



# REQUEST FOR PROPOSALS ADDENDUM

Request for Proposals Title:	Redevelopment of the ODOT Blocks
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## 1.0 PURPOSE OF THIS ADDENDUM

Prosper Portland is issuing this Addendum to the Redevelopment of the ODOT Blocks Request for Proposals (the “RFP”) to respond to questions we received about the RFP.

## 2.0 CLARIFICATION OF THE RFQ

The following provides the questions and answers received to date, including those asked at the optional pre-proposal meeting. Prosper Portland’s answers are in **bold blue** below.

1	<p>Q: Is it possible to get a list of firms who have downloaded this RFP?</p> <p><b>A: Yes. A copy of the firms who have downloaded this RFP is included as Attachment “A.” A copy of the sign-in sheet for the optional Pre-Proposal Meeting held on January 12, 2018 is included as Attachment “B.”</b></p>
2	<p>Q: Please advise if a Hotel use would be allowed and accepted as part of a mixed use development proposal included in a mixed use proposal with Industrial, Parking, Retail and Sales? If Hotel use is allowed would it be limited based on similar guidelines to Retail Sales and Service in terms of %?</p> <p><b>A: Hotels are considered a Retail Sales and Service use, and thus are limited to the same limitations of 5,000 sq. ft. maximum, or 12% of the site area.</b></p>
3	<p>Q: What are the “certain development standards” referenced in the description of the Ground Floor Industrial FAR Bonus? Are there other standards in addition to those described in CCPD 33.510.119C.3.b.(2), bullet point #3?</p> <p><b>A: “Certain development standards” are those standards related to Industrial Office described in CCPD 33.510.199.c.3.b.(2) Exceptions. These standards are:</b></p> <ul style="list-style-type: none"> <li>• <b>At least 33 percent or 5,000 square feet of floor area, whichever is more, of the ground floor of the building must be for Manufacturing and Production, Warehouse and Freight Movement, or Industrial Service uses;</b></li> <li>• <b>The minimum floor to ceiling height on the ground floor must be 20 feet; and</b></li> <li>• <b>The ground floor must include at least one loading door or entrance that serves the industrial space. If more than one industrial space is created then each space must have at least one loading door or entrance, or must have access to a shared loading door or entrance in a common area accessible from each industrial spaces located on the ground floor.</b></li> </ul>
4	<p>Q: The timing on page 4 references construction commencement by early 2019, while the timing on page 15 (C.4) references start of construction prior to the end of 2018. Does</p>

	<p>Prosper Portland have a specific timing requirement for this project, or are you looking for project teams to propose timing based on their experience with predevelopment processes, financing and City of Portland entitlements?</p> <p><b>A: The timing on page 4 is correct: the goal is for the project to commence construction by early 2019. See Section 3.0 of this Addendum below.</b></p>
5	<p>Q: Is the BOLI Prevailing Wage requirement outlined on page 12 required even without public subsidy, or is this condition tied to a specific public funding threshold or type?</p> <p><b>A: BOLI Prevailing Wage requirements apply when the public contribution is greater than \$750,000, including land value. Please refer to ORS 279C.800-870 (link provided in RFP page 12.)</b></p>
6	<p>Q: Given there are three parcels, if each parcel was a separate transaction, and one parcel was sold at market rate, and the other two parcels at a discount, would BOLI apply to all three parcels or only the two parcels that were sold at a discount?</p> <p><b>A: If there are multiple parcels in a publicly supported development project, it is potentially possible, <u>but unlikely</u>, that the project could be restructured into separate projects that might be sufficiently legally discrete for prevailing wage rules to not apply to one or more of the separate projects. In general, however, such discrete projects cannot avoid the application of prevailing wage rules if they are planned, reviewed, financed or structured as a master planned development, if any of that master plan includes, directly or indirectly, \$750,000.00 or more public investment, or includes a public entity holding a 25 percent or greater tenant interest.</b></p> <p><b>If the parcels are to be successfully split into discrete projects for purposes of prevailing wage applicability, any financial or legal structures that uses a private entity as an alter ego of a public entity (even in the separation of the parcels) would also be subject to the \$750k and 25% tenant interest limitations.</b></p> <p><b>If there were a desire to split the parcels into discrete projects for purposes of prevailing wage applicability, the structure would have to be carefully planned at the front end, and we would still likely seek a BOLI determination on the issue, in order to avoid serious financial liabilities that can be imposed for failure to properly apply prevailing wage rules when required.</b></p>
7	<p>Q: What is the maximum amount of industrial office space allowed on all three sites?</p> <p><b>A: Updates to the IG1 zone are anticipated to go into effect June 2018. New standards, outlined in 33.510.119.C.3.b.(2), include an allowance for Industrial Office in an amount up to four times the total square footage of the site when specific standards are met. Those standards are found in the CC2035 draft code (link provided in RFP page 7) and listed in the answer to question 3 above.</b></p>
8	<p>Q: Are the blocks that ODOT has retained already subdivided?</p> <p><b>A: Yes. Property Line Adjustments to divide the ODOT retained portions from the Prosper Portland acquired portions were completed in 2016.</b></p>
9	<p>Q: Is ODOT open to leasing their properties?</p> <p><b>A: Questions regarding the ODOT owned parcels should be directed to Lisa Lightcap, ODOT, 503-731-8437.</b></p>
10	<p>Q: Parking, whatever is retained for Prosper Portland's public uses, would that parking be made available for use by businesses in the area?</p> <p><b>A: The Prosper Portland retained parking is intended to be public parking. Prosper</b></p>

	<b>Portland’s priority in providing public parking is to provide parking for CEIC businesses and tenants (eg monthly parking) with hourly/daily users being secondary users.</b>
11	Q: Any interest, requirement, prohibition for electric charging stations? A: <b>There are no requirements or prohibition for electric charging stations.</b>
12	Q: Is there a minimum quantity for public parking? A: <b>There is no minimum quantity for public parking.</b>
13	Q: Has a parking analysis been done? A: <b>Prosper Portland completed preliminary parking studies a few years ago. The Central Eastside Industrial Council has the most recent information regarding parking needs for the district. In addition, parking analyses were completed as part of the SE Quadrant Plan process. Information can be found here: <a href="https://www.portlandoregon.gov/bps/62131">https://www.portlandoregon.gov/bps/62131</a>.</b>
14	Q: Is there a link to the DEQ report? Does the report only focus on sites owned by Prosper Portland? A: <b>DEQ report information is available, as Attachments 3, 4, and 5 to the RFP – see the links on page 17. These reports focus on the Prosper Portland owned properties.</b>
15	Q: What is the zoning for the site? A: <b>The site is zoned IG1 – General Industrial.</b>
16	Q: What are the outright allowed uses? A: <b>The uses allowed outright are the uses identified by Title 33, Planning and Zoning.</b>
17	Q: Are the total dimensions of the site available in a survey? A: <b>The ALTA Survey is available, as Attachment 6 to the RFP, and available via download (see the document link in the answer to question 14 above).</b>
18	Q: Would the City contemplate vacating the rights to the right-of-ways for Salmon and Main? A: <b>Vacating the rights-of-ways for Salmon and Main will require input and approval from multiple City bureaus. ODOT owns the adjacent west parcels and any vacation of streets would also be subject to their input given access needs to their parcels. The CC2035 documents (links provided in RFP) provide information on the transportation designations and access needs for these streets.</b>
19	Q: What is Prosper Portland’s Green Building requirement? A: <b>The property will be subject to the Green Building standard in effect at the time any disposition agreement is signed. The current policy requirement for Commercial /Mixed-Use Buildings greater than or equal to fifty thousand square feet is US Green Building Council’s Leadership in Energy and Environmental Design (LEED) Gold. All current policy requirements can be found in Attachment 10 to the RFP (same link as above).</b>
20	Q: Is Industrial Office use for the ODOT blocks the combined blocks land square feet X 4:1 (assuming 3:1 + 1:1 bonus) or is there a maximum limit of 60,000 sf of Industrial Office for the entire development site? Thinking that the 60,000 max in the exceptions may apply only to sites smaller than 20,000 sf, but would like a clarification on this. A: <b>The ODOT blocks are 34,809 SF (North), 34,862 SF (Center) and 25,601 SF (South) in size. Updates to the IG1 zone are anticipated to go into effect June 2018. New standards, outlined in 33.510.119.C.3.b.(2), indicate allowances and prohibitions for sites 20,000 SF or less in size and allowances for all other sites.</b>
21	Q: Was an appraisal completed for the project? A: <b>An appraisal was completed in February 2015 for the acquisition of the property.</b>

	<b>The site was valued, at that time, in as-is condition, at \$2.8M. Any disposition of the property will require an updated appraisal.</b>
22	Q: Is the tree on the North parcel required to be retained? A: <b>Per City of Portland Title 11. 50.040, development projects in the IG1 zone are exempt from the Tree Preservation Standards.</b>
23	Q: Are the parcels in an underground power district? A: <b>No. Descriptions of designated Underground Wiring Districts can be found in Chapter 17.60 of the City Code.</b>
24	Q: What is the current number of parking spots provided on the parcels? A: The current number of parking spots provided on the parcels are: North Parcel: 73 spaces; Center Parcel: 80 spaces; South Parcel: 80 spaces.

### 3.0 CHANGES TO THE RFP

To correct a typographical error in Section 8. Evaluation Criteria, the timeline listed in Section 8.C.4 is changed to be consistent with the remainder of the document. This change is as follows:

4. Project schedule: Due diligence period, anticipated date of property conveyance, date or start of project construction (**early 2019** ~~prior to end of 2018~~), and date of project completion.

### 4.0 GENERAL INSTRUCTIONS

This Addendum constitutes an integral part of the RFP and is to be read in conjunction with the RFP. Unless specifically changed by this Addendum, all other requirements and provisions of the RFP remain unchanged. Capitalized terms used in this Addendum without definition have the same meaning ascribed to those terms in the RFP. It is the responsibility of all Proposers to read this Addendum and modify their proposals accordingly.