



Mayor Byron W. Brown

BUFFALO BUILDING REUSE PROJECT



Hon. Byron W. Brown, Chair

REQUEST FOR PROPOSALS DOWNTOWN DEVELOPMENT PROJECTS

ISSUE DATE: January 31, 2013

**PROPOSAL SUBMISSION DEADLINE:
March 15, 2013
4:00 PM**

**FUNDING PROVIDED BY EMPIRE STATE DEVELOPMENT CORPORATION
ANDREW M. CUOMO, GOVERNOR
KENNETH ADAMS, PRESIDENT & CEO**



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BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP**

Table of Contents

Introduction and Background	Page 3
Proposal Rules	Page 6
Evaluation Criteria	Page 7
Application Award Process	Page 9
Proposal Cover Sheet	Page 10
Narrative Components of the Full Initial Proposal	Page 12
Procurement Lobbying Restrictions & Forms	Page 14

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

Downtown Development Project Proposals Introduction
and Submission Requirements

At the direction of Mayor Byron W. Brown and the Mayor's Office of Strategic Planning (OSP) and with funding provided by Empire State Development Corporation through the City-by-City Program, the Buffalo Urban Development Corporation (BUDC), is seeking proposals for downtown development projects located in the City of Buffalo's Buffalo Building Reuse Project investment area (see Exhibit A).

Introduction

Downtown Buffalo is the hub for business, culture, education, and entertainment in the Buffalo Niagara region. It is home to over 70,000 employees, 3,500 residents, and 1,100 businesses. Two Fortune 1000 companies are headquartered downtown, M&T Bank and Delaware North Companies.

In recent years, downtown has experienced a renewed interest by businesses, residents, and visitors. The terminus of the Erie Canal, once the dubbed the gateway to the west, is buzzing with activity again. Vacant historic buildings are being restored to their former grandeur. Jobs are being added by both new and existing downtown businesses and numerous public events and activities are driving more residents and visitors to rediscover downtown.

Buffalo's urban core offers a unique sense of place and strategic business address. The Central Business District boasts 6 national historic districts and 32 nationally registered buildings. Famous for its architecture, downtown features the works of Louis Sullivan, Richard Upjohn, Daniel Burnham, Carrère & Hastings, Rapp & Rapp, and Minoru Yamasaki.

Over the last 5 years, downtown Buffalo has witnessed more than \$1 billion in public and private development projects, with \$1 billion more announced or under construction in the next 5 years. This compliments just under \$100 million in streetscape and infrastructure projects that have recently been completed or are scheduled to get underway within the next few years.

There are several areas of development that are leading the revitalization efforts downtown. Canalside, a \$250 million mixed-use entertainment destination on Erie Canal Harbor, will reconnect downtown to the waterfront through cultural, entertainment, retail, commercial, and residential amenities. In 2012, there were 425 events and activities at Canalside attracting 400,000 residents and visitors. The number of events, attractions, and visitors is expected to grow as more programming and amenities are added in the coming years.

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

The Buffalo Niagara Medical Campus is a strategic investment area on the north side of downtown that is experiencing intensive development. The 120-acre campus is comprised of more than nine major institutions and more than 50 public and private companies focused on biomedical research, education, clinical practice, and entrepreneurship. Located on the northern end of downtown, the Buffalo Niagara Medical Campus sees over 1 million patients and visitors annually and has a \$1.5 billion impact. More than 12,000 professionals work on the medical campus and 6,000 expect to be added by 2017.

Along the eastern gateway to downtown sits another redevelopment project that is stimulating urban revitalization. Known as the Larkin District, this area of downtown has been transformed from an abandoned industrial district into a thriving urban village complete with a 34,000 sq. ft. public space for residents, visitors, and workers – Larkin Square. The Larkin District was recently recognized by the U.S. Environmental Protection Agency as a 2012 National Award for Smart Growth Achievement Honorable Mention in the category of Main Street or Corridor Revitalization. Attracting businesses like First Niagara Financial Group to anchor the Larkin District from the early stages is evidence that the downtown market is viable once again.

Downtown development activity is not limited to the commercial market. Over the past 5 years, approximately 1,000 residential units have been added with plans in place to reposition existing buildings to market-rate residential apartments. A recent residential market study projects that the downtown market will absorb 161-323 units annually for the next 5 years with 25% of the potential market coming from outside of the region.

Downtown offers a long list of amenities, including 8 live theaters, a cinema, galleries, more than 60 restaurants/bars and 50 retail stores. Adding to the vibrancy of downtown are the professional sports teams of the Buffalo Sabres (National Hockey League), Buffalo Bandits (National Lacrosse), and Buffalo Bisons (AAA baseball affiliate of the Toronto Blue Jays).

Background

The City of Buffalo (City) and BUDC have reserved up to \$1 million in “City-by-City” Funds provided by Empire State Development Corporation (ESDC) for projects that meet the guidelines and criteria contained in the Buffalo Building Reuse Project (BBRP) report (Exhibit A) with a particular focus on:

- Adaptive reuse of vacant or underutilized Class B & C commercial structures or new construction on vacant lots in strategic locations;
- Mixed-use projects with a significant proportion of residential units, and that include a storefront or first-floor retail use;
- Target investment areas within downtown – as identified within the Queen City Hub Plan (www.urbandesignproject.org) that will leverage existing residential developments or other anchor economic drivers to begin to create the critical

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

mass necessary to support new retail and other neighborhood services and amenities;

- Projects that are proximate or linked to public transit facilities and/or that provide opportunities for other sustainable transportation modes.

This Funding will be offered as one of two loan types:

1. Short-term bridge (Construction) financing, \$500,000 maximum loan, 36 month maximum loan term; for financing grants, tax credit equity or other take-out financing through construction;
2. Interest-only Interim Financing (“Mini-Perm”), \$750,000 maximum loan, 36 month maximum loan term; for financing projects through a lease-up and stabilization period.

**BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP**

Proposal Rules

Reservations

1. BUDC and the City reserve the right to accept or reject any or all proposals received;
2. BUDC and the City reserve the right to seek additional information from Applicants and related entities, especially those not previously funded by BUDC and/or the City;
3. All funding decisions related to this RFP are subject to all applicable federal, state and local laws and regulations, and the policies and procedures of the City of Buffalo and Buffalo Urban Development Corporation for the administration of state funds.
4. All costs associated with the preparation of this proposal are the responsibility of the applicant.

Eligible Applicants

1. Applicants must demonstrate the development and financial management expertise to successfully develop, design, construct, manage and implement the project. This expertise is demonstrated through previous experience in successfully developing projects similar to the one proposed, either by partners or key staff within the business or organization.
2. Applicants must demonstrate ownership or site control of all real estate considered part of the proposed project. Although final acquisition costs may be considered as part of the proposal, applicant must show a clear intent and agreement to purchase, such as a Purchase Option Agreement or comparable legal instrument.
3. Applicants must be able to meet other City and New York State requirements relative to the City-by-City and ESDC programs, specifically those concerning equal opportunity, affirmative marketing, environmental review, and acquisition, labor, lead-based paint, conflict of interest, debarment and suspension, and flood insurance.
4. It is the policy of BUDC, the City of Buffalo and Empire State Development Corporation that all local Minority/Women Business Enterprises (M/WBE's) be encouraged to submit proposals. BUDC continues to ensure that all locally owned M/WBE's are afforded the maximum opportunity to participate in the provision of goods and services for BUDC. BUDC encourages the award of at least twenty-five percent (25%) of the total dollar value of a project directly or indirectly to M/WBE's.

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

5. Any person or subcontractor undertaking a part of the work under the terms of the Contract, by virtue of any agreement with the Respondent, must receive approval of the President or Vice President of BUDC or his designee prior to any such undertaking. In the event the Respondent desires to subcontract some part of the work specified herein, the Respondent shall furnish with their proposal the names, qualifications, and experience of his/her proposed subcontractors. Subcontractors shall conform, in all respects to the provisions specified for the Respondent. The Respondent shall, however, remain fully liable and responsible for the work done by their subcontractors. BUDC may terminate the Contract if the subcontracting is done without the Vice-President's prior approval.
6. Applicants must demonstrate compliance with the BUDC's Procurement Lobbying policy.

Evaluation Criteria

Funds will be awarded to those applicants whose proposals best meet the following selection criteria and offer the greatest prospects of successful completion.

1. **Completeness of the Application Proposal**
All required documents have been submitted and the project is presented in a clear and concise manner
2. **Experience and Qualifications**
Applicant and any affiliated partners and team members must demonstrate that they have successfully completed project(s) similar in size and scope
3. **Consistency with Buffalo Building Reuse Project criteria**
Proximity to existing residential clusters and economic drivers
Proximity to light rail and public transportation
Existing vacant space, adaptive reuse opportunity
An adaptive reuse of an historic structure
4. **Consistency with Queen City Hub Plan and Green Code**
Concentrating residential development in existing focal areas to create critical mass.
Providing a range of income/rental pricing
5. **Creative Adaptive Reuse**
Proposal provides for the creative and architecturally appropriate adaptive reuse of a significant structure or problem property
6. **MBE/WBE/DBE Participation**
Proposal includes participation of certified Minority and Women Business Enterprises
7. **Project Budget and Demonstration of Need**
Project budget is complete, and all sources and uses of funds are clearly defined and documented.

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

Project budget demonstrates a need for this funding that cannot be obtained through equity or conventional financing

Evidence or commitments for the balance of project financing are included.

Cost estimates prepared by a responsible source

8. Leveraging

BUDC funding is maximized relative to the total project cost

Applicant is committing a minimum of Ten Percent (10%) cash equity into the project.

9. Project Readiness

Applicant is prepared to begin construction of the project within a reasonable period (36 months) following notice of award.

Applicant can demonstrate site control and the ability to close on all properties included in the project within a reasonable period of time following notice of award.

Each application will undergo a comprehensive review by BUDC to ensure that all required documents have been completed and submitted. Complete applications will go on to an Eligibility Review. If BUDC finds it necessary, they may request any missing documentation in writing. The Applicant has ten business days from the date of the receipt of the BUDC request to provide such documents. No documents other than those requested will be accepted. If the Respondent fails to supply BUDC with any of the itemized documents within the ten day period, BUDC will not review the application any further. The applicant will receive an Application Review Letter from BUDC stating that the application was incomplete, and not selected for funding.

Submit completed proposals no later than **4:00 pm on March 15, 2013** to:

David A. Stebbins, Vice President
Buffalo Urban Development Corporation
143 Genesee Street
Buffalo, N.Y. 14203
RE: BUDC Downtown Development Project RFP Submission

Applicants are asked to submit one original signed application and five (5) complete copies to the above address. Applicants should also send a digital copy of the original to: dstebbins@buffalourbandevelopment.com

**BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP**

**BUDC Downtown Development Project Application Award Process
Tentative Schedule and Subject to Change**

January 31, 2013	Request for Proposal Release Date
March 15, 2013	Initial Application Due to Buffalo Urban Development Corporation
April 30, 2013	Anticipated Date that Applicants will be notified of conditional funding decisions

In lieu of a pre-submission conference, questions should be submitted in writing to dstebbins@buffalourbandevelopment.com. BUDC will respond to all questions in writing.

**BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP**

Proposal Cover Sheet

BUDC DOWNTOWN DEVELOPMENT PROJECT SUBMISSION

Applicant Name

Federal Tax ID Number

Applicant Status

Private Corporation/Individual

Non-Profit Corporation

Other

Description of Project

Total Project Cost:

City-by-City Funds Requested:

Chief official of applicant

Name

Title

Mailing Address

City, State, Zip

Phone

Fax

Designated contact person for this application

Name

Title

Mailing Address

City, State, Zip

Phone

Fax

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

I HEREBY SUBMIT THIS PROPOSAL FOR THE CONSIDERATION OF FINANCIAL ASSISTANCE IN SUPPORT OF THE PROJECT HEREWITHIN DESCRIBED. I CERTIFY THAT ALL INFORMATION IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE. IF SELECTED FOR FUNDING, I WILL COOPERATE FULLY WITH THE CITY OF BUFFALO TO COMPLY WITH LOCAL AND FEDERAL CDBG PROGRAM GUIDELINES, AS APPLICABLE.

The undersigned certifies that to his/her knowledge as of the date hereof, no principal, officer, board member, employee responsible for managing finances, consultant or contractor acting as a fiscal agent of or to the Applicant, has been convicted of a local, state or federal criminal offense involving moral turpitude or dishonesty in the last 10 years or, if sooner, since reaching the age of eighteen (18). (If the Applicant cannot certify to this statement, please submit a signed statement explaining the related facts and circumstances). To the extent required by BUDC, the undersigned agrees to reaffirm this certification on prior written notice from BUDC.

Authorized Signature: _____

Date: _____

Printed Name: _____

Title: _____

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

Narrative Components of the Full Initial Proposal

- a. Project Description** - Provide a detailed description of the project that is proposed. Please include the following information:
- i. Location of the project(s)
 - ii. General redevelopment strategy and its consistency with the Buffalo Building Reuse Project criteria and the Queen City Hub Plan;
 - iii. Details regarding real estate product types proposed:
 - i. Residential: rental vs. ownership, number bedrooms/unit, square footage, unit amenities, common area features and amenities, if any;
 - ii. Commercial: office, retail, food & beverage, hospitality, other;
 - iii. Parking availability
 - iv. Age of the building, years vacant or current occupancy level;
 - v. Any local and national historic preservation designation, current or pending
 - vi. Particular redevelopment challenges encountered by the project: environmental contamination, building deterioration, building code issues, etc.
- b. Target Market**
- i. Describe the residential market the project will be targeted to: young singles & couples, empty nesters and retirees, traditional and non-traditional families, etc.
 - ii. If a mixed-use project describe the market that the commercial space will be targeted to, or provide documentation of a lease commitment.
 - iii. If a market study/analysis has been prepared specifically for this project, please include it as part of the proposal.
- c. Justification for Subsidy**
- i. Briefly justify the level of funding requested by describing the relationship between the cost of the project and the required revenue needed to support project feasibility. Include requirements of other funding sources and all costs to be charged to the project (i.e., relocation, infrastructure costs, etc.). The Development Pro forma and Operating Pro forma should support the size of the request and funding requests from other sources. Any project contingencies should also be noted.
 - ii. Describe what other assistance is needed or would be beneficial in order to meet project financing costs and minimize total development costs.
- d. Development Plan**

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

- i. Describe the plan for property management and measures that will be taken to ensure long-term stability of the project.
- ii. Describe previous experience or involvement in the development of other similar projects. Include resumes of key development team members or other supporting documents to demonstrate capacity.

e. Current Status

- i. Describe what stage in the development process the project stands at the time of proposal submission. Include a projection of future significant dates, any and all anticipated barriers to overcome and expected completion date. If other funding sources are already secured for this project, please provide proof of funding.

f. Budget Information

a. Resources

Provide a pro forma describing how the project will cash flow, including the status of funds and any projected funding gaps.

Include a table of all properties in the response with the following information:

- Address
- Development strategy
- Total Development Cost
- City-by-City subsidy requested
- Other sources of funding and amounts

All costs of development including hard and soft costs should be included.

g. Developer History

a. Experience and Credentials

- i. Discuss organization's history and briefly describe like projects that have been developed over the past 10 years

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

Procurement Lobbying Restrictions

1. Restrictions on Bidder Communications with BUDC

Pursuant to State Finance Law §§139-j and 139-k, this Request for Proposals imposes certain restrictions on communications between Applicants and BUDC during the procurement process. Applicants are prohibited from making contacts (whether oral, written or electronic) with any BUDC personnel or BUDC Board member other than the designated BUDC staff member (unless the contact is otherwise permitted under State Finance Law §139-j (3) (a)). In addition, Applicants are hereby notified that any contact with any BUDC personnel, BUDC Board member or the designated BUDC staff member which a reasonable person would infer is intended to influence the award of the contract under this Request for Proposals is prohibited. These prohibitions apply from the Bidder's earliest notice of BUDC's intent to solicit proposals through the final award and approval of the procurement contract ("Restricted Period"). For purposes of this Request for Proposals, the designated BUDC staff member is David A. Stebbins (dstebbins@buffalourbandevelopment.com).

Applicants are hereby notified that BUDC is required to collect certain information when contacted by a Bidder during the Restricted Period and make a determination of the responsibility of the Bidder pursuant to State Finance Law §§139-j and 139-k. Certain findings of non-responsibility can result in rejection of a contract award, and in the event of two findings within a four (4) year period, the Bidder may be barred from obtaining governmental procurement contracts.

2. Bidder's Affirmation of Understanding of and Agreement pursuant to State Finance Law §139-j (3) and §139-j (6)(b)

BUDC is required to obtain written affirmations from all Applicants as to the Respondent's understanding of, and agreement to comply with BUDC's procedures relating to permissible contacts (described in paragraph 1 above). The affirmation must be provided to BUDC when the Bidder submits its proposal. The form of affirmation to be completed and submitted by the Bidder is included herein as Attachment A.

3. Bidder's Certification of Compliance with State Finance Law §139-k(5)

State Finance Law §139-k (5) requires Applicants to provide written certification that all information provided to BUDC with respect to State Finance Law §139-k is complete, true and accurate. The certification must be provided to BUDC when Bidder submits its proposal. The form of certification to be completed and submitted by the Bidder is included herein as Attachment B.

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

Procurement Lobbying Restrictions

4. Bidder Disclosure of Prior Non-Responsibility Determinations

State Finance Law §139-k (2) obligates BUDC to obtain specific information regarding prior non-responsibility determinations with respect to State Finance Law §139-j. In accordance with State Finance Law §139-k, each Bidder must disclose whether there has been a finding of non-responsibility made within the previous four (4) years by any Governmental Entity due to: (a) a violation of State Finance Law §139-j or (b) the intentional provision of false or incomplete information to a Governmental Entity. State Finance Law §139-j sets forth detailed requirements about the restrictions on contacts during the procurement process. A violation of State Finance Law §139-j includes, but is not limited to, an impermissible contact during the Restricted Period (for example, contacting a person or entity other than the designated contact person, when such contact does not fall within one of the exemptions).

As part of its responsibility determination, State Finance Law §139-k(3) mandates consideration of whether a Bidder fails to timely disclose accurate or complete information regarding the above non-responsibility determination. In accordance with the law, no procurement contract shall be awarded to any Bidder that fails to timely disclose accurate or complete information under this section, unless a finding is made that the award of the procurement contract to the Bidder is necessary to protect public property or public health and safety, and that the Bidder is the only source capable of supplying the required article of procurement within the necessary timeframe. Attachment C entitled “Offerer Disclosure of Prior Non-Responsibility Determinations” must be completed by the Bidder and submitted to BUDC at the time of Bidder’s submission of its proposal.

5. Contract Termination Provision

New York State Finance Law §139-k (5) provides that every procurement contract award subject to the provisions of State Finance Law §§139-k and 139-j shall contain a provision authorizing termination of the contract in the event that the certification provided by the Bidder that is awarded the contract is found to be intentionally false or intentionally incomplete. The following provision is hereby incorporated by reference and included in the contract that is awarded (if one is awarded) pursuant to this Request for Proposals:

BUDC Termination Provision

Pursuant to New York State Finance Law §139-k (5), BUDC reserves the right to terminate this contract in the event it is found that the certification filed by the Contractor in accordance with New York State Finance Law §139-k was intentionally false or intentionally incomplete. Upon such finding, BUDC may exercise its termination rights by providing written notification to the Contractor in accordance with the written notification terms of this contract.

**BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP**

Procurement Lobbying Restrictions

ATTACHMENT A

**Affirmation of Understanding & Agreement pursuant to State Finance Law §139-j (3) and §139-j (6)
(b)**

I affirm that I understand and agree to comply with the procedures of BUDC relative to permissible contacts as required by State Finance Law §139-j (3) and §139-j (6) (b).

By: _____ Date: _____

Name: _____ Title: _____

Contractor Name: _____

Contractor Address: _____

**BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP**

Procurement Lobbying Restrictions

ATTACHMENT B

Offerer/Bidder Certification:

I certify that all information provided to BUDC with respect to State Finance Law §139-k is complete, true and accurate.

By: _____ Date: _____

Name: _____ Title: _____

Contractor Name:

Contractor Address:

BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP

Procurement Lobbying Restrictions

ATTACHMENT C

Offerer Disclosure of Prior Non-Responsibility Determinations

Name of Individual or Entity Seeking to Enter into the Procurement Contract:

Address: _____

Name and Title of Person Submitting this Form: _____

Contract Procurement Number: _____

Date: _____

1. Has any Governmental Entity made a finding of non-responsibility regarding the individual or entity seeking to enter into the Procurement Contract in the previous four years? (Please circle):

No Yes

If yes, please answer the next questions:

2. Was the basis for the finding of non-responsibility due to a violation of State Finance Law §139-j (Please circle):

No Yes

3. Was the basis for the finding of non-responsibility due to the intentional provision of false or incomplete information to a Governmental Entity? (Please circle):

No Yes

4. If you answered yes to any of the above questions, please provide details regarding the finding of non-responsibility below.

Governmental Entity:

Date of Finding of Non-responsibility:

Basis of Finding of Non-Responsibility:

(Add additional pages as necessary)

**BUFFALO URBAN DEVELOPMENT CORPORATION
BUFFALO BUILDING REUSE PROJECT
CITY-BY-CITY FUNDING RFP**

5. Has any Governmental Entity or other governmental agency terminated or withheld a Procurement Contract with the above-named individual or entity due to the intentional provision of false or incomplete information?

(Please circle):

No

Yes

6. If yes, please provide details below.

Governmental Entity: _____

Date of Termination or Withholding of Contract: _____

Basis of Termination or Withholding: _____

(Add additional pages as necessary)

Offerer certifies that all information provided to BUDC with respect to State Finance Law §139-k is complete, true and accurate.

By: _____ Date: _____

Signature

Name: _____ Title: _____