

MARY VERNER
MAYOR



CITY OF SPOKANE - PURCHASING
808 W. Spokane Falls Blvd.
Spokane, Washington 99201-3316
(509) 625-6400
FAX (509) 625-6413

CITY OF SPOKANE

REQUEST FOR PROPOSALS

**PLAYFAIR INDUSTRIAL PARK
PROPERTY FOR SALE**

RFP NUMBER: 3517-08

DESCRIPTION: PLAYFAIR INDUSTRIAL PARK PROPERTY FOR SALE

DUE DATE: MONDAY, OCTOBER 13, 2008
No later than 1:00 p.m.

City of Spokane - Purchasing
4TH Floor, City Hall
808 W. Spokane Falls Blvd.
Spokane WA 99201-3316

Thea Bremer

Purchasing

TABLE OF CONTENTS

I.	General Information.....	1
A	Background.....	1
B	Property Information	1
C	Purpose	2
D	Definitions.....	2
E	Contracting with Current or Former City Employees.....	3
II.	Proposal Process	3
A	Calendar of Events	3
B	Inquiries.....	3
C	Submission Deadline for Proposals	3
D	Withdrawal of Proposals.....	4
E	Rejection of Proposals.....	4
F	Preparation of Proposals	4
G	Proposal Evaluation	4
H	Oral Presentations.....	5
I	Guarantee of Good Faith and Firm Price.....	5
J	Development of Terms of Purchase and Sale Agreement.....	5
III.	Proposal Content and Format.....	5
IV.	Contract Requirements.....	6
A	Sales of Property.....	6
B	Earnest Money	6
C	Purchase Price.....	7
D	Title to the Property.....	7
E	Closing Date.....	7
F	Closing Costs.....	7
G	Possession.....	7
H	Anti-Kickback.....	7
I	Brokers and Finders	7
J	Nondiscrimination	7
Exhibit "A"	9

I. GENERAL INFORMATION.

A. BACKGROUND. The City of Spokane owns property commonly referred to as the Playfair Industrial Site, situated in the City and County of Spokane, Washington, and legally described in attached Exhibit 'A' as (the "Premises"):

At this time, the City requests proposals for the purchase and development of the Premises.

B. PROPERTY INFORMATION: The Premises consists of approximately 45 acres of prime vacant industrial land located near the Spokane County Fairgrounds inside the eastern edge of the City's corporate limits.

1. Premises background: The Premises is one of Spokane's largest remaining undeveloped and industrially zoned properties. A wide variety of commercial and industrial businesses are located in proximity to the Premises. City of Spokane sewer and water service is available to serve the Premises. Avista electricity and gas utilities are also available to serve the Premises. The Premises is adjacent to the East Central Neighborhood and Business District to the south and the Chief Gary neighborhood to the north.

2. Location Information: The Premises is located approximately three miles east of the City's downtown, just north of Interstate 90, and is generally bounded by Trent Avenue on the north, Riverside Avenue on the south, Napa Street on the west and Haven Street on the east, all of which are paved. Refer to the property map and parcel data in the Appendix. The Premises' close proximity to I-90 provides easy access to all parts of the Spokane metro area including the Spokane International Airport (approximately 15 minutes via I-90).

3. Railroad service: The Premises is served by significant rail assets, with both Union Pacific Railroad and Burlington Northern Railroad service available at the Property.

4. Zoning and Use: Development of the Premises is subject to the City's Comprehensive Plan and related development regulations. The Premises is zoned HI – heavy industrial. Additional information concerning this zoning classification and the types of land uses and activities it supports can be found online at:

<http://www.spokaneplanning.org/>

or by contacting the City's Planning Department, located at City Hall, 3rd Floor, 808 West Spokane Falls Blvd., Spokane, WA 99201 (509) 625-6300.

5. Disclaimer: Properties owned by the City of Spokane (City) are offered for sale and development on an "AS IS" basis:

**THE CITY RESERVES THE RIGHT TO RETAIN UP TO 15 ACRES
OF THE SITE FOR A PUBLIC USE.**

THE CITY OF SPOKANE MAKES NO REPRESENTATIONS AND ASSUMES NO RESPONSIBILITY ARISING FROM THE PHYSICAL CONDITIONS OF THE PREMISES WHETHER SUCH CONDITIONS ARE KNOWN, UNKNOWN, OBVIOUS, HIDDEN OR OTHERWISE. ANY PURCHASER/DEVELOPER MUST RELY ON ITS OWN INSPECTIONS, INVESTIGATIONS AND OTHER DUE DILIGENCE WITH RESPECT TO ANY PARTICIPATION IN THIS REQUEST FOR PROPOSALS OR DEVELOPMENT OF THE PREMISES, OR ANY OTHER ACTIVITY CONCERNING THE PREMISES.

C. PURPOSE. The purpose of this RFP is to seek proposals from qualified individuals or firms to purchase the Premises from the City for fair market value and develop the property to its highest and best use. The City's primary objectives for the Premises are:

- 1) Development of the Premises in a way that maximizes its highest and best use consistent with the City's Comprehensive Plan;
- 2) Development of the Premises in a way that generates the maximum number of high wage jobs and provides the maximum possible economic benefit for the City;
- 3) Purchaser/Developer capable of carrying out the proposed development within a specified time period;
- 4) Development that capitalizes on the Premises' significant rail capacity; and
- 5) Special consideration will be given to proposals that demonstrate the potential for attracting or developing "green industries", environmentally friendly businesses, or those that provide opportunities for local business incubation.

The Premises provides expansion or relocation opportunities for businesses seeking to move to the Spokane area and/or for existing area businesses that are looking to expand, are in need of modern industrial facilities, or that are relocating due to the North-South Freeway Project.

Development of the Premises is envisioned to include industrial uses with the possibility of an industrial campus targeted to develop green manufacturing and other environmentally friendly business. Additional emphasis could include logistics and multi-modal opportunities as well as tech manufacturing in the aerospace and healthcare industries. Ideally, the Premises will accommodate commercial and industrial companies seeking a location in a multi-company complex with 3 to 5 acre properties and build-to-suit opportunities. Uses requiring outdoor commodity storage will be discouraged on the Premises.

D. DEFINITIONS. Definitions for the purposes of this RFP include:

City – The City is the City of Spokane, a Washington State municipal corporation, that is issuing this RFP.

Proposal – A formal offer submitted in response to this solicitation.

Proposer - Individual or company submitting a Proposal in order to attain a contract with the City.

- E. CONTRACTING WITH CURRENT OR FORMER CITY EMPLOYEES.** Specific restrictions apply to contracting with current or former City officers and employees pursuant to the Code of Ethics in chapter 1.04 of the Spokane Municipal Code. Proposers should familiarize themselves with the requirements prior to submitting a proposal that includes current or former City officers or employees.

II. PROPOSAL PROCESS.

- A. CALENDAR OF EVENTS.** The following schedule is tentative and may change:

<u>ACTION</u>	<u>DATE</u>
- Release of Request for Proposals	<u>August 25</u>
- Submission Deadline for proposals	<u>October 13</u>
- City Council/Staff Committee selection of apparent successful proposal	<u>October 20</u>
- Public Works Committee presentation of Purchase Agreement	<u>November 10</u>
- City Council Consideration of the Purchase Agreement	<u>November 24</u>
- Mayor signature of the Agreement	<u>November 28</u>
- Closing Date – no later than	<u>January 5</u>

- B. INQUIRIES.** Inquiries and other communications about this Request for Proposals shall be through the City's Economic Development Division. Direct communications with other management or elected officials may be grounds for rejecting a proposal. Direct inquiries to:

Dave Steele, Real Estate Manager
City of Spokane
Public Works & Utilities
808 W. Spokane Falls Blvd.
Spokane, WA 99201
Phone: (509) 625-6064

- C. SUBMISSION DEADLINE FOR PROPOSALS.** Proposals shall be delivered to the City no later than 1:00 p.m., Pacific Time, on October 13, 2008. The City reserves the right to not consider proposals received after this date.

Submit one (1) original and six (6) copies of the proposal in a sealed envelope. On the front of the envelope, place the following information:

**“SEALED PROPOSAL – IMPORTANT”
PLAYFAIR INDUSTRIAL PARK PROPERTY FOR SALE
RFP #3517-08 – DUE: OCTOBER 13, 2008 – 1:00 PM
COMPANY/INDIVIDUAL NAME**

Address the proposal to:

Purchasing Division
4th Floor – City Hall
808 W. Spokane Falls Blvd.
Spokane WA 99201

NOTE: Proposals will not be accepted by fax or email

The Purchaser is not responsible for Proposals delivered late. It is the responsibility of the Proposer to be sure the Proposals are sent sufficiently ahead of time to be received **no later than 1:00 PM pacific time** on the due date.

Sealed Proposals will be publicly acknowledged at 1:15 p.m., Monday, October 13, 2008 in the City of Spokane City Hall Council Chambers, 808 West Spokane Falls Boulevard, Spokane, Washington 99201.

D. WITHDRAWAL OF PROPOSALS. A proposer may withdraw its proposal at any time prior to the submission deadline by submitting a written request for withdrawal to Dave Steele, Real Estate Manager. The request for withdrawal shall be signed by the proposer or an authorized agent. Modifications offered in any manner, oral or written, will not be considered after the deadline.

E. REJECTION OF PROPOSALS. The City reserves the right to reject any and all proposals and to waive informalities or irregularities in a proposal or in the proposal process. The City reserves the right to make the award in any manner deemed most advantageous to the City at its sole and exclusive discretion.

F. PREPARATION OF PROPOSAL. The City shall not be liable for any costs incurred by a proposer in preparing or submitting a proposal. Proposals should be prepared simply and economically, providing a straight-forward, concise description of the proposer's capabilities to satisfy the City's requirements. Submitted materials become the property of the City and will not be returned. Submitted proposals constitute public records that are subject to review and copying by a person making an appropriate request for public record.

G. PROPOSAL EVALUATION. The City does not intend to enter into an agreement to sell the Premises solely on the basis of price. Evaluation criteria will include but not be limited to:

1. Purchase Price.
2. Earnest Money Deposit.
3. Buyer Contingencies.
4. Proposed Closing Date.
5. Nature of proposed development – i.e., use consistent with the City's Comprehensive Plan and consistent with the City's objectives for the Premises as outlined herein.
6. Purchaser's financial capability to carry out proposed development.
7. Benefits to the community and the City.
8. Amenities and benefits to the surrounding neighborhood.

H. ORAL PRESENTATIONS. The City, at its sole discretion, may ask individual proposers to make oral presentations without charge to the City. Such presentations provide an opportunity for the proposer to clarify its proposal to insure a mutual understanding of its contents.

I. GUARANTEE OF GOOD FAITH AND FIRM PRICE. Proposals shall remain in effect for a minimum of 90 days from date of the Submission Deadline, unless extended by mutual consent.

J. DEVELOPMENT OF TERMS OF PURCHASE AND SALE AGREEMENT. If a proposal is selected, discussions and negotiations will be conducted with the apparent successful proposer regarding the terms of a Purchase and Sale Agreement ("Agreement"), including a development agreement setting forth mutually agreeable terms regarding the eventual development of the Premises. Final award of an Agreement is subject to approval by the Mayor and City Council. This Request for Proposals and the proposer's successful proposal will be an integral part of the Agreement, but may be modified by the provisions of the Agreement. Proposers must be amenable to including in the Agreement any information provided either in response to this Request for Proposals or subsequently during the selection process.

III. PROPOSAL CONTENT AND FORMAT.

Proposals shall be in the following standardized format to facilitate evaluation of their comparative merits. Proposals shall include the sections indicated below. Proposals shall be typed.

Part 1 - Identification, Experience, and References. Provide the name, principal place of business, telephone number of the contact person, and a narrative description of the proposer's organization and experience in developing properties similar to the Premises. List the qualifications of key personnel. Provide three references, including a letter of financial capability from the proposer's bank.

Part 2 – Proposed Development. Provide a detailed description of proposed development of the Premises, including:

- 2.1 A description of the uses which are proposed for the Premises, including the square footage and type of construction which will be devoted to each use;
- 2.2 A description of the ownership structure(s) of the development upon completion – e.g., will the Premises be sold outright, transferred to a partnership, owned by the partnership upon completion, etc.;
- 2.3 A description of the public improvements to be constructed and the cost and source of funding for the improvements;
- 2.4 Evidence of major user/tenant commitments and the nature of the commitments, if any. If no specific users or tenants are identified, provide a description of the type of users/tenants the proposer intends to seek. If specific potential users/tenants have been identified, provide letters from such users evidencing their interest in and/or commitment to locate in the proposed development;

- 2.5 A description of the manner in which the proposed development addresses the City's goals for the Premises as outlined herein; and
- 2.6 A graphical presentation of the proposed development including a property plan and layout.

Part 3 – Proposed Financing Plan. Identify the source(s) of funds and a time schedule for completion of the proposed development, and should provide evidence of financial strength and capacity sufficient to undertake the contemplated improvements and operation of the Premises.

Part 4 – Proposed compensation. The proposal shall include the amount the proposer is willing to pay the City for the Premises.

Part 5 – Earnest Money Deposit. The proposal shall be accompanied by Fifty Thousand and 00/100 Dollars (\$50,000.00) earnest money, in the form of cash, certified check, or money order, payable to the City of Spokane ("Proposal Earnest Money"). The City may maintain such Earnest Money separate and apart from the City's general funds or may commingle such Earnest money with the City's general or other funds. The City will not be required to pay interest on such sums, or any portion thereof.

The Earnest Money will be returned to unsuccessful proposers upon selection of an apparent successful proposal. The Earnest Money will be applied towards the successful proposer's purchase price.

Part 6 – Appendices. This part is to be included at the proposer's option. It may contain any information the proposer desires to submit to further clarify the proposal. Provide sample copies of standard agreements. Cross-reference to appropriate proposal sections.

IV. CONTRACT REQUIREMENTS.

A. SALE OF PROPERTY. Proposer must agree to buy the Premises from the City for no less than fair market value value.

B. EARNEST MONEY. Within 30 days of selection of an apparent successful proposal, such apparent successful proposer shall execute a Purchase and Sale Agreement in accordance with its proposal. In the event the apparent successful proposer fails, within 30 days of selection of its proposal, to execute a Purchase and Sale Agreement in accordance with its proposal, the Proposal Earnest Money deposit made by such proposer shall be forfeited to the City of Spokane.

The agreement shall be accompanied by earnest money in the form of cash, certified check, or money order, payable to the City of Spokane, which, together with the Proposal Earnest Money shall be no less than five percent (5%) of the purchase price (the "Purchase and Sale Agreement Earnest Money"). The City may maintain such Earnest Money separate and apart from the City's general funds or may commingle such Earnest money with the City's general or other funds. The City will not be required to pay interest on such sums, or any portion thereof.

Final award of a Purchase and Sale Agreement shall be subject to approval by the Mayor and City Council. Upon such approval ("Effective Date"), the City shall deliver the Purchase and Sale Earnest Money to Transnation Title Company of Spokane, Washington ("Title Company"), as escrow agent for the closing of the Purchase and Sale Agreement, in part payment for the purchase price of the Premises. The Title Company will then hold the Purchase and Sale Earnest Money for the benefit of the parties pursuant to the terms of the Purchase and Sale Agreement; provided, following the Effective Date, the Proposal Earnest Money shall become nonrefundable and shall be disbursed to the City by the Title Company, at the City's request, at any time. If the Mayor or City Council fails to approve the Purchase and Sale Agreement within 60 days of its execution by the successful proposer, the City shall return the Purchase and Sale Agreement Earnest Money, without interest, provided the parties may agree in writing to allow additional time for approval by the City Council and Mayor.

C. PURCHASE PRICE. The Purchase Price, including the Purchase and Sale Earnest Money, will be paid to the City in cash through escrow at closing ("Purchase Price").

D. TITLE TO THE PREMISES. At closing the City will convey to proposer fee simple title to the Premises by a duly executed and acknowledged statutory warranty deed (the "Deed").

E. CLOSING DATE. This Purchase and Sale Agreement will be closed in escrow by the Title Company acting as escrow agent ("Escrow Agent"). The closing will be held at the offices of the Title Company not later than thirty (30) days after the satisfaction of all buyer's contingencies under the Purchase and Sale Agreement ("Closing Date").

F. CLOSING COSTS. The City will pay the premium for a standard coverage owner's policy of title insurance in the full amount of the Purchase Price and one-half of Title Company's escrow fee. Proposer will pay the additional premium, if any, attributable to the extended coverage owner's policy of title insurance (if elected by proposer) and any endorsements required by proposer, the cost of recording the Deed and one-half of Title Company's escrow fee.

G. POSSESSION. The City will deliver possession of the Premises upon closing.

H. ANTI-KICKBACK. No officer or employee of the City of Spokane, having the power or duty to perform an official act or action related to this contract shall have or acquire any interest in the contract, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in the contract.

I. NONDISCRIMINATION. No individual shall be excluded from participation in, denied the benefit of, subject to discrimination under, or denied employment in the administration of or in connection with the agreement because of race, color, creed, marital status, familial status religion, sex, sexual orientation, national origin, Vietnam era or disabled veteran's status, age, or disability.

Prior to closing under the Purchase and Sale Agreement, the proposer will comply with all applicable federal, state and local nondiscrimination laws, regulations and policies in exercising any rights under the Purchase and Sale Agreement.

8
EXHIBIT 'A'

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M., IN THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON, LYING SOUTHEASTERLY OF THE RIGHT OF WAY OF THE BURLINGTON NORTHERN (FORMERLY NORTHERN PACIFIC) RAILWAY COMPANY, AND NORTHEASTERLY OF THE RIGHT OF WAY OF THE OREGON-WASHINGTON RAILROAD AND NAVIGATION COMPANY, BEING A PORTION OF THE SUBDIVISION OF SCHOOL SECTION 16, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M., ACCORDING TO PLAT RECORDED IN VOLUME "D" OF PLATS, PAGE 100; AND LYING EASTERLY OF THE FOLLOWING DESCRIBED LINE:

COMMENCING AT THE MONUMENT MARKING THE SOUTHEAST CORNER OF SAID SECTION 16, AS SHOWN ON RECORD OF SURVEY RECORDED IN BOOK 111 OF SURVEYS, PAGES 24 AND 25; THENCE N00°07'56"E 1985.94 FEET ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER TO THE SOUTHERLY RIGHT OF WAY LINE OF SAID BURLINGTON NORTHERN RAILWAY; THENCE S73°16'31"W ALONG SAID SOUTHERLY RIGHT OF WAY LINE 60.00 FEET TO A POINT; THENCE CONTINUING S73°16'31"W 1108.95 FEET ALONG SAID SOUTHERLY RIGHT OF WAY TO THE POINT OF BEGINNING;

THENCE S00°08'28"W 1033.92 FEET TO THE NORTHERLY RIGHT OF WAY OF SAID OREGON-WASHINGTON RAILROAD AND NAVIGATION COMPANY RIGHT OF WAY AND THE POINT OF TERMINUS;

EXCEPT THAT PORTION THEREOF DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHERE THE SOUTHERLY RIGHT OF WAY LINE OF THE NORTHERN PACIFIC RAILWAY INTERSECTS THE EAST LINE OF SECTION 16, AFORESAID; THENCE SOUTHWESTERLY ALONG SAID SOUTHERLY RIGHT OF WAY LINE, 60 FEET TO A POINT; THENCE NORTHEASTERLY 57.47 FEET (57.42 FEET RECORD) TO A POINT ON THE EAST LINE OF SAID SECTION 16, A DISTANCE OF 15 FEET SOUTH FROM THE PLACE OF BEGINNING; THENCE NORTH 15 FEET ALONG SAID EAST LINE OF SAID SECTION 16 TO THE PLACE OF BEGINNING;

TOGETHER WITH THOSE PORTIONS OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 25 NORTH, RANGE 43 EAST, W.M. IN THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON DESCRIBED AS FOLLOWS:

ALL OF BLOCKS 14, 15, 28 AND 29, EAST SIDE SYNDICATE ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME "C" OF PLATS, PAGE 73, IN THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON;

TOGETHER WITH THAT PORTION OF VACATED FERRY AVENUE LYING BETWEEN BLOCKS 28 AND 29, THAT PORTION OF VACATED FRONT AVENUE LYING BETWEEN BLOCKS 15 AND 28; THAT PORTION OF VACATED MAIN AVENUE LYING BETWEEN BLOCKS 14 AND 15; THE NORTH HALF OF VACATED RIVERSIDE AVENUE LYING ADJACENT TO THE SOUTH LINE OF BLOCK 14; AND THAT PORTION OF VACATED REGAL STREET WITHIN SAID EAST SIDE SYNDICATE ADDITION LYING NORTH OF THE WESTERLY EXTENSION OF THE CENTERLINE OF VACATED RIVERSIDE AVENUE AND SOUTH OF THE SOUTHERLY LINE OF THE BURLINGTON NORTHERN RIGHT OF WAY;

AND TOGETHER WITH LOTS 1, 2, 3, 4, 5 AND 6, BLOCK 1, EAST SIDE SYNDICATE ADDITION, ACCORDING TO PLAT RECORDED IN VOLUME "C" OF PLATS, PAGE 73, IN THE CITY OF SPOKANE, SPOKANE COUNTY, WASHINGTON;

EXCEPT THE SOUTH 20 FEET OF SAID LOTS 1 THROUGH 6 IN BLOCK 1;

AND EXCEPT THAT PORTION OF LOTS 1, 2 AND 3 IN SAID BLOCK 1, LYING SOUTHEASTERLY OF A LINE PARALLEL WITH AND 10 FEET NORTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES, THE CENTERLINE OF THE SPUR TRACK AS NOW LOCATED ACROSS SAID LOTS, AND BEING FURTHER DESCRIBED IN THE DEED OF THE OREGON-WASHINGTON RAILROAD AND NAVIGATION COMPANY, RECORDED FEBRUARY 28, 1911, UNDER RECORDING NO. 313261;

TOGETHER WITH THE SOUTH HALF OF VACATED RIVERSIDE AVENUE ADJOINING THE NORTHERLY SIDE OF LOTS 1 TO 6, INCLUSIVE, AND ALL THAT PORTION OF VACATED REGAL STREET ADJOINING THE WEST LINE OF SAID LOT 6, EXTENDING FROM A LINE PARALLEL WITH AND 20 FEET NORTH FROM THE WESTERLY EXTENSION OF THE SOUTHERLY LINE OF SAID LOT 6 TO THE WESTERLY EXTENSION OF THE CENTERLINE OF VACATED RIVERSIDE AVENUE.

