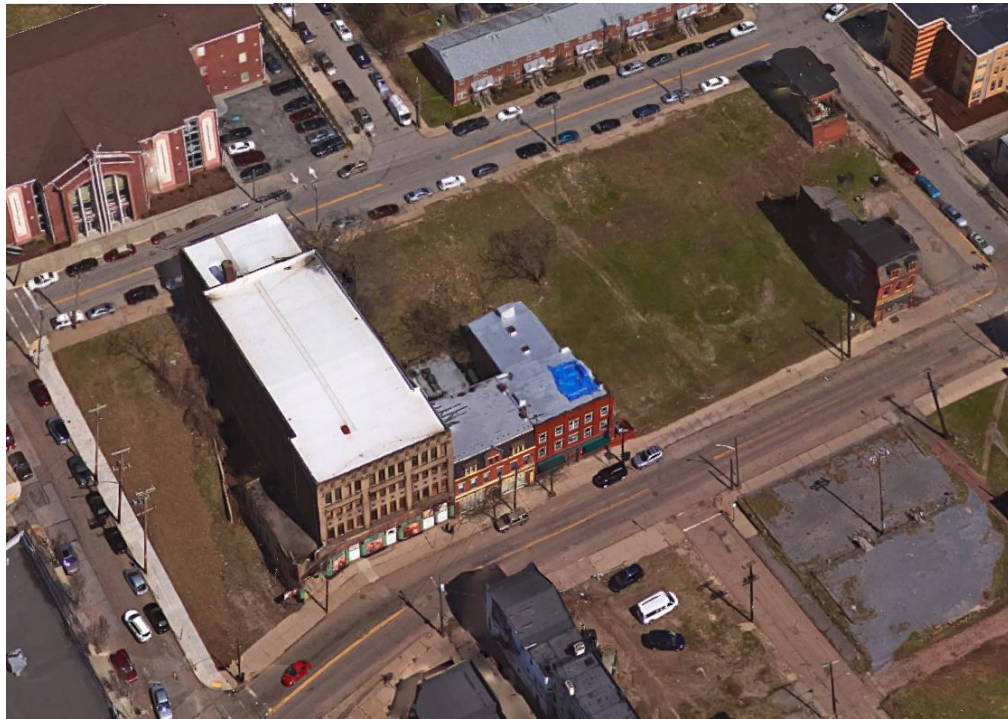




**REQUEST FOR REDEVELOPMENT PROPOSALS (RFP)
NEW GRANADA SQUARE DEVELOPMENT
COMMERCIAL LAND AND HISTORIC PROPERTIES
IN THE 2000 BLOCK OF CENTRE AVENUE
HILL DISTRICT NEIGHBORHOOD IN THE CITY OF PITTSBURGH**

Updated RFP Issued August 12, 2016.



I. INTRODUCTION

The Hill District Community Development Corporation (“Hill CDC”), in conjunction with the Urban Redevelopment Authority of Pittsburgh (“URA”), is seeking proposals for the redevelopment of the 2000 block of Centre Avenue and the restoration of the historic New Granada Theater (“Theater”). This project is the centerpiece of a redevelopment effort designed to help spur the revitalization of Centre Avenue surrounding the Theater and remaining business district.

The Hill CDC is a Pennsylvania non-profit corporation whose mission includes the planning, construction and rehabilitation of housing units, commercial development and comprehensive community development services in Pittsburgh’s Hill District.

Incorporated in 1946, The URA is the City of Pittsburgh’s economic development agency committed to creating jobs, expanding the City’s tax base and improving the vitality of businesses and neighborhoods. The agency achieves this mission by assembling, preparing and conveying sites for major mixed-use developments and by providing suitable financing. The URA is a redevelopment authority and is governed under redevelopment law in the disposition of parcels that it owns.

About the New Granada Theater

The New Granada Theater is an icon representing the rich cultural heritage of Pittsburgh, Pennsylvania. Originally constructed in 1928 as the Pythian Temple, the four-story masonry structure with Art-Deco detailing was designed by one of America’s early African American architects, Louis Bellinger (1891-1946).

During its most celebrated days, the Theater and its famous second floor New Savoy Ballroom were fixtures in the jazz culture. Some of the jazz world’s most important musicians such as Count Basie, Cab Calloway, Ella Fitzgerald, Charlie Parker, and many other icons played the New Granada Theater. In fact, Duke Ellington was proclaimed the “King of Jazz” during a national radio broadcast from the Theater. In 1934, Louis Armstrong led a benefit at the site after floods devastated Pittsburgh.

The New Granada was a ‘required’ stop for jazz aficionados as they traveled between New York and Chicago. Through the decades, the Theater has served many roles; it closed permanently in the late 70s. Concern that this architectural and cultural asset would fall victim to the wrecking ball spurred the Hill CDC to purchase the building in the early 90s.

The Hill CDC has made significant strides in pre-development of the project. The Theater has undergone \$1.2 million in stabilization and predevelopment work. This includes a new roof, removal of internal debris, new roof drainage system, market analysis, and re-use planning, among other predevelopment efforts.

Goal of RFP

In response to the Greater Hill District Master Plan and Centre Avenue Redevelopment Design Plan, the Hill CDC, owner of the Theater, is seeking to partner with a redeveloper and/or redevelopment team (“Developer”) to submit proposals for redevelopment of selected parcels in the 2000 block of Centre Avenue. The goal is to develop the block as a cultural / commercial / residential site, catalyzing the rebirth of the Hill District and Centre Avenue, through the reflection of cultural history and current destination opportunity.

The 2000 block of Centre Avenue, along with Wylie Avenue, Devilliers and Erin Streets, are considered to be New Granada Square (“Square”). The Theater, which is listed on the National Register of Historic Places and also has City of Pittsburgh historic structure designation,* anchors the development site. The Hill CDC owns the Theater, 2015-17 Centre

Avenue (parcel 10-N-265), and two vacant lots in the Square. Additionally, the Hill CDC has an option agreement with private owners on three additional parcels. The URA owns 17 parcels, for which the Hill CDC has exclusive negotiations (see “Property Description” below).

The Hill CDC desires to partner with a Developer for the proposed mixed-use Square as ‘The Shops and Residences at New Granada Square’, a development consisting of:

- 1) restoration and preservation of the Theater, including 40,000 gross square feet of cultural and commercial space;
- 2) mixed-income rental housing units for current residents, emerging artists, entrepreneurs, and urban professionals; and
- 3) approximately 7,200 square feet of ground floor retail as a component of the new construction in the block.

*Review and approval will be needed by the Pittsburgh Historic Review Commission. Additionally, the site is subject to a historic preservation covenant approved by the Pennsylvania Historical and Museum Commission (PHMC). The site should be maintained and preserved in accordance with the Secretary of the Interior’s *Standards for the Treatment of Historic Properties*.

Partnership and Equity Position of Hill CDC

The Hill CDC is seeking a strategic development partner for this development. The Hill CDC owns the New Granada Theater clear and free of debt, liens or other obligations. The Hill CDC has also secured site-control for the development site. Competitive proposals should include a proposed equity stake in the subsequent development commensurate with the property’s value, predevelopment and additional anticipated contributions. Respondents should include additional interest in the fully developed property in the form of a developer fee and residual income.

General Information

Neighborhood:	Hill District
Ward	5
Council District:	6
Councilperson:	Councilman R. Daniel Lavelle
District Zoning:	Local Neighborhood Commercial (LNC)*

* The zoning for the site is **Local Neighborhood Commercial (LNC)**, section 904.02 in the City of Pittsburgh Zoning Code. Please refer to the Pittsburgh Zoning Code website for more information. <http://pittsburghpa.gov/dcp/zoning/>

Property Description

The following parcels are available for redevelopment:

Owner	Street Address/Building Name	Block/Lot Number
URA	2001 Centre Avenue	10-N-255
URA	2000 Wylie Avenue	10-N-257
URA	2004 Wylie Avenue	10-N-258
URA	2002 Wylie Avenue	10-N-258-OA
URA	2016 Wylie Avenue	10-N-267
URA	2023 Centre Avenue	10-N-268
URA	2025 Centre Avenue	10-N-269
URA	2027 Centre Avenue	10-N-270
URA	2031 Centre Avenue	10-N-274
URA	2032 Wylie Avenue	10-N-275
URA	2036 Wylie Avenue	10-N-276
URA	2033 Centre Avenue	10-N-278
URA	2035 Centre Avenue	10-N-279
URA	2038 Wylie Avenue	10-N-280
URA	2041 Centre Avenue	10-N-287
URA	5 Erin Street	10-N-289
URA	0 Erin Street	10-N-290
Hill CDC	2005 Centre Avenue	10-N-260
Hill CDC	2006 Wylie Avenue	10-N-259
Hill CDC	2007 Centre Avenue (New Granada Theater)	10-N-261
Hill CDC	2015 Centre Avenue	10-N-265
Hill CDC	2029 Centre Avenue	10-N-273
Hill CDC Purchase Option	2042 Wylie Avenue	10-N-282
Hill CDC Purchase Option	2044 Wylie Avenue	10-N-283

Refer to Exhibit "B" for a Map of the available parcels of the New Granada Theater Square block.

RFP Timeline

Tasks

Notes / Click on link to fill in form.

Rolling RFP Issue Date:

August 12, 2016

Submit Questions:

Click here: <http://bit.ly/newgranadaquestions>

Request Tour:

Click here: <http://bit.ly/newgranadatour>

Proposals will be reviewed and considered in the *order of receipt*.

Neighborhood Market Conditions

In May 2016, the Greater Hill District Housing Strategy will be released. Randall Gross Development Economics has been working with a Steering Committee of community organizations, the URA, the City of Pittsburgh Housing Authority, and the City of Pittsburgh Department of City Planning. The strategy's goal is to get a better understanding of the demand for housing in the Greater Hill District in order to help guide investment strategies and provide for diverse patterns of housing occupancy throughout the neighborhood, while sustaining and benefitting current residents.

This Hill District Housing Strategy parallels with the work of the City of Pittsburgh Affordable Housing Task Force. This effort is evaluating programs and initiatives to produce affordable units and preserve existing ones. This will be accomplished by making recommendations to the Mayor and City Council to create new programs and initiatives to promote mixed-income development in neighborhoods across the City. Information will be presented in early 2016.

In 2014, The Hill CDC commissioned and received a cultural market study, a commercial market study, space utilization and feasibility study, and a housing study for the redevelopment project. The Middle Hill District has Centre Avenue as its most central and viable commercial artery. The corridor is the subject of a recently commissioned placemaking study and strategy. The Centre Avenue Redevelopment and Design Plan, located at <http://www.hilldistrict.org/centreave>, calls for street level retail, additional housing, plaza development, destination planning, entertainment venue development and operations, arts development, recreation, office and service business development, and infill development. The Plan identified New Granada Square as a catalytic project for the corridor.

The Hill District has 11,000 residents with workers commuting to other parts of Allegheny County for employment. However, increasingly with some of the new developments in the area, the Hill District is being viewed as a place of employment and commerce.

Centre Heldman Plaza, a new shopping center developed by the Hill House EDC, is anchored by Shop' n Save grocery store. Several other retail offerings such as Crazy Mocha, Subway, Dollar Bank and Farmers Insurance are either open, or will be opening soon, partly serving the need for sundries, restaurants and apparel.

Designed with resident input, the neighborhood has a Carnegie Library at the intersection of Centre Avenue and Kirkpatrick Street. The library has special reading areas, computer access and a significant African-American literature collection.

Other notable developments includes Fifth Third bank (2009) and the Elsie Hillman Auditorium at Kaufmann Center (2011). In 2012, the YMCA opened a newly constructed, state of the art, \$13 million, 43,000 square foot facility known as the Thelma Lovette YMCA. Named after a promising young native college student that was a victim of gun violence, the Jeron X. Grayson Community Center on Enoch Street opened in 2014. Founded by Jeron's family, the center offers after-school programming and broadly-used community and event space.

Skyline Terrace and Addison are both new townhome style, residential developments featuring market rate and subsidized housing. These residential developments are the replacement for traditional-style public housing. Located in the Lower Hill, the \$40+ million Energy Innovation Center represents both small business, and job training opportunities. The Energy Innovation Center is close in proximity to the project site for New Granada Square.

Freedom Corner, an iconic symbol of Pittsburgh's Civil Rights movement and memorial for civil rights figures welcomes visitors to the Middle Hill District, and is only blocks from New Granada Square.

The Crawford Grill was one of the most revered small jazz club venues in the country where John Coltrane and Art Blakey led bands. A group of nonprofits and investors, which include former Pittsburgh Steeler Franco Harris, are the owners. Their project is in pre-development stages for reopening the venue.

In the Lower Hill, the Pittsburgh Penguins' redevelopment of the former Civic Arena site is intended to feature 1200 units of housing, over 300,000 square feet of commercial space and a destination theme, 632,000 square feet of office, 150 hotel rooms, 2,457 structured parking, 2.8 parks space and 3.1 acres of open space. This economic infusion is five blocks from the proposed New Granada Square. The Pittsburgh Penguins, City of Pittsburgh, Allegheny County and Hill District community have agreed to ensure that the Lower Hill District project will benefit the broader Hill District community. The Community Collaboration and Implementation Plan (CCIP) is the agreement related to this project and can be found at www.hilldistrict.org/ccip. Responders may review the CCIP to understand how the values of the community's master plan can be reflected in site-specific redevelopment.

All of the activity mentioned above has created the opportunity to develop the New Granada Square as a mixed use cultural / commercial / residential site.

Community Process

Selected Developer(s) are expected to present plans to the community as part of the development process. The Developer will work through and with the Hill District Development Review Panel, for presentations and approval of their development plans. The Hill CDC will recuse itself from community approval processes, as appropriate, and will participate as part of the Developer/owner group and community partner.

The Developer will present the selected project to the URA Board for consideration and will require other review by URA staff. The URA Board must approve any and all Developers who purchase URA property.

II. PROPOSAL REQUIREMENTS

Proposals should be of a mixed-use development, consisting of commercial, residential, and cultural elements. A master development plan for the entire block is encouraged. The restoration of the Theater is key to development proposals, however, a proposal cannot be submitted solely for the Theater. The Developer will need to take on a selected combination of the available parcels, including that of the Theater, or all of the available parcels.

The Hill CDC and URA reserve the right to award one, or a combination of parcels, to multiple Developers; as well as award all available parcels to a sole Developer. The Hill CDC and URA also reserve the option to decline any or all submissions for any reason at their sole discretion. Strong preference will be given to proposals that address the entire block. Proposals that only focus on URA-owned parcels will not be considered.

The Hill CDC is seeking to partner with an experienced and relevant Developer on this project. Proposals should demonstrate the capacity and creativity of the Developer to transform the property by following high development standards and presenting the best economically viable project(s) for the City, Hill CDC and Hill District. It is pertinent that all federal, state and local historic guidelines are incorporated into the preservation of the Theater building. The Developer will be required to coordinate design and construction with the URA to ensure that the proposed renovation complements the neighborhood's and City's revitalization goals.

The Developer would have primary responsibility for the real estate development construction phase and regulatory compliance aspects of the Project, and would be expected to perform these services in accordance with the policies and principles set forth in the Greater Hill District Master Plan and Centre Avenue Redevelopment and Design Plan. It is expected that proposals will include the appropriate scale of development for the Hill District neighborhood.

Submission Requirements

All responses must include the RFP Summary Page, which can be found at the end of this document, as the cover page of the proposal package.

Proposals should not exceed 15 double-sided pages – a maximum of 50 double-sided pages with Exhibits. The Developer should submit eight (8) hard copies printed to double sides with one (1) electronic copy in PDF format on a flash drive. One (1) copy of Developer's Financial Statement should be submitted in a separate sealed envelope and is returnable upon request. Please ensure that your exhibits and attachments are pertinent and responsive directly to the requirements of the RFP. Succinct or shorter proposals that are complete will be welcomed.

The Developer's entire proposal package should be sent to:

New Granada Square RFP Review Team
Hill Community Development Corporation
2015 - 2017 Centre Ave
2nd Floor
Pittsburgh, PA 15219
412-765-1820

Proposal Format

The following Proposal Requirements will serve to establish a Developer's overall capacity to complete this project. The proposal should be tabbed based on the following Proposal Requirements outline.

1. RFP Summary Page
2. Project Narrative – Please be brief and to the point.
 - a.) Project Description – specific use, number of units (for residential) and/or commercial square feet (for retail, office). For the residential portion of the project, at least 30% of the units should be affordable to low income residents
 - b.) Parking - parking required by district zoning in relation to the parking necessary to meet the project demands. Offsite parking proposals will be considered if they conform to the City of Pittsburgh Zoning Code. Additional parking concepts can be found in the Centre Avenue Redevelopment and Design Plan.
 - c.) Community engagement plan – general approach and how the project addresses concerns outlined by the community
 - d.) Economic and community impacts – estimated tax generation, job creation, tourism or other factors that can be measured
 - e.) Sustainability goals – performance measures or industry standards that will be used to assess the sustainability of the project
 - f.) Minority/Women Owned Business Enterprise plan – strategy to maximize M/WBE participation and projected goals (See “Exhibit C”)
 - g.) Ownership entity (single owner, partnership, LLC) - ability to finance the costs associated with project including previous experience in attracting equity investors and fundraising
 - h.) Development entity – project management plan and role of each development partner in the implementation of the development plan
3. Schematic Drawings of the Proposed Project (Exhibits)
 - a.) Site plan
 - b.) Elevations
 - c.) Illustrative Rendering
 - d.) Phased plan, if applicable, with first phase clearly identified
4. Budgets (Exhibits)
 - a.) There is no commitment by the URA to provide subsidy for this project. Proposals must take this into consideration
 - b.) For those that comply with applicable standards, there may be tax incentives to the purchaser who rehabilitates the site
 - c.) Financing sources with funding gaps identified
 - d.) Project uses including Developer's offer as well as projected hard and soft costs
 - e.) Proforma including all anticipated operational and maintenance costs
 - f.) Partnership and Equity Position
 - i. Outline proposed equity position of the Hill CDC for their contributions to development team, including but not limited to land, building and predevelopment.
 - ii. Outline development fee for the Hill CDC
 - g.) Phased sources and uses, if applicable, with first phase clearly identified
 - h.) Completion of a Project Sources and Uses of Funds Template
5. Proposed Development Timeline – (from the time the property is awarded) (Exhibits)

- a.) Schedule that identifies the duration of key tasks (i.e. due diligence, conceptual design, design development, permitting, final design, contract award, construction, etc.) and indicates major milestones
 - b.) Phased development timeline, if applicable, with first phase clearly identified
6. Financial Capacity (Exhibits)
- a.) Description of ability to finance the costs associated with project (with or without historic tax credits)
 - b.) Joint venture, general, or limited partners, and percentage of interest
 - c.) Statement of Equity Contribution with source identified
 - d.) Letters of Interest or references from lending institutions, if applicable
 - e.) Letters of Interest from potential tenants, if applicable
 - f.) Explanation of Developer's experience with tax credits and other leveraged financing and how they will be used as part of this project; Include an estimate of any public financing for building or site related improvements, you intend to seek.
 - g.) Developer's financial statements (under separate cover)
7. Relevant Development Experience (Exhibits)
- a.) Resumes or biographies of the proposed development team
 - b.) Fact sheets for similar projects (images, date, location, concept, funding sources, current vacancy rates)
 - c.) Press clippings that include project narratives to describe previous work

III. SELECTION PROCESS

The Hill CDC's and URA's intention is to enter into an exclusive negotiation period with the selected Developer. The exclusive negotiation period will provide the Developer sufficient time to complete due diligence activities necessary to define a scope of work and schedule that will ultimately become part of a formal Disposition Contract with the URA, and partnership agreement with the Hill CDC. Terms of partnership and subsequent agreement with the Hill CDC will be negotiated with shortlisted Developers only.

A Developer may be selected based on, but not limited to, the following criteria:

1. Experience completing similar redevelopment projects in an urban neighborhood that include historic preservation and cultural placemaking;
2. Capacity to attract and secure financing, including affordable housing component (LIHTC) with a minimum amount of public subsidy; New Market Tax Credits etc.
3. Commitment to Minority/Women Owned Business Enterprise participation;
4. Ability to assemble a team with the appropriate specialties;
5. Appropriateness of proposed plan with RFP goals and scale of development;
6. Experience with community engagement;
7. Commitment to sustainable design standards;
8. Letters of interest from banks and/or potential tenants; and
9. Offer on subject property.
10. Competitiveness of equity position and developer fees for Hill CDC; and decision making model that honors partnership agreement.

The Developer is responsible for designing a project that meets the zoning regulations and building codes adopted by the City of Pittsburgh and is otherwise compliant with the law.

A Developer will be recommended to the URA Board based on the overall quality of the proposed project. The evaluation of the Developer's qualifications, experience and capacity will be based upon information submitted in the proposal and presented during the interview by the Developer.

The Hill CDC and the URA reserve the right to verify the accuracy of all information submitted. After both have completed its evaluation of the submittals, a Developer who is placed on the short-list may be asked to interview with the Hill CDC and the URA. However, a short-listed proposal may be accepted without the need for an interview. If an interview is deemed necessary, the Developer will be provided with a time that is determined by Hill CDC and the URA.

The URA approved the release of this RFP at its January 14, 2016 Board of Directors Meeting. A Memorandum of Agreement (MOA) was signed on March 28, 2016 by the URA and Hill CDC stating the partnership for the development of the Project. The MOU will be provided to respondents

IV. DISPOSITION PROCESS OVERVIEW

For URA owned properties, the disposition process is based on the declarations within the Urban Redevelopment Law, 35 P.S. § 1701 et. seq. The Developer must enter into a Disposition Contract (i.e. Redevelopment 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, 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.

As part of the process, the URA will review the Opinion of Probable Cost and project drawings against the evidence of financing to determine if the information presented is reasonable and corresponds to a fully realized project. The URA will not close on a property until all the terms of the disposition process are fulfilled. Click [here](#) to access the Disposition Process.

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 the 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.

V. LEGAL INFORMATION

1. Prior to submitting a proposal, a Developer is strongly encouraged to attend the tours and submit questions which provides an opportunity to inspect the property.
2. The property will be offered to the selected Developer in "AS-IS" condition.
3. The sale of the property does not guarantee or warrant demolition permits, building permits, zoning variances, or financial viability.
4. The Developer, for itself and its employees, contractors, and primary subcontractors, agrees not to discriminate against or segregate any person or group of persons on any unlawful basis in the construction, sale, transfer, use, occupancy, tenure or enjoyment of the property or any improvements erected or to be erected thereon, or any part thereof.

5. The URA shall be the sole judge as to which proposal best meets the selection criteria. The URA reserves the right to reject any or all proposals received, to waive any informalities or irregularities in any submitted proposal, and to negotiate scope and proposal prices.
6. Responses to the RFP will not be opened publicly.
7. Proposals may be withdrawn by written notice received by the Hill CDC before the time and date set for receipt of proposals. After the submission date, a proposal may not be withdrawn for a period of 60 days, except by mutual consent between the Hill CDC and the respondent.
8. It is the Developer's sole responsibility to read and interpret this RFP and the written instructions contained herein. A respondent may correct errors and omissions discovered before the time set for receipt of proposals by withdrawing the original proposal and resubmitting a new proposal before the date and time set for the receipt of proposal. Errors and omissions may not be corrected after the submission date except when the Hill CDC and URA decides, in its sole discretion, to allow the correction.
9. This RFP is submitted subject to errors, omissions, and/or withdrawal without notice by the URA at any time.
10. The Developer is encouraged to confer with the Hill CDC prior to submitting their response. All proposals, including attachments, supplementary materials, addenda, etc. shall become the property of the Hill CDC and will not be returned.
11. Addenda will be posted on the Hill CDC and URA website and distributed via the [Developer Mailing List](#). All such addenda shall become part of the RFP documents and all respondents shall be bound by such addenda, whether or not received by the respondents.

VI. EXHIBITS

- A. Map
- B. [M/WBE Policy/Plan](#)
- C. [Project Sources and Uses of Funds Template](#)

VII. SUPPLEMENTAL INFORMATION

HILL DISTRICT RESOURCES

The Hill CDC has conducted extensive research and information gathering on the redevelopment of the Theater to date, and this information will be shared with the selected Developer. Developers are encouraged to reference these documents in the proposals.

- [Greater Hill District Master Plan \(2011\)](#)
- [Hill District Vacant Property Strategy \(2013\)](#)
- [Centre Avenue Redevelopment and Design Plan \(2015\)](#)
- [Lower Hill District Community Collaboration and Implementation Plan \(2014\)](#)
- [PGH SNAP](#)

RFP SUMMARY PAGE
THE NEW GRANADA THEATER

Development Team	
Ownership Entity	
Primary Contact	
Address	
Phone	
E-mail	
Is lead Developer a certified MBE or WBE?	
Partner	
Architect	
Contractor	
Consultant(s)	
Is any of the development team based in Pittsburgh?	
Is any of the development team based in Pennsylvania?	
Is any of the development team a certified MBE/WBE?	
RFP Summary	
Acquisition Offer	
Total Estimated Project Cost	
Developer Equity	
Total Estimated Project Gap	
Complete all fields that apply.	
Total Residential Units	
Total Retail Square Footage	
Total Office Square Footage	
Other (please specify)	
Other (please specify)	
Other (please specify)	
Project Timeline	
Construction Start	
Construction Duration	

Exhibit "B"

Granada Theater Square Map

