

REQUEST FOR LETTER OF **INTEREST** **AND QUALIFICATIONS**

1917 East 3rd Avenue Conceptual Development

ISSUE DATE: February 16, 2024



CLOSING DATE: April 9, 2024, 3:00 P.M. Local Time

Financial Services Department

**949 East 2nd Avenue
Durango, CO 81301
(970) 375-4994**

www.DurangoCO.gov



REQUEST FOR LETTER OF INTEREST AND QUALIFICATIONS

The City of Durango, Colorado, by and through its Purchasing Manager, is accepting responses to this Request for Letter of Interest and Qualifications (RFQ) from qualified individuals or firms for the potential development or re-use of a City-owned parcel located at 1917 E. 3rd Avenue.

Bidders wishing to participate should ensure they have all addenda prior to submission of bid. Failure to acknowledge receipt of any addenda applicable to this project could result in the rejection of your bid.

This request for information and any subsequent addenda will be posted to the Rocky Mountain E-Purchasing System website (www.bidnetdirect.com/colorado) then click on Vendor Login or Vendor Registration if you have not already registered. Firms are encouraged to register with RMEPS for all City bid opportunities.

Questions:

All questions must be submitted via Rocky Mountain E-Purchasing System website: (www.bidnetdirect.com/colorado).

Question Deadline: Monday, March 4, 2024 (Local Time): 3:00 p.m. (MDT)

Questions received after the deadline may not be accepted.

Responses to Questions: Friday, March 15, 2024 (Local Time): 3:00 p.m. (MDT)

Submittal Instructions (*Reference:* Required Submittals Section)

Submittal requirements are outlined in the Submittals Section of the Bid Documents.

Project Title: Feasibility of Site Development on City-Owned Property (1917 E. 3rd Avenue)

Bid Due Date and Time: Monday, April 9, 2024. (Local Time): 3:00 p.m. (MDT)

Deliver Proposals via: Rocky Mountain E-Purchasing Systems, www.bidnetdirect.com/colorado.

It is the sole responsibility of the respondent to see that the proposal is received before the submission deadline. Late proposals will not be considered.

All proposals submitted shall be binding upon the respondent if accepted by the City within sixty (60) calendar days of the submission date. Negligence upon the part of the respondent in preparing the proposal confers no right of withdrawal after the time fixed for the submission of proposal.

This project is being bid in accordance with the City of Durango Purchasing Policy.

Bob Grogan, Jr.
Purchasing Manager

February 16, 2024
Advertised: February 16 & 21, 2024
949 E. 2nd Ave · Durango CO 81301 · 970.375.4994

INTRODUCTION

The City of Durango (“City”) owns a 0.8-acre parcel of property located at 1917 E. 3rd Avenue. The City is soliciting Letters of Interest and Qualifications from experienced and creative developers, or organizations, with the necessary expertise and experience with public private partnerships to design, entitle, and develop a project which aligns with and achieves [goals of the City of Durango organization](#) and adheres to the Mercy Medical Planned Development (“PD”) agreement stipulations (summarized herein). The City of Durango is looking for a partner with a compelling vision for the site and who has demonstrated experience in designing, entitling, and constructing development projects to meet community goals, in accordance with the terms, conditions, and specifications contained in these documents.

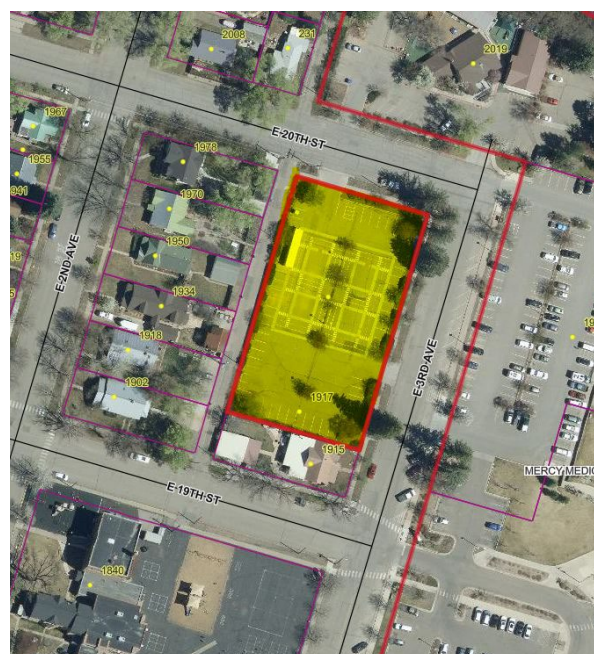
GOALS AND OBJECTIVES OF PROJECT

The overarching goal of this Request is to explore the feasibility of establishing a creative and cost-effective public-private partnership which will result in a project that achieves the multifaceted goals of the City by making improvements to an underutilized City asset in a unique neighborhood. This Request will ideally identify a partner to work with the City, other community entities, and potentially with adjacent property owners in the Mercy Medical PD to develop an innovative project which improves the functionality of the identified parcel within the greater neighborhood context.

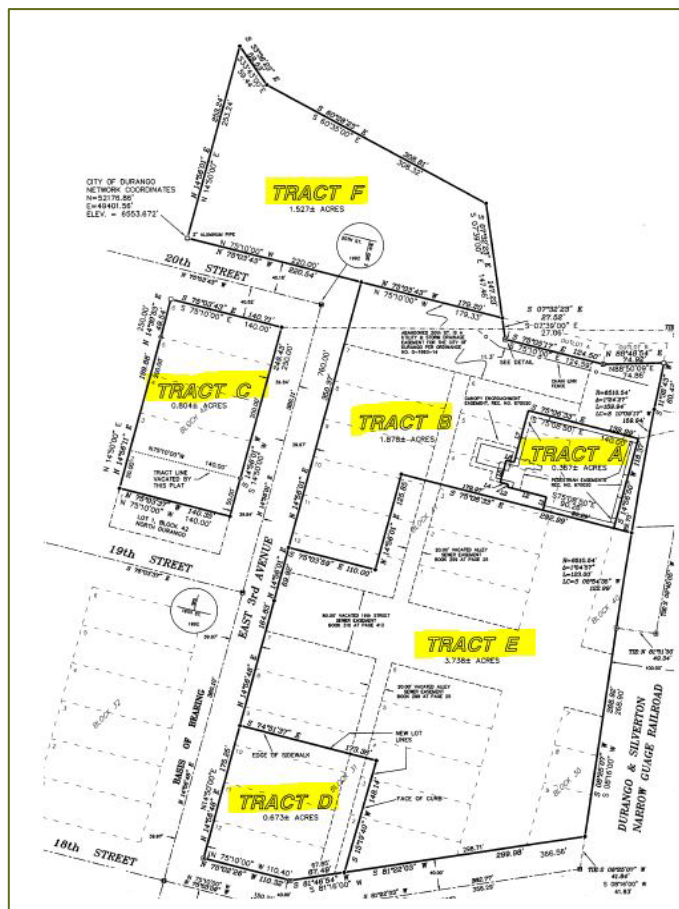
City goals have been identified in the [2022 Strategic Plan](#) and [Operating Plan](#) and [2018 Housing Plan](#). To accomplish these goals, the City desires to explore opportunities to partner with a private or non-profit entity to develop a project which contains a mix of mutually beneficial uses and enhances this site.

SITE LOCATION

The site is situated between 19th Street and 20th Street along East 3rd Avenue and has immediate access to City utilities. This site is located within the East Fassbinder Homestead Neighborhood, adjacent to the Durango Public Library, St. Columba Catholic Church and School, and is across 20th Street from the Tri-County Head Start child care facility. The site is also near the Animas River Trail and the Botanical Gardens around the Library. The parcel is currently zoned “Planned Development” as it is Tract C of the Mercy Medical PD which stipulates a unique zoning district for the affected lots. Development of the site may require some relocation of utilities to maximize the use of the site. The property is within Durango City Limits and is identified in the map to the right:



SITE BACKGROUND



The subject lot is known as “**Tract C**” within the Mercy Medical PD filing, platted in 2007. Mercy Medical Center has relocated and the Durango Public Library was built in its place-contributing to the changed use(s) and context of these tracts. The neighboring business complexes (Riverside Professional Building or “**Tract A**” to the north, and Fassbinder Professional Complex or “**Tract D**” to the south of the Library) host numerous tenants. The Mercy PD Agreement, filed alongside the Plat in 2007, stipulates a commitment of shared parking to serve the Riverside Professional Building and the Fassbinder Professional Complex within the surrounding Tracts B, C, E and/or F. The PD Agreement defines “adequate parking” as the following:

Parking for persons with disabilities in conformance with the standards established by the Land Use and Development Code (LUDC):

1. Parking for persons with disabilities in conformance with the standards established by the Land Use and Development Code (LUDC);
2. With regard to the remainder, parking which is located within five hundred (500) feet of the principal building entrances of the improvements located on Tracts A and D; provided however, that up to twenty percent (20%) of the spaces may be located greater than five hundred (500) feet but less than one thousand (1000) feet from the principal entrances;
3. As to [Tract D], at least 65 parking spaces;
4. As to [Tract A], at least 105 parking spaces; and
5. As to all other structures and improvements on the PD Property, parking sufficient to meet the requirements set forth in the City’s current Code.

The City is committed to satisfying this commitment; however, is open to proposals which may address this parking requirement criteria through a new approach to enable “best-use” of this lot. *For example, developing a tiered parking arrangement on an adjacent existing parking area such as Tract B and*

proposing development in Tract C, or, proposing development in a portion of Tract C while retaining parking on-site, or a creative proposal of that nature to satisfy this requirement.

TRACT C LAND USES, SETBACKS AND HEIGHT

USE

The uses allowed or permitted on Tract C and the type of process required for establishment of each use are set forth below, per the Mercy Medical PD Agreement. This Agreement outlines Allowed, Special, and Conditional Uses for the Mercy Medical Center Planned Development. The processing and review of future improvements on any tracts on the PD property will be accomplished in accordance with the Land Use and Development Code (LUDC) except that the land use, setbacks, height and some parking requirements are established in the PD Agreement.

The future use(s) of Tract C and other Mercy Medical PD Tracts are subject to the following:

Proposed Uses – Allowed Use:

- Single-Family Residences
- Residential Group Homes / Receiving Homes / Care Facilities
- Library
- Clinics / Counseling Centers
- Urgent Care Facility
- Professional / Government Offices
- Mortgage Company
- Surface Parking Lots
- Massage Therapy
- Personal Trainer
- Medical / Dental / Optical Laboratories

Proposed Uses – Special Use:

- Two-Family Residences
- Day Care Centers / Pre-School
- Early Learning Center
- Adult Day Care
- Assisted Care Facility
- Schools, K – 12
- Cultural Facilities
- Religious Facilities
- Cafes / Delicatessens – Accessory Use
- Retail – Accessory Use
- Real Estate Office – Small
- Decked Parking Structure
- Research Facility
- Automated Teller Machines – Located within a Business / Building

Proposed Uses – Conditional Use:

- Multifamily Residential
- Mixed-Use Residential
- Group Residences
- Live-Work Units
- Nursing Home
- Sanitariums / Convalescent Facilities
- Vocational / Technical / Specialty Schools
- Colleges / Universities
- Fine Arts School
- Recreational Facilities
- Cafes / Delicatessens – Primary Use
- Service Businesses (Personal Services)
- Real Estate Office – Large
- Veterinary Clinic
- Multi-Level Parking Structure
- Urgent Care – 24 Hours Operation

Uses Discussed – Not Allowed

- Automated Teller Machines – Outside or Drive Up Facility
- Retail – Primary Use
- Financial Institutions – except mortgage companies
- 24 Hour Uses

SETBACKS

Per the PD Agreement, there shall be a minimum setback from the exterior boundaries of any structures constructed in accordance with the approved uses defined herein, of ten (10) feet except as follows:

- a. The existing setbacks may be used for building additions above the footprint of any existing building.
- b. Subject to the setback set forth in (a) above, the setback for all parcels adjoining existing residential zones or uses shall be twenty (20) feet.

HEIGHT

The maximum height for all structures on Tracts A, B, and E of the PD Property shall be forty-five (45) feet. The maximum height for structures on Tracts C, D, and F shall be thirty-five (35) feet. Any proposed increase in height shall require the application for and receipt of a variance from the City.

INVITATION

The City is soliciting Letters of Interest and Qualifications from experienced and creative developers or organizations with the capacity and the necessary expertise to participate in the development of a public-private partnership to advance development of a dynamic, well-designed, compatible project which could include commercial, residential, or other uses identified as complementary to the goals of the City.

The overall project objectives are to:

- (i) Develop a vision and conceptual plan for development of a project on the approximately 0.8-acre site and an explanation of how the proposal achieves stated community goals;
- (ii) Create a mutually acceptable business plan including financial modeling, funding stack, and a development pro forma to develop the proposed project;
- (iii) Propose solutions, if necessary, to meet the pre-existing shared parking requirements for Tract C within the Mercy Medical Center Planned Development Agreement as described herein;
- (iv) Identify and explain any barriers or hardships that might require additional City subsidies or incentives aside from the land identified; and
- (v) Identify specific terms for a public-private partnership with the City to develop a project on the parcel identified above.

The developer would be expected to handle all aspects of the development process including due diligence activities, planning, engineering, entitlements, securing funding, and construction management. The City will provide support as requested and appropriate as part of the partnership effort.

SCOPE OF WORK

Respondents should begin defining a feasible project for this property which aligns with the community's priorities, works within the context and constraints of the neighboring properties, and takes advantage of various financing opportunities, including federal and state programs, toward the goal of creating a flourishing, attractive development to activate Tract C. The City is looking for a compelling vision to put the property to beneficial use.

At this time, the City does not have a specific concept for the parcel. The current land use designation is “Planned Development” within the Mercy Medical Planned Development which allows a wide variety of potential land uses as described herein. The City may, at its discretion, support amending the PD Agreement to accommodate unique project proposals which align with the context and goals of the City and East Fassbinder Neighborhood.

The City encourages and prioritizes for sale/ownership housing projects. If housing is included as part of the project, the City’s affordable and attainable housing goals should be considered. Affordable, owner-occupied housing opportunities align with the City’s adopted Strategic Plan, goals, and housing plans. These housing goals target income levels ranging from 70% to 120% of the Area Median Income (AMI), with a priority on attainability for 100% AMI households.

The following plans and resources will help inform and give prospective Developers a more in-depth understanding of the City’s demographics and site background for planning purposes:

- [Durango 2018 Housing Plan](#)
- [Regional Housing Needs Assessment & Strategy \(by Root Policy Sept. 2021\)](#)
- [La Plata County 3-Year Workforce Housing Investment Strategy \(June 2022\)](#)
- [Mercy Medical Center Planned Development Plat \(2007\)](#)
- [Mercy Medical Center Planned Development Agreement \(2007\)](#)

The Scope of Work includes (but is not limited to):

- Developing a vision and conceptual plan for the development of a project in this location in partnership with the City and clearly identifying how the project will address the community’s goals with an attractive and innovative project;
- Creating a development plan and timeline for implementation of the project in partnership with the City;
- Defining and estimating project costs along with a proposal for how the project could be funded, including requests if seeking federal, state, or local contributions; and
- Including a cost-effective program for the long-term management and maintenance of the project, when developed, leased, and/or sold.

BID SUBMISSION

A. General

1. Submit Bids electronically via www.bidnetdirect.com/colorado prior to deadline. **Please submit all your required documents in a single pdf file in the bidder’s company name.** Proposals shall not exceed twenty (20) pages in length.
2. Retain one copy for your records.
3. Successful Contractor must have or obtain a current City Business License upon awarded of the contract.
4. Successful Contractor must complete a W-9 form (Taxpayer Identification No.) upon award.
5. The City of Durango is exempt from all local, state, and federal taxes.

6. The City of Durango reserves the right to reject any and all bids.

B. Single Proposer Responsibility

Single proposer responsibility is required under this RFQ. Each proposer responding to this RFQ must bid all professional services, special services, equipment, materials and supplies to fulfill the terms of this RFQ and, if awarded the contract, must be the sole contracting party with City of Durango, responsible for all aspects of the project.

The requirement for single-point responsibility does not prohibit subcontracts or joint ventures, provided that the single successful proposer assumes the following responsibilities:

1. Serves as the sole contractor with City of Durango.
2. Assumes full responsibility for the performance of all its subcontractors, joint ventures, and other agents.
3. Provides the sole point of contact for all activities through a single individual designated as project manager.
4. Submits copies of all contracts and other agreements proposed to document such arrangement.

C. Content of Proposal

This section prescribes mandatory descriptions and submittals that must be addressed in or included with proposals. Failure to address or include all of the items discussed in this section may subject the proposal to immediate rejection. The City of Durango, however, will be the final authority in determining the responsiveness of a proposal.

Each proposal shall be prepared simply and economically, providing a straightforward, concise delineation of the proposer's capability to satisfy the requirements of the RFQ. Fancy bindings, colored displays, and promotional material are not desired unless such material is felt by the proposer to be absolutely required to establish a particular point. Emphasis in each proposal shall be on completeness, clarity of content, and brevity in meeting required contents.

All materials submitted will become the property of the City of Durango.

D. Further Notice to Proposers

This RFQ does not commit City of Durango to negotiate a contract, nor does it obligate the City to pay for any costs incurred in the preparation and submission of proposals or in submission of a contract.

The proposer shows their ability to bring necessary resources and team to the effort to implement the project vision.

SELECTION PROCESS

A Selection Committee will review all qualified proposals. The Selection Committee reserves the right to contact any or all of the Proposers during the review process for clarification and/or understanding. Additionally, Proposer(s) may be asked to sit for a committee interview.

Questions and interviews are at the sole discretion and option of the committee and may not be afforded to any or all Proposer(s).

Any Interviews will be at the sole expense of the respondents. The quantity and quality of responses will dictate this process.

Following the acceptance of a proposal, the selected Proposer and the city must reach a contractual agreement prior to the start of any work for which the City of Durango would be obligated.

Each proposal shall be evaluated and scored based upon the following criteria:

<u>Points</u>	
1. Proposal is an innovative opportunity aligned with the neighborhood and the Mercy Medical PD context and is beneficial to the community character.	0 – 20
2. Proposal provides clear explanation how it will achieve the City's Strategic and Operating Plan goals with the proposed effort.	0 – 20
3. The proposal gives a clear estimation of timetables and costs for the proposed development.	0 – 20
4. The proposer clearly demonstrates their success and abilities with public private partnerships and other development projects.	0 – 20
5. The proposer shows their ability to bring necessary resources and team to the effort to implement the project vision.	0 – 20
Grand Total for Written Proposal 100	

Direct contact with City of Durango elected officials or City staff, other than the Purchasing Administrator, during the proposal process may render the proposal as non-compliant. At the Purchasing Administrator's discretion, no further consideration may be given to the proposal and will be rejected.

SUBMITTAL REQUIREMENTS

The Letter of Interest and Qualifications submitted must address the following major topics in the following order:

1. Letter of Interest

The City encourages Developer(s) to share their experience and a record of successful delivery of similarly developed PPP projects. A maximum two-page Letter of Interest which includes a synopsis of the Developer, team members, business principles, qualifications, primary contact information, and the principal representing the contractual authority of the Developer.

2. Methodology, Approach, and Visual Depictions of the Project

A maximum three (3) page general statement regarding the Developer's proposed approach with focus on distinguishing characteristics or services, experience working in public-private partnerships, demonstration of ability to manage complex, long-term development projects, methods of quality control and scheduling, and philosophical approach. Visual depictions may be attached and can exceed the 3-page maximum.

3. *Understanding of Durango*

Provide information that demonstrates your understanding of the City of Durango, La Plata County and our region and the economic and housing challenges in the community. Provide how that knowledge will support your approach to project design.

4. *Developer Qualifications and Team*

Please provide three (3) project examples which demonstrate the Developer's experience working in these or similar types of arrangements. Include brief descriptions of each project, relevant visuals, the client's name, address, and telephone number, and descriptions of the Developer's responsibilities on each project. Provide resumes for all team members as an appendix to the submission.

5. *References*

A minimum of three professional references including direct contact information shall be included.

6. *Additional Information*

The submission cannot exceed twenty (20) pages excluding the resumes as an appendix. This RFQ sets forth the parameters allowing the City to gauge interest in the referenced property and to enter into negotiations towards the engagement of a selected Developer to identify what is feasible regarding development of a project on the aforementioned parcel. The RFQ does not bind the City to selecting a Developer nor does it create an obligation to develop any specific project.

Any cost incurred by the respondents in preparing or submitting a response to this RFQ or interviewing for this project shall be the respondents' sole responsibility. During the RFQ process, all submittals shall remain confidential, but will be subject to public records law following the evaluation and selection process. The entire selection process (procurement) file shall be opened to the public (which includes all proposers) after an agreement is approved by City, except those items for which confidentiality has been requested in writing by the Proposer, and providing that the City Attorney has reviewed and determined this to be properly confidential under the State Open Records Act and other relevant statutes and regulations.

- Selected Vendor must have or obtain a current City Business License as applicable upon award.
- Selected Vendor must complete a W-9 form (Taxpayer Identification No.) upon award.
- The City of Durango is exempt from all local, state, and federal taxes.
- The City of Durango reserves the right to reject any, and all bids and to waive informalities and minor irregularities in bids received and to accept any portion of the bid or all items proposed if deemed in the best interest of the City of Durango.

INSURANCE

- A. The Successful Contractor shall not commence work under this Agreement until it has obtained all insurance required by the contract documents and such insurance has been approved by the City. The Contractor shall not allow any subcontractor to commence work on this project until all similar insurance required of the subcontractor has been obtained and approved. For the duration of this Agreement, the Contractor must maintain the insurance coverage required in this section.
- B. The Successful Contractor shall procure and maintain, at its own cost, the following policy, or policies of insurance. The Contractor shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to the contract documents by reason of its failure to procure or maintain insurance or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.
- C. Successful Contractor shall procure and maintain and shall cause each Subcontractor of the Contractor to procure and maintain (or shall insure the activity of Contractor's Subcontractors in Contractor's own policy with respect to), the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to the City. All coverages shall be continuously maintained from the date of commencement of the Work. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.
 1. Worker's Compensation insurance to cover obligations imposed by the Workers' Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of Work under this contract, and Employers' Liability insurance with minimum limits of One Million Dollars (\$1,000,000) each accident, One Million Dollars (\$1,000,000) – policy limit, and One Million Dollars (\$1,000,000) disease – each employee.
 2. Comprehensive General Liability insurance with minimum single limits of One Million Dollars (\$1,000,000) each occurrence and Two Million Dollars (\$2,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall include coverage for explosion, collapse, and underground hazards. The policy shall contain a severability of interest's provision.
 3. Comprehensive Automobile Liability insurance with minimum combined single limits for bodily injury and property damage of not less than Five Hundred Thousand Dollars (\$500,000) each occurrence and One Million Dollars (\$1,000,000) aggregate with respect to each of Contractor's owned, hired and/or non-owned vehicles assigned to or used in performance of the services. The policy shall contain a severability of interest's provision.
- D. The policies required above, except for the Workers' Compensation insurance and Employer's Liability insurance, shall be endorsed to include the City, and its officers and employees, as additional insured. Every policy required above shall be primary insurance, and any insurance carried by the City, its officers, or its employees, shall be excess and not contributory insurance to that provided by Contractor. The additional insured endorsement for the Comprehensive General Liability insurance required above shall not contain any exclusion for bodily injury or property damage arising from completed operations. The Contractor shall be solely responsible for any deductible losses under each of the policies required above.
- E. Certificates of insurance shall be completed by the Contractor's insurance agent as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and copies of such certificates shall be forwarded to the City prior to start of Work. Each certificate

shall identify the Project and shall provide that the coverages afforded under the policies shall not be cancelled, terminated, or materially changed until at least 30 days prior written notice has been given to the City. If the words “endeavor to” appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate. The City reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

- F. Failure on the part of the Contractor to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of contract upon which the City may immediately terminate the contract, or at its discretion may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the City shall be repaid by the Contractor to the City.
- G. City upon demand, or the City may offset the cost of the premiums against any monies due to Contractor from the Owner.

PROJECT TIMELINE

Project's Publication	February 16 and 21, 2024
Consultants' Questions Due	March 4, 2024, 3:00 p.m. (Local Time)
Final Addendum Issued by Purchasing	March 15, 2024, 3:00 p.m. (Local Time)
Proposals due	Tuesday, April 9, 2024, by 3:00 p.m. (Local Time)
Evaluation of Proposals	Week of April 15 th , 2024, – <i>Estimated</i>
Interviews if necessary	Week of April 29 th , 2024, in person presentation
Notice of Intent	Week of May 6, 2024 – <i>Estimated</i>