- **Insurance & Bonding**

Submitters must indicate the extent of insurance coverage which your firm carries to protect against liability & bonding capacity.

- Include the name of all carriers, policy numbers, loss runs and amounts of coverage. At a minimum, Invest Newark expects the Submitter and/or its consultants and subcontractors to be adequately insured in the areas of Worker's Compensation, general liability, property damage, automobile liability and professional liability.
- Include Bid Bond, Performance Bond; name and contact for the Surety

- **Additional Information**

- Each submitter is required to complete the attached '**Scope of Work' template** to provide their proposed bid contract value.
- The scope of work template shall also include a list of bidding contractor's major subcontractors with sub-contract values over five thousand dollars.
- Any other information to assist the NLB in its evaluation of the Proposal including a statement of why NLB should select the Developer and its Development Team.

I. STATEMENT OF NON-COMMITMENT

- Issuance of this RFP does not commit Invest Newark to award a contract or to pay costs incurred in the preparation of proposals responding to the RFP.
- Invest Newark reserves the right to reject any or all proposals and re-advertise.
- Invest Newark may reject any or all submissions as it deems in its best interest.
- Invest Newark reserves the right to waive any irregularities or technicalities when it deems the public interest will be served.
- The successful firm must enter into a contract with Invest Newark, which specifies requirements for indemnification, insurance, and other applicable policies.

J. QUESTIONS & ANSWERS

Applicants may submit questions and/or requests for further information no later than 5pm on August 31, 2021. Questions and/or requests for further information should be sent via email to nlbinfo@investnewark.org. All email correspondence should include the RFP name in the subject heading. All questions and responses will be shared with all developers that attended the Pre-Bid Meeting.

K. TENTATIVE SCHEDULE

RFP distribution:	August 2, 2021
Mandatory Pre-Bid Meeting:	August 17, 2021
Deadline for written questions:	August 31, 2021, 5:00pm
Proposals due:	September 9, 2021, 5:00 pm

L. APPENDICES

Appendix A: Site Plan

Appendix B: Appraisal Report

Appendix C: Environmental Report

Appendix D: Scope of Work Template

Appendix A: Site Plan

