

CITY OF TEMPE
REQUEST FOR COUNCIL ACTION

Council Meeting Date: 08/18/2016
Agenda Item: 5C4

ACTION: Adopt a resolution authorizing the City Manager (or designee) to negotiate an agreement for the development and lease of approximately 18 acres of City-owned land located on Rio Salado Parkway west of Tempe Center for the Arts. (Resolution No. R2016.82)

FISCAL IMPACT: Financial details will be determined through negotiation of the terms of the Development and Disposition Agreement and subject to City Council approval.

RECOMMENDATION: Adopt Resolution No. R2016.82.

BACKGROUND INFORMATION: (RFP #16-145) The City issued a Request for Qualifications (RFQ) for the lease and development of approximately 18 acres of City-owned land located on Rio Salado Parkway immediately west of the Tempe Center for the Arts (TCA). Any development on this land needs to adhere to the most recently updated FAA Noise Mitigation measures identified in Phoenix Sky Harbor International Airport F.A.R. Part 150 Noise Compatibility Study for all new construction in the area within which the property is located.

The property is a brownfield site and the RFQ called for submission of site plans for development as a Biomedical and Technology Campus to provide research facilities and specialized lab space. Conceptual designs were to include a mixed use parking garage (incorporating TCA patron parking), arts related spaces (such as rehearsal space and artist workspaces), open space and trails connecting to the TCA and Tempe Town Lake trail system, green building techniques/sustainable construction practices, a technology job training facility, and a high end restaurant.

Evaluation Process

Four responses were received from the following teams:

- The Boyer Company, SmithGroupJJR, and Okland Construction
- Ryan Companies US, Inc., Hornaday Development, and Ayers Saint Gross
- Conor Commercial Real Estate, McShane Construction Company, Sundt, and DLR Group
- Liberty Property Trust, RSP Architects, and Wespac Construction

The responses were evaluated by a committee comprised of representatives from Economic Development, Community Services, Human Services, Procurement, and Yelton and Associates, LLC. The responses were evaluated using the following criteria:

Criteria	Weight
Experience	25%
Financial Strength	25%
Project Design	20%
Organizational Capacity	20%
Interview	10%

Results of the scoring are as follows:

Offering Firm	Score
The Boyer Company, SmithGroupJJR, and Okland Construction	937.5
Ryan Companies US, Inc., Hornaday Development, and Ayers Saint Gross	850
Conor Commercial Real Estate, McShane Construction Company, Sundt, and DLR Group	822.5
Liberty Property Trust, RSP Architects, and Wespac Construction	777.5

The evaluation committee recommends that the team consisting of The Boyer Company, SmithGroupJJR, and Okland Construction be selected to negotiate the terms of a Development and Disposition Agreement. This team proposes a project that will include biomedical, bioscience, and technology industries; a workforce training center; mixed use parking structures that will share space with TCA patrons: rehearsal and artist space; a rooftop restaurant; and trails connecting the proposed project with the Tempe Town Lake trail system and TCA. The project's structures will be constructed to meet LEED sustainable standards. The team also offered a revenue-sharing opportunity with the City after all development costs have been recouped.

ATTACHMENTS: Resolution and Statement of Qualifications

STAFF CONTACT(S): Donna Kennedy, Economic Development Director, (480) 858-2395

Department Director: Renie Broderick, Internal Services Director

Legal review by: Cynthia McCoy, Assistant City Attorney

Prepared by: Lisa Goodman, CPPO, Procurement Officer