

Staff Summary Report



Council Meeting Date: 6/14/2012

Agenda Item Number: 5E5

SUBJECT: Request adoption of a resolution authorizing the selection and exclusive negotiations with Liberty Property Trust for the right to negotiate for the acquisition of approximately 109 acres of City-owned land located adjacent to Rio Salado Parkway and extending to the east and west of Priest Drive.

DOCUMENT NAME: 20120614fsmg08 PURCHASES (1004-01) RESOLUTION NO. 2012.81

COMMENTS: N/A

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FISCAL NOTE: (RFQ #12-116) If approved by Council, the Community Development Department will begin negotiations with Liberty Property Trust for the sale or long term lease of the property. Proceeds from the sale/lease of the City-owned land will be used to relocate the Priest Yard facility.

RECOMMENDATION: Adopt Resolution No. 2012.81.

ADDITIONAL INFO: Staff issued a Request for Qualifications (RFQ) to interested firms for the acquisition and development of approximately 109 acres of City-owned land. The land is located along Rio Salado Parkway and extends in a western direction from the Tempe Center for the Arts to Tempe's border with Phoenix and is bisected by the intersection of Priest Drive and Rio Salado Parkway. The Public Works Yard (Priest yard) occupies 27 of the 109 acres. Any resultant agreement will provide for the relocation of this yard to the western edge of the property.

Evaluation Process

To assist in the review of submittals, an evaluation team was formed that included representatives from various functional areas throughout the City including the City Manager's Office, Community Development, Public Works, and the Finance and Technology departments.

The committee established the following evaluation criteria that would be used to score the qualification statements:

<u>Criteria</u>	<u>Weight</u>
Experience developing similar projects;	30%
Organization capacity to include qualifications of principals and professional team;	25%
Regional success and ability to attract high quality tenants	20%
Financial strength;	15%
Resources and strategy to facilitate relocation of Priest Yard;	10%
Interview to determine effectiveness of overall team;	10%

The RFQ was issued to 462 companies registered with the City for a number of applicable commodity areas including commercial developers. In addition, this opportunity was advertised in the Arizona Capitol Times. The City received five responses as shown below (in alphabetical order):

Offering Firms

Douglas Allred Company
Liberty Property Trust
Sunbelt Holdings/Merit Partners
Trammell Crow
Wentworth Properties

The committee reviewed the qualification statements and determined that interviews would be needed in order to fully explore the companies' qualifications, project approach, and general team effectiveness. The City decided that the interviews would be held at the candidate's local office. Prior to the interviews, Sunbelt Holdings/Merit Partners asked that their qualification statement be withdrawn from consideration. Interviews were conducted with the remaining four firms.

After the interviews were completed, the committee met to discuss and score the submittals. After a careful review of all qualification statements, the evaluation committee recommends that Liberty Property Trust be selected to negotiate the terms of a Development and Disposition Agreement. Staff is recommending a 90-day period for exclusive negotiations. If the negotiations are successful, a completed Development and Disposition Agreement will be presented to Council for approval.

Although a ranking was established, the committee determined that all responding firms are qualified to perform this work.

