

Request for Proposals
Community Alliance of Spring Garden – East Deutschtown “CASGED”

Purpose:

This Request for Proposal is to solicit and structure private and/or private-public partnerships for the development of residential properties controlled by CASGED. These properties are a combination of residential structures and vacant lots. Interested parties may respond with proposals for individual or multiple properties. Proposals should be consistent with the community's Comprehensive Neighborhood Plan, Gateway Master Plan and Chestnut Street Revitalization efforts. For more information about our plans, please visit www.ca-sged.org, and click the tab “Neighborhood”.

Who May Respond:

Any individual or company with credible development experience. Respondents will be required to demonstrate that they have the financial capacity to implement their proposal.

Issuing Agency:

CASGED is a grassroots community organization dedicated to improving the quality of life for its members by organizing and encouraging efforts to revitalize the residential and commercial districts; by leading and supporting greening and beautification efforts; and by providing or supporting events and programs that promote public safety, volunteerism and community pride.

Founded on April 17, 2008, then obtaining non-profit status in 2011, CASGED has been spearheading leadership and economic development initiatives for 10 years to two adjacent Pittsburgh neighborhoods: East Deutschtown and Spring Garden. CASGED has assembled a portfolio of real estate, and is now seeking qualified development partner(s) to implement the renovation and/or new construction of its real estate.

Response Due Date:

Proposals are due to the CASGED office by Tuesday, March 31, 2020, at 4:00 pm.** Five (5) hard copies and one (1) digital copy must be sent to:

Community Alliance of Spring Garden – East Deutschtown
St. Michael’s Church
1308 Spring Garden Ave
Pittsburgh, PA 15212
Attention: RFP Process

info@ca-sged.org Subject Line: Real Estate RFP

**If you are first seeing this RFP after the deadline has passed, please contact us at the above email address for an updated list of available properties.

Developer Selection:

Developer selection will be based on the evaluation of the proposal and interview. CASGED may select one or more developers, or it may decide not to select any developers at this time. CASGED’s Development Committee and Board of Directors will be involved in the selection process. Inquiries concerning this RFP should be directed to via email at info@ca-sged.org

Proposal Format

- 1. Cover Letter:** State your understanding of the goals for the project, your approach to meeting those goals, and a summary of your proposed program including identification of the parcels that you are interested in.
- 2. Development Proposal:** Prepare a brief narrative description of the key elements of your proposal. Include, at minimum, the following elements:
 - A. Conceptual site plan
 - B. Project Description including # of units, occupancy, # of bedrooms, square footage, and pricing levels
 - C. Project Budget including estimated soft and hard costs, proposed Sources and Sources Statement, and equity position. The budget should indicate a proposed purchase price for properties that will be acquired and developed independently of CASGED.
 - D. Proposed Timeline with benchmarks
- 3. Evidence of Financial Capacity:** Include evidence of financial capacity for the project team. This may include one or more of the following:
 - A. Balance Sheet or Personal Financial Statement for the company or principals
 - B. Copy of 2018 Tax Return
 - C. Copy of a bank or brokerage statement for company or principals
 - D. Commitment letter or line of credit from a lender
- 4. Project Organization and Staffing:** Summarize the qualifications of key personnel and/or development team assigned to this project. Include recent experience that is directly applicable to this project, a project organizational chart and resumes of the personnel assigned to the project. Also include information about any project partners that will have more than 20% interest in the development. If you have identified other vendors such as a general contractor or architect, you may wish to include information on these firms.
- 5. Related Experience:** Discuss your experience in developing real estate related. Before and after photographs, property addresses, list and selling prices, tenure of ownership, etc. are helpful.

Request for Real Estate Development Proposals Community Alliance of Spring Garden – East Deutschtown “CASGED”

Introduction & Location

The urban neighborhoods of East Deutschtown and Spring Garden are situated on the eastern end of the North Side of Pittsburgh. Northside is home to several regional institutions and attractions including: The Children’s Museum of Pittsburgh, Allegheny General Hospital, the National Aviary, the Carnegie Science Center, the Hazlett Theatre, and the Allegheny Branch of the Carnegie Library, Heinz Field and PNC Park.

More immediately, East Deutschtown and Spring Garden are home to several businesses and long-standing establishments that serve as anchors of our community. These attractions include the Sarah Heinz House, Teutonia Mannerchor, Penn Brewery, Wigle Whiskey, and Threadbare Cider House. East Deutschtown and Spring Garden are also the closest Northside neighborhoods to the Strip District and provide direct access to the Pittsburgh Three Rivers Heritage Trail network.

East Deutschtown and Spring Garden encompass the historical charm of Pittsburgh's turn of the century architecture. Within a few decades of the first Swiss immigrants’ arrival in the early 1800s, these neighborhoods were home to a vibrant mix of breweries, tanneries and the thriving Heinz Company headquarters. In the mid-1980's, however, PennDOT re-constructed the access routes to two major highways (Route 28 and I-279), which left our neighborhood cut off from its major business district (East Ohio Street). These highway alterations resulted in a dramatic decline in population and property values, followed by an increase in tax delinquencies, abandonment, code violations, substandard rentals and crime. Many community-oriented land uses such as parks, green space and gardens also were abandoned in response to the growing crime and vandalism.

Organization's Goals & Objectives

In 2008 concerned residents formed the “Community Alliance of Spring Garden & East Deutschtown” (CASGED), a non-profit community organization with a mission to stop the erosion and improve the quality of life for residents. CASGED spearheaded several public forums that engaged residents in identifying the issues and solving the problems that were hindering the health and safety of the neighborhood. The resulting community plans, set forth below, reveal a common resident-led vision and set the framework for responding to this RFP:

“Growth Plan” The Spring Garden and East Deutschtown Growth Plan includes illustrations that capture the vision and goals of the community, including housing and green space, and a Town Square. This process was led by Pashek Associates.

“Gateway Master Plan” Beautification and enhancement of the communities’ front door at the intersection of East Ohio and Route 28. Visible to more than 100,000 vehicles daily, this triangular-shaped tract of PennDOT-owned land sits at an intersection that serves as a Gateway into or out of the Northside, and happens to be one of the largest tracts of vacant land in the community. The intersection is heavily used by pedestrians crossing the 16th Street Bridge, the walkway over Route 28 (Chestnut Street Bridge), and the I279 underpass onto East Ohio Street. The Gateway Plan ventures to lessen the physical barrier built by PennDot in the 1980's when the construction of I279 cut-off these once vibrant city blocks from what now remains as the business district of East Ohio. This process was led by landscape architect Sarah Moore.



“Chestnut Street Revitalization”

A top priority identified in the 2011 Growth Plan was commercial revitalization. Chestnut Street and Spring Garden Ave. are the main commercial arteries, but the former had lost almost every business in the post-1980s deterioration. Funded by a \$10,000 Buhl Foundation grant, CASGED initiated a series of special community meetings in 2016 to discuss Chestnut Street revitalization. This process culminated in acquisition and development of the “Town Square,” a central green space at Chestnut and Tripoli, and in a community-wide vote in July 2017 to rezone the Chestnut corridor as a “Local Neighborhood Commercial” district.

Ten years into its activism, CASGED’s successes are visible. The momentum in the community’s economic revitalization and the sustainability of green space may appear to be sudden – with a marked increase in sales prices and renewed interest in rehabilitation of city-owned or vacant houses and lots – but it has been brewing for several years. CASGED hopes to build on the market momentum and spur development in the most dis-invested portions of the neighborhood. More importantly, CASGED is seeking to cultivate relationships and identify real estate development strategies to achieve the related goals in the community plans set forth above. Specific opportunities for growth:

- Increase the rate of homeownership
- Reinforce social and economic diversity
- Build on strengths of what exists in the neighborhood and allow for new housing types. Respect history, but allow for something new and innovative
- Maintain a level of affordability
- Address off-street parking, sidewalks and green space
- Public Safety

The Project

CASGED has acquired or is acquiring several residential structures and vacant lots through the City’s Land Reserve process, which forecloses on tax delinquent properties. CASGED targeted certain areas or streets with the intention of assembling a critical mass of properties for impactful redevelopment. CASGED is soliciting proposals from development partners and/or developers to design, develop and secure the highest and best adaptive re-use of these properties. This may include renovation, demolition and/or new-infill construction. Proposals may address one, all or a group of properties. CASGED is also willing to work with developers to assemble additional parcels.

The properties will be conveyed without any entitlements or warranty on the suitability of the property for redevelopment. It will be the responsibility of the selected developer(s) to undertake any necessary due diligence activities. Responses to the RFP should include a proposed acquisition price for the requested properties. The condition and potential for the properties varies significantly. Most structures are in poor condition, all are in need of complete rehabilitation. No assessment of any structural or environmental conditions has been completed for any of these properties. Access to the interiors will be arranged, if necessary.

Market Conditions

Market conditions vary significantly from block to block in both Deuschtown and Spring Garden. The developer is responsible for identifying market conditions and any other factors that may influence their ability to build, renovate or finance the project being proposed.

Property Information

The properties included in this RFP are grouped into 3 subsets, referencing their location from Chestnut Street: West of Chestnut; East of Chestnut; North of Chestnut. Chestnut Street and Spring Garden Avenue are centrally located, and serve as major thoroughfares into and out of the community. These subsets have no relation to markets or priorities. Please see the attached list of parcels which are under consideration in this RFP.

Being Sold As-Is

Properties are sold as-is. CASGED has never occupied the properties, and makes no representations or warranties, express or implied, or arising by operation of law, as to their condition. Buyer will release and hold harmless CASGED from any claims or actions regarding the property, further acknowledging that Buyer will accept properties solely in reliance on Buyer's own investigation.

Funding and Financial Resources

CASGED is expecting that proposed projects will leverage private financial resources to the maximum amount possible. To the extent that gap financing is required, CASGED will work with the selected developer and developers to secure such funding. CASGED has relationships with a number of organizations that provide this type of financing. Preference will be given to projects that maximize private financing. Proposals should indicate in the budget the amount, if any, of gap financing required.

Deal Structure

CASGED has not set specific parameters about the structure of the deal nor to its involvement or ownership in the project. In certain circumstances, CASGED would be willing to take on an ownership role. CASGED is willing to assist in the entitlement process to act as a community liaison.