

Request for Proposals

(RFP)

Lawrenceville United is Creating Opportunities for
Creative and Prospective Homeowners

Issued by:



5418 Dresden Way
5418 ½ Dresden Way
5417 Dresden Way

Contact: Lauren Byrne, Lawrenceville United
(412) 802-7220

DEADLINE FOR ALL SUBMISSIONS:

October 3, 2014

5:00 pm

Open House

September 7, 2014

12:00 pm – 4:00 pm

I. INTRODUCTION

Lawrenceville United (LU)¹ works to improve the overall quality of life for Lawrenceville residents and stakeholders. LU has worked over the past thirteen years to eliminate blight throughout Lower, Central, and Upper Lawrenceville by targeting nuisance and problem properties and prioritizing the demolitions, acquisition and redevelopment of such properties.

As part of this process, we have acquired and maintained properties throughout the neighborhood to ensure that they experience a higher, more effective and positive use in the future for the residents of Lawrenceville. LU acquired many of these properties by working with the Lawrenceville Corporation, City of Pittsburgh, Pittsburgh Community Reinvestment Group's Vacant Property Working Group, the Elm Street Program, and working with various other public and private agencies and partners.

As part of our Vacant Lot Reuse Program that launched in 2010, we identified parcels and properties that could be transformed into side yards and backyards for adjacent and responsible property owners, community gardens, and adjacent green space for commercial buildings. Twelve parcels have been sold to responsible owners as side yards, and others have been creatively repurposed to become community gardens and green space or are in the queue to be redeveloped as part of the implementation of the Upper Lawrenceville Plan.

In 2012, we developed our Vacant House Reuse Program, and through the process have since sold two of our homes to first-time homebuyers who are currently renovating houses in Upper Lawrenceville to live in. As part of our current program, three properties/ parcels have been designated to become a potential home-ownership project for current and potential Lawrenceville residents. We are inviting responsible and interested people looking to own a home and live in Lawrenceville to consider submitting a proposal to purchase three separate parcels currently owned by LU, including two houses and a nearby garage. The individual can propose to combine parcels as one owner-occupied unit, or can propose to own and live in one, while renting the other out after renovation. Information about the parcels and proposal selection criteria is included within the RFP. We are hoping that the potential owner and residents will help Lawrenceville United continue to revitalize the community through creative reuse of vacant property.

Upon review of submitted materials, the LU Housing Committee will rate and select proposals that best fit the goal of the project based on the selection review criteria detailed later in the proposal and recommend sale of each parcel to the selected proposed buyer to the LU Board of Directors who will authorize final approval for sale.

Lawrenceville United will hold an open house for individuals to see the properties on September 7th from 12 pm – 4 pm. Please check www.lunited.org for information on these events, email lauren@lunited.org, or call 412-802-7220.

¹ Lawrenceville United (LU) where referenced in this document refers to all LU staff, board members, and housing committee members.

II. SCOPE OF PROJECT

1. Starting Bid for Three Parcels: \$15,000 (parcels will not be sold separately, all three will be sold as a package at a minimum bid of \$15,000 to the selected proposed owner)

2. Parcel Descriptions:

Street Address: 5418 Dresden Way
Lot/ Block #: 119-S-72-A
Number of Parcels: 1
Existing Building: YES
Zoning: R1A-VH (Single unit attached residential very high density)
Preferred Use: Renovation for single family owner-occupancy
Building information:
Total Rooms: 5
Basement: Full Basement
Style: ROW INTERIOR
Stories: 2
Year Built: 1900
Exterior Finish: Brick
Roof Type: Roll
Lot Area: 650 SqFt
Living Area: 896 SqFt

Street Address: 5418 ½ Dresden Way
Lot/ Block #: 119-S-72-C
Number of Parcels: 1
Existing Building: YES
Zoning: R1A-VH (Single unit attached residential very high density)
Preferred Use: Renovation for single family owner-occupancy
Building information:
Total Rooms: 5
Basement: Part
Style: ROW END
Year Built: 1900
Half Baths: 0
Exterior Finish: Brick
Roof Type: Roll
Lot Area: 650 SqFt
Living Area: 896 SqFt

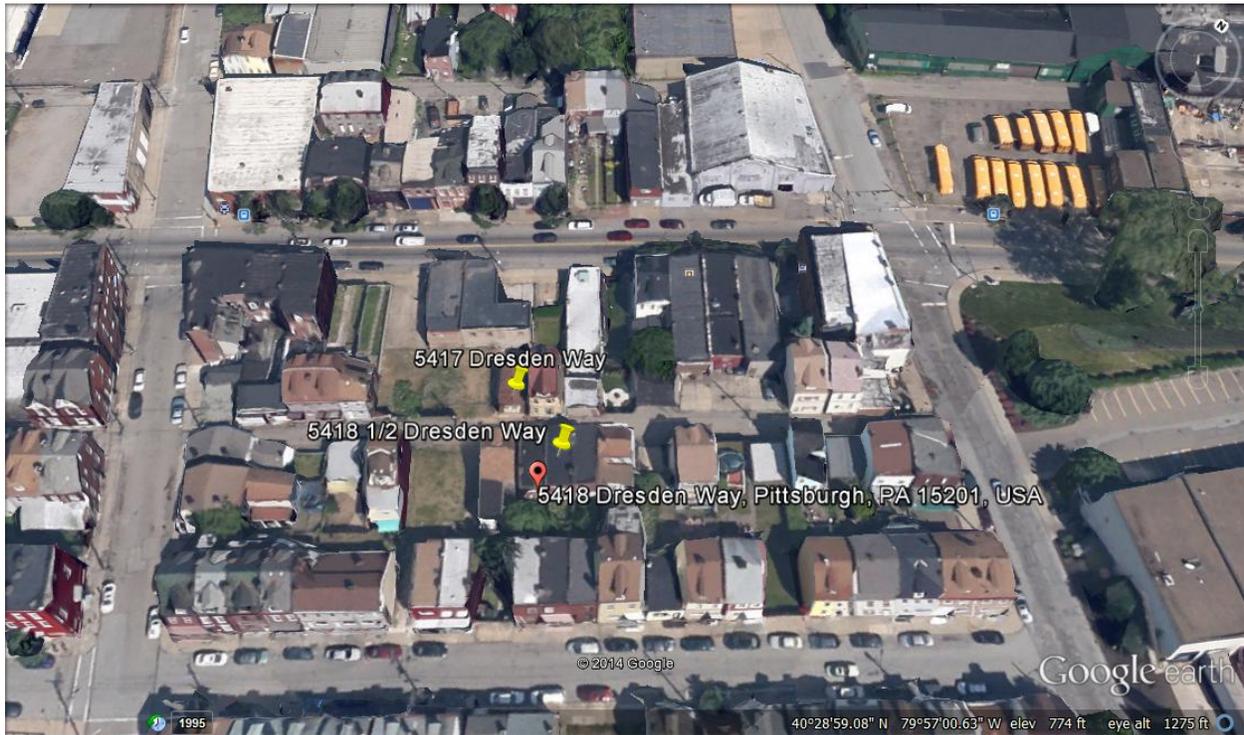
Street Address: 5417 Dresden Way
Lot/ Block #: 119-S-98-A
Number of parcels: 1
Existing Building: Yes (Garage and vacant lot)
Zoning: R1A-VH (Single unit attached residential very high density)
Preferred Use: Renovation for single family owner-occupancy
Lot Area: 1,560 SqFt



5418 ½ and 5418 Dresden Way



5417 Dresden Way



III. Overview of Request for Proposals and Bid Process

1. Submitting a Proposal and Bid

- a. Each interested buyer will submit a formal proposal, addressing all listed criteria detailed in the *Selection Criteria* section, for the property of interest. Each applicant must provide proof of the requirements and qualifications listed in the *Submitting a Proposal* section – a checklist of materials has also been included as part of the RFP.
- b. Each interested buyer must include a statement of bid for the property. Bids must be greater than or equal to the starting bid of \$15,000.00 for the three parcels in total. Parcels will not be sold separately.
- c. All proposals and bids must include \$2,000.00 hand-money in the form of a check made out to *Lawrenceville United*. The deposit must accompany the proposal and bid and must also be at Lawrenceville United **by 5pm, October 3, 2014** as indicated by the submission deadline detailed in the proposal.
- d. Any proposals still missing any information by **5pm, October 3, 2014** will be considered incomplete and will not be eligible for the program.
- e. The proposed buyer must commit to owning and occupying the three parcels for at least 3 years. The LU Housing Committee will consider proposals from individuals who may want to own all three structures, and occupy one house and garage, while renting out the other house as an investment property. The owner must still own all parcels for at least three years and live in at least one for those three years. Additionally, the garage must be used by the owner occupant.

2. Selection Committee Review

- a. Each proposal will undergo review by Lawrenceville United's Housing Committee and will be rated according to the *Selection Criteria* detailed

within the proposal. The most competitive proposals accompanied by a competitive bid will be considered for approved purchase. LU will notify approved parties by **October 31, 2014** as to whether they have been selected.

- b. All hand-money will be returned by **November 7, 2014** to all unsuccessful bidders.
3. Purchase
 - a. Buyer will submit full payment and close on property within 75 days of approval with Lawrenceville United.
 - b. Taxes, liability insurance, site security, property maintenance, and all aspects of owning and renovating the property shall be the full responsibility of the buyer at the time of sale.
 - c. The buyer will agree to begin construction or make substantial progress by a date agreed to by LU and the buyer at the time of closing. The buyer will allow LU to have an option on the property so that if by the agreed upon date, not to exceed 12 months from the day of closing, substantial progress has not been made, LU will be able to repurchase the property from the buyer. The terms and conditions of this option will be agreed to and the option agreement executed simultaneously as the sale of the properties

IV. SUBMISSION REQUIREMENTS

1. Procedures for Submission of Responses to RFP

The proposed buyer shall submit one original and (7) copies of all documents required as part of the RFP, in addition to \$2,000 hand money and statement of bid. Submissions may be delivered via hand delivery, postal or delivery service. Submissions lacking one or more of the requested documents on **October 3, 2014** may be considered irregular. LU reserves the right to reject any irregular submission and reserves the right to waive any irregularity in submissions.

It is the proposed buyer's sole responsibility to read and interpret this RFP and the written instructions contained herein.

Responses to the RFP shall be submitted to:
Lawrenceville United Housing Committee
Attn: Lauren Byrne
Executive Director
Lawrenceville United
4839 Butler Street
Pittsburgh, PA 15201
lauren@lunited.org

Responses, hand-money, and written bid statements are due on or before **5:00 pm on October 3, 2014**. Responses that are not received in the LU offices prior to the time and date specified will be considered late. Late responses will not be considered for award.

2. The Proposed Buyer Shall Provide:

a. Statement of Qualifications

- Identification and type of legal entity with whom the LU would sell the property, including address, phone number, email address, and a list of any and all properties owned by same identified potential buyer and any properties owned by any legal entity with whom the potential buyer is associated with.
- Evidence that the potential buyer has the financial capability to carry out the proposed commitments. The potential buyer's financial statements including bank statements, pre-approval loan statements, and purchase rehab pre-approval loan statements serve as proof of financial capability.
- Potential buyer must provide proof of having a minimum credit score of 590.

LU shall have the right to verify the accuracy of all information submitted and to make such investigation, as it deems necessary to determine the ability of a prospective buyer to perform the obligations in the response. LU reserves the right to reject any response where the available evidence or information does not satisfy LU that the potential buyer is qualified to carry out properly the obligations of the response, is a person or firm of good reputation or character for strict, complete and faithful performance of business obligations, or if the potential buyer refuses to cooperate with and assist LU in the making of such an investigation.

- The potential buyer must include a statement confirming intent of owner-occupancy for at least 3 years if awarded property, and intended use of each parcel.
- The resident is current on all taxes, water and sewage bills on the properties he or she already owns and provides proof, and if renting is current on rent and provides a letter of recommendation from landlord.
- The resident has or will provide proof of purchasing homeowner's insurance.
- Verification of employment and must provide 2 references (professional or personal).

b. Design and Use Concepts

- The potential buyer shall include:
 1. A brief written description of the proposed project and acquisition and renovation of property and a statement of interest in owning and residing in a home in Lawrenceville. Plan to commit to owner-occupancy of property.
- The description should include the following information:
 1. Description of proposed renovation including detailed timeline of all improvements to be made and plans to acquire any necessary approvals and permits.
 2. List of permits and approvals that must be sought to complete renovation.
 3. Materials to be utilized in construction
 4. Identification of exterior material and finishes

c. Financial Analysis

- The potential buyer shall include:
 1. The potential buyer's firm bid for the acquisition of the property, and the \$2,000 earnest hand-money with bid.
 2. Cost estimates for site acquisition, site improvements, renovations, infrastructure improvements, and soft costs.
 3. Proposed financing to cover budget of acquisition and renovation

d. Renovation Schedule

- The potential buyer shall submit a timeline for all renovation and rehab work indicating dates for major milestones, such as the start of the design of the project, construction bids, and start of construction. Potential Buyer may assume that they will purchase the property from LU within 75 days of being notified that they are the selected buyer.

e. Earnest Money

- The \$2,000.00 earnest money (hand money) shall be refunded to any interested buyers that are not selected for purchase. The 2,000.00 earnest money shall be non-refundable in the event approved Buyer, after performing its due diligence, elects to terminate the transaction after signing an option agreement with the Seller. If the transaction is not terminated, the \$2,000.00 earnest money will then be applied toward the purchase price. Should the chosen development team be unable to perform for any reason, the buyer shall forfeit the earnest money and LU shall retain the \$2,000.00 as liquidated damages.

V. SELECTION PROCESS AND CRITERIA

Selection Process

LU's Housing Committee will review each proposal submitted and shall select a buyer. The LU Housing Committee may or may not elect to conduct in person interviews. Final approval of the sale of the property will be authorized by the Lawrenceville United Board of Directors.

Selection Criteria

LU intends to make a subjective decision based upon information in the response to the RFP submitted by the buyer, interviews, investigation of information submitted by buyer, and other pertinent factors. LU believes that owners with intention to personally occupy the homes, as well as, a personal investment and a shared commitment to our mission are equipped to own these properties. The Selection Committee will make a subjective decision based on the standards enumerated below.

- Renovations and repairs that follow, when possible, green/ energy-efficient practices
- Façade improvements compliment the Elm Street Façade Design Guidelines (informational books available upon request).
- Explanation of interest in the project and the community.
- Other external and/or connections to the neighborhood and surrounding community.

- Creative reuse of property is encouraged.
- Proposed bid/ purchase price
- Financial capability to undertake, complete and manage the project
- First-time homebuyer
- Combination of parcels as one owner-occupant home

LUHC will be the sole judge as to which proposal meets the selection criteria. LUHC reserves, at its sole discretion, the right to reject any proposals received, to waive any submission requirements contained within this RFP, or to waive any irregularities in any submitted proposal.

LUHAC is not obligated to accept the highest bid, but will accept that bid which when accompanied by a proposal reflects the higher and most effective reuse of the property.

LU makes no warranty expressed or implied and will sell properties in an “as-is” condition.

VI. Miscellaneous

Buyers are encouraged to confer with LU prior to submitting their response and bid. All proposals, including attachments, supplementary materials, etc. shall become the property of LU and will not be returned.

The Buyer by submitting a response to the RFP, waives all rights to protest or seek any legal remedies whatsoever regarding any aspect of the RFP, the LU’s selection of a Buyer with whom it enters into negotiations, the LU’s rejection of any or all responses and any subsequent Disposition Agreement that might be entered into as a result of the RFP.

LU NON-LIABILITY AND RELATED MATTERS:

1. Inspection of Property: Buyers shall be given an opportunity to inspect the parcel and the title to the parcel, among other things. If the buyer is selected and elects to proceed after exercising its due diligence, it shall acquire or take possession of the parcel in “AS-IS” CONDITION.
2. LU Discretion, non-liability, waivers, and hold harmless: Buyer acknowledges submitting information and proposals to LU that LU does not undertake and shall have no liability with respect to the development program, the RFP, and responses thereto nor with respect to any matters related to any submission by a Buyer. By submitting a proposal in response to the RFP, the buyer releases LU from all liability with respect to the redevelopment program of the property, the RFP and all matters related thereto, covenants not to sue LU regarding such matter and agrees to hold LU harmless from any claims made by the Buyer or anyone claiming by through or under the Buyer in connection therewith.

CHECKLIST FOR SUBMISSION MATERIALS:

One Original and FIVE (5) copies of all documents requested as part of the Request for Proposals including:

- ❑ Name and contact information for interested buyer, proof of identification for buyer, names of any partners in ownership of property, addresses of any other properties owned by interested buyer.
- ❑ Employment verification
- ❑ Credit Report/ Score indicating proof of having a credit score of 590 or higher
- ❑ Proof that resident is current on all taxes, water and sewage bills on the properties he or she already owns and if renting, is current on rent and provides a letter of recommendation from landlord.
- ❑ Proof of purchasing or having homeowner's insurance.
- ❑ Verification of employment
- ❑ Statement of intent to live in property for three years, and statement or description of your reasons for wanting to participate in the project
- ❑ Project description narrative, including renovation description/ plans, materials list
- ❑ Renovation timeline and budget for making the property habitable and buyer's occupancy, including contractor's estimates, infrastructure repairs, etc.
- ❑ Proof of Financial Solidity for Proposed Project: Loan pre-approval letter , bank statements, or some other statement to show adequate financial position to finance proposed project
- ❑ \$2,000.00 hand money in the form of a certified check
- ❑ Firm bid statement included for each property/ proposal

Please submit all materials to Lawrenceville United at:

Lawrenceville United
4839 Butler Street
Pittsburgh, PA 15201
lauren@Lunited.org

Please call Lauren at 412-802-7220 with any questions.