



**CITY OF SALEM, VIRGINIA  
PURCHASING DEPARTMENT**

114 NORTH BROAD STREET  
P.O. Box 869  
SALEM, VIRGINIA 24153  
PHONE: (540) 375-3063 ♦ FAX: (540) 375-4057

**ISSUE DATE: JANUARY 30, 2017**

**REQUEST FOR PROPOSAL (RFP) # 2017-014**

**FOR**

**DEVELOPMENT OF VARIOUS CITY PROPERTIES**

**SEALED PROPOSALS DUE:**

**MARCH 2, 2017**

**ON OR BEFORE**

**3:00 P.M. (LOCAL TIME)**

**ALL INFORMATION AND CLARIFICATION INQUIRIES MUST BE SUBMITTED IN WRITING TO:**

**CASSANDRA "NIKKI" SWITZER, BUYER**

**AT [CNSWITZER@SALEMVA.GOV](mailto:CNSWITZER@SALEMVA.GOV)**

**BY 5:00 P.M. ON WEDNESDAY, FEBRUARY 22, 2017**

**RFP # 2017-014**  
**DEVELOPMENT OF VARIOUS CITY PROPERTIES**

The City of Salem, Virginia, is requesting sealed proposals from qualified developers interested in presenting designs for a mixed-use development on property located at 8 W. Main Street in Salem, VA, commonly known as the West Salem Body Shop, and/or in the airspace above other various city owned properties located in the downtown area.

All questions must be submitted by **5:00 p.m., Wednesday, February 22, 2017**. If necessary, any addenda will be issued and emailed to all Offerors who were emailed the original RFP. All such addenda shall become a part of the solicitation documents, must be addressed in the proposal, if applicable, and shall become a Contract Document. The City accepts no liability for late or non-receipt of addenda.

Proposals shall be received by Cassandra "Nikki" Switzer of the City of Salem Purchasing Department, 114 North Broad Street, Salem, VA 24153 by **5:00 p.m., Thursday, March 2, 2017**. Offerors shall submit one (1) original, three (3) copies and an electronic copy on a CD or flash drive (Microsoft Word or PDF) of their proposal in a sealed envelope clearly marked on the outside with the company's name and "Attn: Purchasing Dept. RFP # 2017-014 – Development of Various City Properties". Any proposals received after the mentioned time and date will be returned to the firm unopened.

**Faxed or emailed proposals will not be accepted.**

As this is a Request for Proposal, a selection committee will be established to review and evaluate all responses.

The City reserves the right to cancel this RFP and/or reject any or all proposals and to waive any informalities or irregularities in any proposal.

This section must be completed by the Offerors and must be returned with the proposal. In compliance with this Request for Proposal and to all the terms and conditions imposed herein and hereby incorporated by reference, the undersigned offers and agrees to furnish the services and/or items in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiation.

Legal Name and Address:

\_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_  
(Signature in ink)

\_\_\_\_\_

Name: \_\_\_\_\_

\_\_\_\_\_ Zip Code \_\_\_\_\_

Title: \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_

Fax (\_\_\_\_) \_\_\_\_\_

E-mail: \_\_\_\_\_

Business License #: \_\_\_\_\_

Virginia State Corporation Commission Identification Number: \_\_\_\_\_

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**DEVELOPMENT OF VARIOUS CITY PROPERTIES**

**I. PURPOSE**

The City of Salem is currently seeking proposals from qualified developers interested in presenting designs for a mixed-use development on and/or in the airspace above various city owned properties designated as Tax Map #106-8-11, 122-6-8, 122-7-3 and 122-7-5, and 106-11-4.1 (also referred to herein as "Sites"). The Sites are located in Downtown Salem, Virginia, and owned by the City of Salem.

The Sites currently serve multiple uses including the location of the Farmers Market as well as providing parking. The City is looking for a creative approach for development that accommodates the Farmers Market and enables significant mixed-used development to occur on the Sites, which will enhance Downtown Salem.

**II. BACKGROUND**

The Sites represent some of the most desirable development opportunities in the Downtown area. Site 106-8-11 is approximately 0.9 acres and currently includes a 47-space parking lot. It also serves as the current home of the Farmers Market, which operates on various days of the week, April through December. Site 122-6-8 is approximately .36 acres, and is commonly known as the West Salem Body Shop. Sites 122-7-3 and 122-7-5 are approximately .75 acres combined and currently occupied by a parking lot. Site 106-11-4.1 is approximately .23 acres and currently occupied by a parking lot.

The City of Salem recently developed a Downtown Plan, which can be downloaded from the City of Salem's website at [downtown.salemva.gov](http://downtown.salemva.gov). The Downtown Plan outlines multiple strategies for Downtown Salem, many of which are relevant to this project, including but not limited to, mixed-use development, accommodations, tourism and artisan related activities, activation of ground floor space, public parking, and historic character. The proposal must work to enhance the goals and strategies outlined in the Downtown Plan.

**III. REQUIREMENTS (SCOPE OF WORK AND SPECIFICATIONS)**

- A. Interested Offerors must incorporate vertical mixed-use development that recognizes the value of the Sites as some of the key undeveloped sites in the downtown area.
- B. Proposals must meet the goals and strategies found in the Downtown Plan and the Downtown Tourism District Needs Assessment, which can be downloaded from the City of Salem's website at [downtown.salemva.gov](http://downtown.salemva.gov).
- C. For Site 106-8-11, Offerors must include at least one (1) option that accommodates the current operations of the Farmers Market in their proposals. Such accommodations should strive to improve conditions for vendors with respect to electricity, water, shelter, seating and restrooms, as well as keeping the size of each stall approximate to the existing.
- D. Proposals must demonstrate how the proposed development is consistent with the Downtown Plan, and how it furthers the Goals and Objectives outlined within.
- E. Proposals must evidence the Offeror's familiarity with urban design principles, with emphasis on pedestrian-friendly streets. Specifically, interested Offerors must design a development in accordance with the goals and strategies of the recently adopted Downtown Plan and the Downtown Business District zoning.
- F. Offeror must have the financial resources and vision to create a unique addition to the heart of the Downtown Business District. Special consideration will be given to proposals involving more than one (1) of the Sites.

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- G. Proposals should describe, in general terms, the anticipated schedule for the project and more specifically when the following milestones could be obtained:
1. Approval of a final Site plan and all other required City approvals
  2. Commencement of construction
  3. Completion of project with certificate of occupancy issued
- H. Offerors may seek additional agreements with neighboring property owners in an effort to assemble more land to better accommodate the requirements of this RFP. Any such agreements must be disclosed in the response and verified with a letter of consent from the property owner(s).
- I. Offerors must be willing to accept the Site as-is and address any potential environmental issues and clean-up as part of the development.

Each proposal must contain (in addition to any other requirement listed in this RFP) the following information:

- J. Concept: The Offeror should present a concept of the project that demonstrates the Offeror's understanding of the City's goals and addresses the following issues:
1. Programming  
Mixed-use development  
Clearly state:
    - a) The total building size (GSF)
    - b) The amount of street level commercial space (GSF)
    - c) The number of dwelling units
    - d) The uses programmed for all portions of the development
  2. Parking  
Clearly state:
    - a) The number of publicly available parking spaces
    - b) The number of private parking spaces
  3. Accommodation for the Farmers Market on Tax Map #106-8-11  
Clearly state:
    - a) The number and location of market stalls provided
    - b) Any amenities provided for vendors or users
  4. Downtown Plan Compliance  
Clearly state:
    - a) How the proposal furthers the goals and strategies of the Downtown Plan and the Downtown Tourism District Needs Assessment

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5. Provide Site plan sketch and illustrations of Site development concept.
6. A narrative statement addressing zoning.
7. An Offer to Purchase or Lease the Sites, including the Purchase Price offered by the Offeror or proposed annual lease amount and desired terms.
8. A pro forma financial analysis that demonstrates the feasibility of the proposed project.
9. Each Proposal should include the name, address, phone number and type of project for at least four (4) references.

Offeror is advised that proposals submitted without the required information may be deemed non-responsive and may not receive further consideration.

**IV. GENERAL INFORMATION**

- A. Proposals must be submitted no later than **3:00 p.m. on Thursday, March 2, 2017** to:

**City of Salem**  
**Purchasing Department**  
**114 North Broad Street**  
**P. O. Box 869**  
**Salem, VA 24153**

- B. One (1) original, three (3) copies and an electronic copy on a CD or flash drive (Microsoft Word or PDF) of your proposal document are required. The City will not assume responsibility for reproduction here if an insufficient number of copies have been supplied and failure to comply with this or any other requirement of this Request for Proposal may result in rejection of the proposal. Facsimile or emailed submission of proposals is not acceptable and any such proposals shall not be considered.
- C. Proposals having any erasures or corrections must be initialed by the Offeror in ink. Proposals must be signed in ink by an authorized officer of the firm.
- D. Proposals received after the set time for receipt shall not be considered and shall be returned unopened to the Offeror.
- E. As it is expected that each Offeror may have different needs for information, it is incumbent on each Offeror to make whatever inquiries it deems necessary in order to respond to the RFP. The City assumes no responsibility for oral instructions, suggestions or interpretations. All inquiries concerning this proposal should be submitted prior to **5:00 p.m., on Wednesday, February 22, 2017**. If necessary, an addendum will be issued and emailed to all Offerors who were emailed the original RFP. Questions should be submitted as follows:

Cassandra "Nikki" Switzer,  
Purchasing Department  
114 N. Broad Street,  
Salem VA 24153  
Phone: (540) 375-3063

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Fax: (540) 375-4057  
[cnswitzer@salemva.gov](mailto:cnswitzer@salemva.gov)

- F. No proposal may be withdrawn for a period of sixty (60) days after the opening of the proposal unless the proposal is the subject of a clerical error as defined in Section 2.2-4330 (A) of the Code of Virginia. Consultant shall give notice, in writing, of their request to withdraw their proposal within two (2) business days after the opening of the proposal.
- G. The City of Salem is not responsible for any costs incurred with the development and delivery of the proposal. It is the sole responsibility of the Offeror.

**V. EVALUATION CRITERIA**

The proposals will be evaluated according to the following criteria. Offerors are welcome to submit supporting information which describes their ability to meet the criteria and exceed the performance of other Offerors.

- A. Proposal is consistent with, and furthers the goals and strategies outlined in the Downtown Plan and the Downtown Tourism District Needs Assessment.
- B. Proposal is part of a larger series of projects or development plan, representing additional offsite investment in the City of Salem, but particularly in and around Downtown.
- C. Proposal is likely to achieve a high quality mixed-use development that enhances the character and the economic viability of the city (e.g., tax revenues, jobs provided on-site, public parking offered on-site, etc.).
- D. Proposal is likely to achieve substantial financial benefit to the City of Salem; both in the short term, through compensation received from a lease of the Site, as well as long term, whether through various tax revenues or other means.
- E. Proposal includes all requested and required information listed in this RFP.
- F. Compensation in comparison with a current appraisal that may be obtained by the City.
- G. Qualifications and experience of the Offeror and their team, including investors, designated Project Manager(s), etc. Such experience may be demonstrated through References and through information as to other projects of similar scope and size successfully implemented by the Offeror.
- H. Financial ability of the Offer to complete the project in a timely manner. Such ability may be demonstrated by presenting recent financial statements or through a statement of financial sufficiency from a known and established bank that demonstrates the financial capacity to carry out the project.

**VI. METHOD OF AWARD**

Once proposals have been evaluated, selection shall be made on the basis of the factors as stated in this Request for Proposal. Informal interviews may then be conducted with those selected. Following the interview process, the selection committee shall rank the firms based on the interviews. If one Offeror is clearly more highly qualified and suitable than the others under consideration, a Contract may be awarded to that Offeror without an interview process.

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**VII. RELEASE OF INFORMATION AND AWARD ANNOUNCEMENT**

If your proposal contains information of a proprietary nature, the information must be noted and an explanation submitted on separate cover.

Upon the award or the announcement of the decision to award, the City will notify all Offerors, in writing, that submitted a proposal.

**VIII. REJECTION AND AWARD OF PROPOSAL**

The City of Salem reserves the right to cancel this RFP and to reject any or all proposals. The City also reserves the right to waive any informality or irregularity in any proposal received and to award to the Offeror whose proposal is, in the opinion of the City, in its best interest.

**IX. INSURANCE**

By signing and submitting an offer for this solicitation, the Offeror certifies that if awarded the Contract, it will have the following insurance coverage at the time the work commences. The insurance specified herein shall name the City of Salem as an additional insured. The Successful Offeror shall provide to the City, Certificate of Insurance evidencing the coverages indicated below. Such certificates shall be furnished prior to commencement of the Successful Offeror's services and at renewals thereafter during the life of the Contract. Additionally, it will maintain these during the entire term of the Contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in the Commonwealth of Virginia by the Virginia State Corporation Commission.

A thirty-day written notice of cancellation or non-renewal shall be furnished by certified mail to the Purchasing Agent at the address indicated on the solicitation.

The limits of liability for the insurance required are as follows:

- |   |             |
|---|-------------|
| 1. Workers' Compensation:                               | Statutory   |
| 2. Employer's Liability                                 |             |
| 1. Each Accident:                                       | \$100,000   |
| 2. Disease, Policy Limit:                               | \$500,000   |
| 3. Disease, Each Employee:                              | \$100,000   |
| 3. General Liability                                    |             |
| 1. Each Occurrence (Bodily Injury and Property Damage): | \$1,000,000 |
| 2. General Aggregate:                                   | \$2,000,000 |
| 4. Excess Umbrella Liability                            |             |
| 1. Each Occurrence:                                     | \$5,000,000 |
| 2. General Aggregate:                                   | \$5,000,000 |

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5. Automobile Liability

- |                                   |             |
|-----------------------------------|-------------|
| 1. Bodily Injury: Each Accident   | \$1,000,000 |
| 2. Property Damage: Each Accident | \$1,000,000 |

6. Professional Liability Insurance

- |                      |             |
|----------------------|-------------|
| 1. Each Claim Made:  | \$2,000,000 |
| 2. Annual Aggregate: | \$3,000,000 |

**X. GENERAL TERMS & CONDITIONS**

A. Indemnification

The Offeror, for himself, his heirs, representatives, successors and assigns, in consideration of the award to the Offeror by the City covenants with the City as follows:

1. The Offeror covenants to save, defend, keep harmless and indemnify the City, and all its agents and employees (collectively, the "City") from and against any and all claims, loss, damage, injury, cost (including court costs and attorney's fees), charge, liability or exposure, however caused, resulting from, arising out of or in any way connected with the Offeror's performance (or nonperformance) of the agreement terms or its obligations under the agreement.
2. The terms of this hold harmless agreement shall continue in full force and effect until such time as the City determines that the covenants described in paragraph 1 immediately above, shall no longer be necessary.
3. In executing this agreement, the Offeror represents and warrants that the Offeror has completely read, fully understood, and voluntarily accepted its terms and has executed it expressly to make the covenants in favor of the City described in paragraph 1 immediately above. In executing this agreement, the Offeror expressly reserves any and all rights that the Offeror may have against any person, firm or corporation other than the City its successors, representatives and assigns.

B. Authorization to Transact Business in Virginia

An Offeror organized as a stock or non-stock corporation, limited company, business trust or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described herein that enters into a Contract with the City pursuant to the Virginia Public Procurement Act 2.2-4300 et seq. shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50 of the Code of Virginia, to be revoked or cancelled at any time during the term of the Contract. The City may void any Contract with a business entity if the business entity fails to remain in compliance with the provisions of this section. Please contact the SCC to determine whether your firm should register.

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C. License Requirements

All Offerors having a business location or office in the City of Salem, Virginia are required to be licensed in accordance with the City's Business, Professional and Occupational Licensing (BPOL) Tax Ordinance. Wholesale and retail merchants without a business location in the City are exempt from this requirement. Questions concerning the BPOL tax should be directed to the Commissioner of Revenue at (540) 375-3019.

D. Availability of Funds

It is understood and agreed between the parties herein that the City of Salem shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Contract.

E. Applicable Law and Courts

Any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the City of Salem General District Court or the City of Salem Circuit Court. The Successful Offeror shall comply with applicable federal, state and local laws and regulations. The City of Salem shall be held harmless from any liability.

F. Contract Form, Termination and Assignment

The Successful Offeror chosen may be required to execute a Contract, the terms of which will be negotiated based on the Request for Proposal and the Successful Offeror's response, which documents will be incorporated by reference. The City reserves the right to terminate the Contract with due cause upon ninety (90) days written notice to the Successful Offeror. Under no circumstances shall the Contract be assigned by the Successful Offeror without the express written approval of the City. In the event of termination pursuant to this paragraph, the Successful Offeror shall be paid for all services provided through the date of termination. The Contract will automatically terminate upon failure of the City to appropriate funds for its continuation.

G. Default

In case of failure to deliver services in accordance with the Contract terms and conditions, the City after due oral or written notice, should the Successful Offeror fail to remedy the default within 48 hours, may procure them from other sources and hold the Successful Offeror responsible for any additional costs. This remedy shall be in addition to any other remedies which the City may have.

H. Tax Exemption

The City of Salem is exempt from State Sales Tax and Federal Excise Tax. Do not include tax. The Finance Department shall furnish tax exemption certificate upon request.

I. Audit

The Successful Offeror hereby agrees to retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the City, whichever is sooner. The City, its authorized agents, and/or City auditors shall have full access to and the right to

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examine said materials during said period.

J. Drug Free Work Place

The Successful Offeror must comply with Section 2.2-4312 of the Virginia Public Procurement Act, Drug Free work place.

K. Ethics in Public Contracting

All provisions in Sections 2.2-4367 through 2.2-4377 of the VA code are applicable to this RFP, including but not limited to the following. By submitting this proposal, all Offerors certify and warrant that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Contractor, supplier, manufacturer, or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything, present or promised, unless consideration of substantially equal or greater value is exchanged.

L. Debarment

Offeror certifies that they are not currently barred from submitting proposals on contracts by an agency of the Commonwealth of Virginia, nor are they an agent of any person or entity that is currently barred from submitting proposals on contracts by any agency of the Commonwealth of Virginia. If so, please include details of each debarment in your response to this RFP.

M. Immigration Reform and Control Act of 1986

Offeror certifies that the firm does not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the Federal Immigration Reform and Control Act of 1986.

N. Discrimination

During performance of this agreement, the Successful Offeror agrees as follows: The Successful Offeror will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or other basis prohibited by state law relating to discrimination in employment, except where is a bona fide occupational qualification reasonably necessary to the normal operation of the Successful Offeror. The Successful Offeror agrees to post in conspicuous places, available to all employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. The Successful Offeror, in all solicitations or advertisements for employees placed by or on behalf of the Successful Offeror, will state that the Successful Offeror is an equal employment employer. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

O. Ownership

All materials submitted in response to the RFP will become the property of the City of Salem upon delivery to the Purchasing Department and are subject to public inspection in accordance with the Virginia Freedom of Information Act.

P. Antitrust

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By entering into a Contract, the Successful Offeror conveys, sells, assigns and transfers to the City all rights, title and interest in and to all causes of the action it may now or hereafter acquire under the antitrust laws of the United States and Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the City under said Contract.

Q. Protests

Any Offeror that wishes to protest or object to any award made or other decisions pursuant to this RFP may do so only in accordance with the provisions of Sections 2.2-4357, 4358, 4359, 4360, 4363 and 4364 of the Code of Virginia. Any protest or objection must be in writing signed by the Offeror making the protest or objection and contain the information required by the applicable Code Sections above and then must be delivered to the City Purchasing Office.

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**REFERENCE FORM**

Name of Entity: \_\_\_\_\_

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Length of Business Relationship: \_\_\_\_\_

Email: \_\_\_\_\_

Description of Services Performed: \_\_\_\_\_

**\_\_\_\_\_**  
Name of Entity: \_\_\_\_\_

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Length of Business Relationship: \_\_\_\_\_

Email: \_\_\_\_\_

Description of Services Performed: \_\_\_\_\_

**\_\_\_\_\_**  
Name of Entity: \_\_\_\_\_

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_ Length of Business Relationship: \_\_\_\_\_

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Email: \_\_\_\_\_

Description of Services Performed: \_\_\_\_\_

**PROPRIETARY INFORMATION FORM**

Confidentiality Reference Protection in accordance with the Code of Virginia, Section 2.2-4342.

Section/Title: \_\_\_\_\_ Page(s) #: \_\_\_\_\_

Reason(s) for Withholding from Disclosure: \_\_\_\_\_

\_\_\_\_\_

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Section/Title: \_\_\_\_\_ Page(s) #: \_\_\_\_\_

Reason(s) for Withholding from Disclosure: \_\_\_\_\_

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Section/Title: \_\_\_\_\_ Page(s) #: \_\_\_\_\_

Reason(s) for Withholding from Disclosure: \_\_\_\_\_

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*If additional space is needed, please list on a separate sheet and include in the sealed Proposal.*