Agenda Item No. 12

Date 04-25-2016

Council Agenda Report

Date: April 25, 2016

Submitted by: Sandra Tripp-Jones, City Manager SEJ

Prepared by: Patricia Escher, A.I.C.P., City Planner

SUBJECT: Request for Proposals (RFP) for market research and broker services to market the RFP for Development of Sailwinds (Port) Property.

Recommendation: That Council authorize the release of an RFP for a market feasibility study and real estate broker services for the anticipated Sailwinds/Port property development RFP

Discussion:
Sailwinds Advisory Committee has recommended that the City proceed with an RFP for a real estate broker for the Sailwinds/Port property RFP and also for a market feasibility study on the project. As part of the City's recent fact finding a tour, one recommendation, which was well received by the group, was to have the real estate broker firm also provide the City with a verifiable feasibility/market study.

The market/feasibility study will detemine the depth and the condition of our particular real estate market and its ability to support different uses of the property, as well as the value of the particular assets of the property. The study will provide market information that will manage expectations, provide data about the current market trends, make predictions about how the market may respond to the proposal and provide some broad based predictions about future, near term market conditions. Having these kinds of facts early in the process will give the City valuable information as the process moves forward.

The RFP for a commercial real estate firm or broker will enable the City to secure the proficient services of tenured real estate professional to recruit viable developers to bid on the City's project and to support the selection of a master developer. Acquiring the services of a trained professional is another level in the City's process to ensure that the Sailwinds property is well marketed to persons and teams with the wherewithal to bring forth a viable project of great merit.

The schedule set forth in the broker RFP follows:

1. Release RFP (Staff has several referred candidate firms) — April 26th
2. Proposals due — May 18th
3. Council action selecting a broker — by June 30th
4. Market/feasibility study — within 30 days of award of contract

Within the RFP, staff recommends that the applicant demonstrate their professional skill set by representing within their portfolio past successful projects.

Fiscal Impact:

The City Manager has identified funds in this year's Economic Development Budget to pay for the study, while the actual compensation to the broker will be provided when the project is awarded to a developer through the land negotiation process.

Attach: Request for Proposals: Commercial Real Estate Broker Services

Attachment

REQUEST FOR PROPOSALS (RFP): REAL ESTATE BROKER SERVICES (Draft)

The City of Cambridge seeks a firm (broker) specializing in commercial real estate services, including economic research and marketing of mixed use, economically incentivized, waterfront redevelopment to provide services for a property owned by City of Cambridge, known as the Cambridge Marine Terminal or Sailwinds Park, located at the foot of Hayward Street, adjacent to Cambridge Creek and the Choptank River, in Cambridge, MD. It is the intent of this RFP to have the successful broker/firm enter into a Professional Services Contract with the City to supply real estate services as outlined herein. The property consists of 9.82 acres, secured from the State Of Maryland with the mandate of a mixed use, economically invigorating development. The firm is expected to:

- Prepare a market feasibility study (within 30 days of award of contract);
- Advise the City as it develops a project developer RFP; and
- Market the property to regional and national developers with experience that includes redevelopment of deep water ports. The property requires the installation of infrastructure such as water, sewer and other necessary dry utilities.

The real estate firm/broker will be paid directly for the market study and on a commission basis for the project marketing work. The firm/broker will be expected to work closely with the City Manager and the Department of Public Works staff, providing monthly reports to the City Manager, the Director of Public Works, and the City Planner.

Sealed proposals (3 copies) should be submitted to City Hall, 410 Academy Street, Cambridge, Maryland 21613, by 2:00pm May 18, 2016; clearly marked on the outside ***"Proposal – Real Estate Broker Services" and to the attention of the City Manager.*** At that time, they will be opened and read aloud. Selection will be made by June 1, 2019 (tentative).

The City Council reserves the right to reject any and all proposals, or parts of proposals, when it is judged to be in the best interest of the City.

All questions should be sent to Patricia Escher, City Planner, 1025 Washington Street, Cambridge, MD 21613 or e-mail at mailto:pescher@choosecambridge.com. Question deadline will be Friday May 6, 2016.

A. SCOPE OF SERVICES The successful firm shall agree to contract with the City to provide the following: 1) perform market analysis; 2) develop strategies for marketing the property; 3) coordinate real estate appraisals; 4) market the project to qualified developers; and 5) handle other customary activities and services associated with real estate transactions. Services may include consultation with City staff and the City Council relating to the negotiations of real estate. Presentations at public meetings may be required.

B. BROKER'S QUALIFICATIONS Respondents to this RFP shall have the following qualifications: ·

- Must be licensed and in good standing with the State of Maryland.
- Must have an excellent reputation in the commercial real estate community.
- Have produced demonstrably reliable market studies for similar projects.
- Have experience performing economic research relative to commercial real estate for the region.
- Should be knowledgeable in the local real estate market and have experience with small and large mixed use waterfront redevelopments.
- Must be knowledgeable in the use of all public real estate records.
- The applicant must have excellent marketing, communication, presentations skills.

C. INSURANCE REQUIREMENTS For proposal purposes, proposers must submit copies of certificates of insurance for general liability and workers compensation. The successful contractor must provide original certificates prior to commencing services, naming the City as additionally insured.

D. FEE SCHEDULE The proposed bid and fee schedule shall include the following items: ·

- Not-to-exceed bid for preparation for a draft and final market study.
- Commission rate for services rendered and any other ancillary fees, if applicable.

E. TERM OF CONTRACT WITH THE CITY The contract period for the successful broker/firm will be from date of award until either party chooses to discontinue the contract. The contract may be terminated by either party with 60 (sixty) days prior notice.

F. EVALUATION AND AWARD PROCESS Issuance of this RFP and receipt of proposals does not commit the City of Cambridge to award a contract. The City reserves the right to postpone receipt date, accepting or rejecting any or all proposals received in response to this RFP, or to negotiate with any of the brokers/firms submitting an RFP, or to cancel all or part of this RFP.

G. INTERVIEWS/PRESENTATION Firms submitting a proposal in response to this RFP may be required to give a presentation of their proposal. Additional technical and/or cost information may be requested for clarification purposes, but in no way will change the original proposal submitted. Interviews are optional and may or may not be conducted.

H. SELECTION CRITERIA

1. Completeness of response to RFP as outlined in this solicitation.
2. Knowledge of local real estate market, City of Cambridge and Dorchester County.
3. Demonstrated economic research capability and knowledge of regional economic and commercial real estate trends.
4. Global reach for marketing the property.

5. Commercial/mixed use real state experience, with an emphasis on waterfront redevelopment, qualifications and references.
6. Proven commercial real estate track record.
7. Various industries sector knowledge.
8. Ability of the broker(s) to meet or exceed the requirements defined in the RFP.
9. Local reputation.
10. Fee schedule

I. RFP SUBMITTAL REQUIREMENTS By submitting a proposal, you represent that you have (1) thoroughly examined and become familiar with the scope of services outlined in this RFP and (2) are capable of achieving a positive outcome attaining all of the City's objectives.

The following information must accompany your proposal:

1. List years in business, previous names of the firm, if any.
2. Description of your firm including size of firm, location, number and nature of the professional staff to be assigned to City of Cambridge; staff experience and training, including a brief resume for each key person listed.
3. Describe experience (minimum five years previous experience with proven effectiveness) your firm or organization has in pertinent real estate experience.
4. Experience in assisting similar size entities, including any and all services for government agencies.
5. List of at least three references where and when your firm provided similar services. Please describe your services and provide names and telephone numbers of contact persons for each reference.
6. Additional services offered through your firm.
7. Listing of current litigation, outstanding judgments and liens.
8. Bid and fee schedule – identify any other ancillary fees that the City should anticipate.
9. Any requirements you may have to perform these services.

To be issued: April 26, 2016