

Lower Strip District Project Economic and Market Impact Study Request for Proposals

The Urban Redevelopment Authority of Pittsburgh (URA) is seeking to engage a qualified consulting firm to conduct an Economic and Market Impact Study for the proposed Lower Strip TIF District project in the Strip District neighborhood of Pittsburgh (see **attached map**). The proposed district includes the URA owned Produce Terminal.

This project is sited in a critical location adjacent to Downtown and directly on the Allegheny River. The site extends from 11th Street to 21st Street and includes all of the property from Smallman Street to the river except for two developed parcels. Its prominent location is underscored by the Strip District's established draw as a regional destination, attracting more than one million visitors annually, and more recently as an emerging residential market, with strong pre-sales for condominiums and long waiting lists for rental developments. The project site is entirely controlled by the Urban Redevelopment Authority of Pittsburgh and the Buncher Co., a developer with substantial capacity to begin construction immediately, provide matching equity and self-finance. Nearby property owners have provided considerable evidence that this investment will have a substantial leveraging effect as developers are adverse to risk starting development until plans for the Produce Terminal were defined.

The project has benefited from an exhaustive planning process that concluded during the late Summer 2010, called the Allegheny Riverfront Vision Plan. Built on the more limited scopes of several precedent plans, hundreds of stakeholders provided input during several months worth of community meetings, public activity sessions, and via blog and website to inform this most recent planning effort. Buncher Co. representatives participated in the Allegheny Riverfront process and the concepts for this project grew out of initial discussions between Buncher and URA officials at the very outset of that process. Both entities have partnered on several agreements, including a market study for the project site and an architectural services contract for the Produce Terminal. URA and Buncher officials have also been in negotiations to finalize a master lease-purchase agreement for the Produce Terminal to transition the property into private ownership so that public taxing bodies can again realize tax revenue from its operation.

The proposed development will provide new residential units, a hotel, new office and commercial space, as well as a parking garage.

Projected Lower Strip Development Schedule		
Projected to be built by	Type	Number of units/square footage
2011 13 th Street Garage	<i>Garage</i>	<i>3 floors</i>
2013 Produce Terminal Building C	<i>Commercial</i>	<i>84,650 square feet</i>
	<i>Residential</i>	<i>126 units</i>
	<i>Retail</i>	<i>11,445 square feet</i>
	<i>Parking</i>	<i>102 spaces</i>
2015 Office Building 1 (Seagate II)	<i>Commercial</i>	<i>240,000 square feet</i>
2016 Building E	<i>Residential</i>	<i>114 units</i>
	<i>Parking</i>	<i>121 spaces</i>

<u>Projected to be built by</u>	<u>Type</u>	<u>Number of units/square footage</u>
2018		
Building B	<i>Residential</i>	<i>150 units</i>
	<i>Retail</i>	<i>11,445</i>
	<i>Parking</i>	<i>156 spaces</i>
2019		
Office Building 2	<i>Commercial</i>	<i>220,200 square feet</i>
2020		
Building A	<i>Residential</i>	<i>126 units</i>
	<i>Parking</i>	<i>126 spaces</i>
2021		
Hotel	<i>Hotel</i>	<i>192,000 square feet</i>
2022		
Building D	<i>Residential</i>	<i>156 units</i>
	<i>Parking</i>	<i>161 spaces</i>
2024		
Office Building 3	<i>Commercial</i>	<i>125,000 square feet</i>
Office Building 4	<i>Commercial</i>	<i>125,000 square feet</i>
Office Building 5	<i>Commercial</i>	<i>125,000 square feet</i>

Consultant will deliver five (5) hardcopies and one (1) electronic copy of the Economic and Market Impact Study Report.

The impact analysis would need to include the following:

1. Inspection of the subject property and the surrounding neighborhood. The analysis of the site should include an identification of the access, topography, shape, and overall utility.
2. Include future gross and net impacts (see #4 below) from construction of projected to be built development in each year of development, as indicated in the chart above. This should include indirect sales tax, real estate tax, parking tax, business privilege tax, wage tax, and any other applicable taxes that could be collected as a result of the development..
3. Show the net impacts from each year beginning in 2012 – after the diversion of pledged real estate tax increment and parking tax increment at the rate of 75% (for 20 years from 2011).
4. Include a narrative portion that addresses the impact of the Produce Terminal development on the Strip District neighborhood development; explain its impact, positive and / or negative, on surrounding real estate and businesses. Include an explanation that discusses the Lower Strip TIF District Produce in the context of Downtown development and its impact on nearby real estate and businesses in adjacent neighborhoods and municipalities. Also include a description of the methodology relevant to estimating all taxes to the three taxing bodies. The methodology should

- include review of recent relevant renovations in the area like the Otto Milk renovation and the Cork Factory residential renovation.
5. Include an evaluation of projected unit lease prices, real estate tax assessments and unit absorption rates.

Proposals should include, but are not limited to:

1. Contact Information: firm name, primary contact name, primary contact phone number, primary contact e-mail address
2. Brief summary of firm qualifications and past relevant experience
3. Timeframe for delivery of Economic and Market Impact Study
4. The firm's preferred methodology for conducting its research
5. Proposed fee for services

Submit Proposals to:

Angelo Taranto
Assistant Director Economic Development
Urban Redevelopment Authority of Pittsburgh
12th Floor
200 Ross Street
Pittsburgh, PA 15219

Proposals are due by Noon, Friday January 21st, 2011.

Please contact Rebecca Davidson-Wagner at 412-255-6588or rwagner@ura.org with any questions.

Lower Strip District Proposed TIF Boundary areas

