# REQUEST FOR PROPOSALS By the City of Homer, Alaska To Lease City Property on the Homer Spit

The City of Homer, Alaska is requesting proposals from individuals or firms to lease one or more of the three City-owned parcels located on the Homer Spit in Homer, Alaska. All Lots Offered Separately. The proposals that satisfy all minimum requirements and scores best on the City's evaluative criteria will be offered the opportunity to negotiate for a lease with the City. The parcels that are available are:

Parcel A	Portion of Lot 48, also known as 4667 Homer Spit Rd
Parcel B	Lot 9A, Homer Spit Replat 2006 on Fish Dock Road
Parcel C	Lot 10A, Homer Spit Replat 2006 on Fish Dock Road

Proposals to the City's request will be received at the City Clerk's Office, 491 E. Pioneer Avenue, Homer, Alaska 99603, until **4:30 p.m. Tuesday, March 17, 2020** at which time they will be logged in and provided to City staff for evaluation. A non-refundable lease application fee of \$30 must be submitted with the proposal. Proposals received after the time specified or proposals received from proposers not listed on the plan holders list will be considered non-responsive and shall not be considered.

Plan holder registration forms, and Plans and Specifications are available on line at <a href="http://www.cityofhomer-ak.gov/rfps">http://www.cityofhomer-ak.gov/rfps</a> All proposers must submit a City of Homer Plan Holders Registration form to be on the Plan Holders List and to be considered responsive. To obtain a copy of the proposal package and to be listed on the plan holders list, contact: Office of the City Clerk, 491 E. Pioneer Avenue, Homer, AK 99603, (907) 235-3130, clerk@ci.homer.ak.us

To arrange to view or inspect any parcel, or for information regarding existing utility lines or the fish outfall line and connections, contact: Bryan Hawkins, Port and Harbor Director/Harbormaster, 4311 Freight Dock Rd, Homer, Alaska 99603, (907) 235-3160, <a href="mailto:bhawkins@ci.homer.ak.us">bhawkins@ci.homer.ak.us</a>

The City reserves the absolute right to reject any or all proposals, may waive any or all informalities or irregularities, and may permit the correction of errors or omissions in responses.

Dated this 27<sup>th</sup> day of February 2020

City of Homer

Katie Koester, City Manager

Publish:

Homer News 3/5/20 & 3/12/20

Account #:

400-0600-5227

## REQUEST FOR PROPOSALS By the City of Homer, Alaska To Lease City Property on the Homer Spit

## **REQUIREMENTS**

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## I. <u>Description of Parcels</u>

Parcels A, B and C are zoned Marine Industrial under Homer City Code Chapter 21.30, and all uses of the parcels must conform to the requirements of the code. A copy of Chapter 21.30 is included as **Attachment #3**. Proposers are strongly encouraged to review the entire Homer Zoning Code for other land use requirements that may be applicable to the proposer's use of the property. The zoning code may be obtained from the Homer Planning Department or the Office of the City Clerk.

#### Parcel A

HM0890034 T07S R13W S01 Homer Spit Sub Amended Lot 48. See **Attachment # 1** for lot location and photos. Available for lease parcel includes a single story ground floor office building (formally used as a ferry ticket office) 336 sq. ft., the **2nd Floor** of the connected 2 story building providing additional office space and restroom (exterior stair access) 960 sq. ft., and 1800 square feet of additional land for 10 parking spaces, for a total area of 3096 sq. ft. The area of Lot 48 available for lease includes Homer Spit Road frontage access. Buildings are located directly across from the Ferry Terminal. Lower level of the 960' building contains a large water pump and is part of the city water infrastructure. That portion of the building is not available for lease.

## Parcel B

Lot 9-A Homer Spit Replat 2006, Homer Recording District, Homer, Alaska. See **Attachment #2** for lot location. This lot consists of approximately 22,816 square feet of vacant land. A proposal to lease this parcel must be for a use related to the commercial fishing industry. This parcel is in a prime location and features direct access to the Homer Fish Dock and frontage on both Fish Dock Road and the Homer Spit Road.

## Parcel C

Lot 10-A Homer Spit Replat 2006, Homer Recording District, Homer, Alaska. See **Attachment #2** for lot location. This lot has a total square footage of approximately 23,161. The east corner has a telephone utility building occupying 875 square feet. The leasable space is then 22,286 square feet. A proposal to lease this parcel must be for a use related to the commercial fishing industry. This parcel is in a prime location and features direct access to the Homer Fish Dock and frontage on both Fish Dock Road and the Homer Spit Road.

#### II. Schedule

The following is the anticipated schedule. Any date(s) may be extended by the City when in the interest of the City to do so.

0	Publish dates in Homer News	3/5/20 & 3/12/20	
0	Proposals due to Office of the City Clerk	3/17/20 by 4:30 p.m.	
0	Port & Harbor Commission Review	3/25/20*	
0	Homer City Council Approval of Successful	4/13/20*	

Homer City Council Approval of Successful
Proposals and Lease Agreement

#### III. Response Requirements

PROPOSALS SHALL BE SUBMITTED IN A SEALED ENVELOPE CLEARLY LABELED "SPIT PROPERTY LEASE PROPOSAL"

Every proposal, to be deemed responsive, must contain the following information requested, to include but not limited to the following:

- 1. A completed application form provided by the City, **Attachment #4**.
  - a. The application should clearly state the offered rental rate and applicable period, including any proposed rent escalation factors. Proposers should note that fair market rent is the baseline, or minimum rent. Leases for this parcel will be offered on a competitive basis. The amount offered by the proposer for lease payments is an important factor in determining the successful proposal.
  - b. For Lot 48(Parcel A) For planning purposes, proposers can assume that fair market rent is likely to be within the range of \$0.70 to \$0.90 per square foot/per year.
  - c. Lots 9A and 10A (Parcel B and C) For planning purposes, proposers can assume that fair market rent is likely to be within the range of \$0.70 to \$0.90 per square foot/per year.

<sup>\*</sup>Subject to change depending upon length of time necessary to complete evaluations and review

- 2. Any applicable fees to include, but not limited to, Lease Application fee \$30 (submitted with proposal), Lease fee of \$300 (submitted when selected as winning proposer).
- 3. A clear and precise narrative description of the proposed use of the property.
- 4. A specific time schedule and benchmarks for development.
- 5. A proposed site plan drawn to scale that shows at a minimum: property lines, easements, existing structures and other improvements, utilities, and the proposed development including all structures and their elevations, parking facilities, utilities, and other proposed improvements.
- 6. Any other information that is directly pertinent to the proposal scoring criteria contained herein.
- 7. All other required attachments requested on the application form including, but not limited to, the following documentation: applicant information, plot plan, development plan, insurance, proposed subleases, environmental information, agency approvals and permits, fees, financial information, partnership and corporation statement, certificate of good standing issued by an entity's state of domicile, and references.
- 8. Any other information required by the solicitation or request for proposals.

## IV. Other Requirements

A. Permits and Regulations

The lessee must comply with all appropriate federal, state, and local laws and regulations, including city zoning, water, sewer, building permits and requirements and Port and Harbor tariff.

B. Utilities

All utilities will be the responsibility of the proposer. City water and sewer are available to each parcel. It is the responsibility of the developer to extend the water and sewer into the parcel and make necessary connections, if necessary, for proposed use.

C. Fish Processor Outfall Connection

A fish processing facility of any size or scope located on Lots 9A or 10A (Parcels A and B) must connect to the City of Homer outfall line. This can be done either with a direct connection to the line for ground fish waste, or by working with the City contractor and delivering waste to the Cityowned fish grinder. See sample Connection Agreement (**Attachment #7**) regarding direct connection to the outfall line.

## V. <u>Evaluation of Proposals</u>

The selection committee will be comprised of City Staff members. Proposals that do not demonstrate financial capability, have a poor credit history, are incomplete, or are otherwise deemed nonresponsive will be rejected. Responsive proposals will be evaluated based upon their level of satisfaction of (a) the requirements of this request for proposals and (b) the evaluation criteria listed in HCC 18.8

- 1. Compatibility with neighboring uses and consistency with applicable land use regulations including the Comprehensive Plan.
- 2. The development plan including all proposed phases and timetables.
- 3. The proposed capital investment.
- 4. Experience of the applicant in the proposed business or venture.
- 5. Financial capability or backing of the applicant including credit history, prior lease history, assets that will be used to support the proposed development.

- 6. The number of employees anticipated.
- 7. The proposed rental rate.
- 8. Other financial impacts such as tax revenues, stimulation of related spin-off economic development, or the value of improvements left behind upon termination of the lease.
- 9. Other long term social and economic development.

## VI. <u>Selection of Firm & Negotiation of Agreement</u>

After evaluation and ranking of responses, the City will offer the highest ranking proposers for each lot an opportunity to negotiate lease agreements, subject to mutual agreement on terms and Homer City Council approval. See the attached ground lease (**Attachment #5**) for a sample of the agreement. The commencement date of the lease will be negotiated with the successful proposer.

If the City, in its sole discretion, determines that it will be unable to reach an acceptable agreement with a proposer within an acceptable period of time, the City may terminate negotiations with that proposer and begin negotiations with the next highest ranking proposer.

## VII. Other Provisions

The City may withdraw any parcel from consideration at any time. After ranking responsive proposals, the City may determine with respect to any parcel that no proposal will sufficiently advance the City's objectives, and make no offer to negotiate with any proposer. The City reserves the absolute right to reject any or all responses, may waive any or all informalities or irregularities and permit the correction of errors or omissions in responses.

To arrange to view or inspect any parcel, or for information regarding existing utility lines or the fish outfall line and connections, contact:

Bryan Hawkins
Port and Harbor Director/Harbormaster
4311 Freight Dock Rd
Homer, Alaska 99603
(907) 235-3160
bhawkins@ci.homer.ak.us

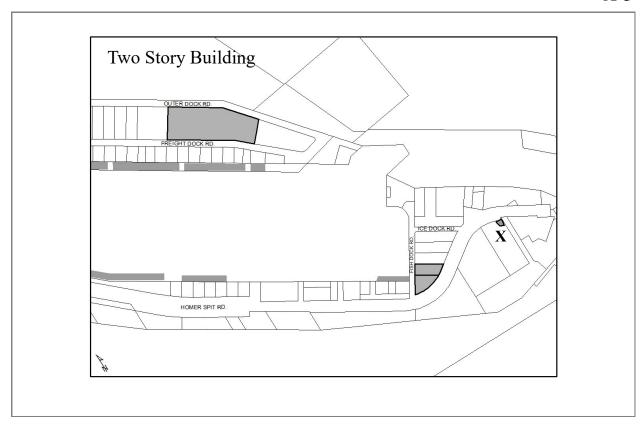
With the exception of the questions addressed above, no proposer shall contact or attempt to contact any City staff concerning the requirements of this request for proposals, or concerning the substance or evaluation of any proposal, except through written correspondence addressed to the Homer City Clerk at the address indicated below. All such correspondence will be deemed a public record and if pertinent the correspondence and any response from the City will be shared with other interested persons.

Direct general questions regarding this request for sealed proposals to:

Office of the City Clerk 491 E. Pioneer Avenue Homer, AK 99603 (907) 235-3130 clerk@ci.homer.ak.us

## Attachments:

- 1. Vicinity Map and Photos for Parcel A
- 2. Vicinity Map and Photo for Parcel B and C
- 3. HCC Chapter 21.30, Marine Industrial Zoning Code
- 4. Lease Application
- 5. Sample Ground Lease
- 6. HCC Chapter 18.8 City Property Leases
- 7. Sample Outfall Line Connection Agreement



Designated Use: Lease Lands Acquisition History:				
<b>Area</b> : 1.05 acres (0.52 and 0.53 acres)	Parcel Number: 18103477, 78			
2019 Assessed Value: Land value \$325,700				
Legal Description:				
Zoning: Marine Industrial				
Infrastructure: Water, sewer, natural gas, paved road access	Address: 4667 Homer Spit Road			

Prior to a long-term lease the site is appraised. The appraised lease rates for uplands is approximately \$0.90 per square foot, per annum. Lease rates vary; contact the Harbor Office at 907-235-3160.

Lower level of the building contains a large water pump and is part of the city water infrastructure. That portion of the building is not available for lease.

## **Finance Dept. Code:**