

## REPORT OF MUNICIPAL PLACE ADVISORY TASK FORCE ON DRAFT RFP

### COMMENTS ON TEXT OF DRAFT RFP

#### Page 1:

The September 8 date will no longer work. The VB, in consultation with Kevin Dwarka, should decide on a date in the final released version that will give Kevin sufficient time to market and potential bidders sufficient time to prepare and submit proposals.

#### Page 2:

Change all references to "Municipal Gateway District" on this page and elsewhere in RFP to "Municipal Gateway Overlay District."

In first bullet point, change "underutilized" to "parcel."

In second bullet point, for convenience of potential bidders, these guidelines should be set forth in an appendix with reference to same here.

In third bullet point, change "high quality park and civic" to "public space, as set forth in (above referenced appendix)"

In fourth bullet point, change "helps" to "help."

#### Page 3:

Delete "peninsular " in first line. In sixth line, change "overwhelmingly" to "largely."

#### Page 5:

Delete "commercially zoned" in first line.

In the drawing at bottom of page, mark the 50 foot buffer easement on both north and east sides of property.

#### Page 6:

In first paragraph, change last words "community uses and a park" to "public use."

In the Development Requirements paragraph, we suggest several changes. First, for the convenience of potential bidders, attach as appendices to this RFP (i) the development concept drawings proposed by BFJ, (ii) the specific provisions of the zoning code that apply to the Katz property (as mentioned in comments to page 2), (iii) the Code section on affordable housing requirements (since it is somewhat vague and not quite accurate to say "a minimum of 10%", and would also give details on what exactly constitutes "affordable housing" in this context), (iv) the specific parking provisions applicable to the Katz property (this could possibly be done in another "box" instead of attaching as appendix), and (v) a topographical survey of the property if we have one. Also, in the Community Space and Park Requirement box, change title to "Public Space Requirement." In this box, it should be 10%, not 8%; and change "park" in first sentence to "public." The last sentence of this box should be changed to: "The exact location of public space may vary, and the amount thereof may possibly be reduced, depending on the type and extent of benefits it provides the community. Consider attaching the conceptual examples of this space set out in the BFJ report. In Buffer box, change "vegetated buffer" to "buffer of existing vegetation." Also in Buffer box, typo: should be Avenue not Avenues.

#### Page 7:

Typo in fourth bullet point. Change 17% to 27%.

Change first four words of fifth bullet point to: "The majority (approximately 75%)...."

In sixth bullet point, drop "overwhelming" and add "approximately" before 72%.

In eighth bullet point, add "median" value of homes.

In paragraph after bullet points, change sentence in red to "Such interviews also suggest that there is a near zero vacancy rate in multifamily rental buildings." (Assuming same remains true at time of publication).

In eighth, we assume it should be "median" value of homes.

Under Submission Process, add a mechanism for potential bidders to personally inspect the property.

#### Pages 8 and 9:

Our thinking here is that we want to attract a wide spectrum of bidders, and not discourage developers by requiring them to overspend on preparation of a proposal when they do not know if they will be successful. We think this is particularly relevant because in all likelihood this project will be too small for larger local developers (GDC, Capelli, etc.), and smaller developers without an extensive in-house staff may find it burdensome and expensive to submit all the requested material at this speculative point. Certainly, most of requested material is reasonable to ask for and the Village will need it before signing a contract with the successful bidder, but we think some of it can and should be obtained at a later stage when the bidder knows the Village has serious interest in it. Specifically, we suggest:  
Section 4- drop "and visitors for park and civic space."

Section 5- omit (material to be obtained later, pre-contract, from bidders in whom Village has expressed serious interest). Also, some of requested material will be largely self-evident from nature and layout of proposed development.

Section 7- either omit at this stage, or perhaps limit to expected time to complete construction once all permits and approvals have been obtained. Even this is difficult to speculate for developer, because it would have to be qualified on season last approval was obtained. Also, we see no point in asking developer to guesstimate time of completion of sales or lease-up. At this point that would be purely speculative, and in any event after title is transferred it will be developer's property and risk. Of course, it is very important for us to sell to someone we believe has the experience and financial capacity to successfully complete the project, but we will need to obtain this confidence further down the (pre-contract) road.

Section 8- omit at this point; obtain later.

Section 9- omit "three other infill downtown...", and end first sentence with "and dates completed." Start second sentence with "Furnish references, which must..." Omit last sentence.

Section 10- omit sentence requiring audited financial statements. We think this is not necessary at this point or even later, since smaller developers are not likely to have them.

Section 12- omit at this point; to be obtained pre-contract.

Page 10:

We see no point to the "Withdrawal of Proposals" section. Clearly, neither any developer nor the Village will be bound until a contract is signed, and either party may drop out at any time prior to then.

In the Receipt and Review of Proposals section, we think it is senseless to attach specific weighting amounts to criteria; in particular we don't think that price should only count for 25%. We want to attract good, responsible offers, not lowball ones.

We suggest deleting the box, and changing the last sentence before it to: Proposals will be evaluated by the committee in accordance with the following criteria: offer price; professional qualifications and past involvement with similar projects that demonstrate experience, ability and capacity to meet the Village of Croton on Hudson's development objectives as set forth on page 2, including without limitation preservation of Hudson River viewsheds and minimized traffic impacts; and financial capacity and ability to finance and complete an attractive residential or mixed-use project.

We think Village attorney should review last paragraph and suggest a revised, stronger disclaimer. We also assume Village attorney will review and approve final draft of this RFP before it goes out.

Page 11:

Remove "ATTACHMENT B." (we saw no attachment A).

Consider including with these charts the Westchester County Housing Needs Assessment for Croton. We recommend this.

Also, we found the categories of households, families, etc. in the Median Income chart to be confusing.

Page 12:

Under RACIAL COMPOSITION, change 17% to 27%.

Page 13:

We find the chart Type of Housing to be a little confusing. We suggest a clarification that numbers represent total number of units in each category.

Change sentence in red under VACANCY to "As previously mentioned in the Markets and Demographic Trends section, it is believed that there is currently a near zero vacancy rate in multifamily rental buildings."

#### OTHER IMPORTANT ISSUES DISCUSSED BY THE TASK FORCE

##### 1. What type of project would we prefer to see developed on the Katz property?

There are three development possibilities: mixed use with ground floor retail and two floors of apartments above; all (three floors) of apartments; or townhouses. We unanimously concluded that mixed use was the least appropriate and desirable due to (i) resulting increased traffic and parking difficulties in an already congested area, (ii) local and national retail environment making such a project less feasible and attractive for developers, and (iii) possibility that even if a developer could find an anchor retail tenant, it would likely result in cannibalization or closure of existing retail businesses in Village.

Regarding the two remaining development possibilities, the task force was evenly split. One member had a strong preference for apartments and one member had a strong preference for townhouses. The others all saw pluses and minuses in each type of project. The pluses of apartments were primarily seen to be more affordability for a greater number of occupants and a greater perceived need; while the principle negative was the greater number of units

(probably around twice as many as townhouses) leading to more traffic issues. One member also expressed concern that a rental apartment project might end up with too many smaller studios. As to townhouses, their primary positives were seen to be less traffic resulting from smaller number of units, more compatibility with neighboring residences, and filling a great need for "affordable" single family homes for younger middle class families as long as their prices were not much above \$400,000. Their main negative was the lack of a guarantee that such pricing could or would be obtained, and a fear that the units would wind up priced much higher, thus not adding to the economic diversity of owned single-family homes in the Village.

One member also expressed concern that some townhouses might impair the river views of certain neighbors, but was assured that the Village Board and Planning Board would not allow this to happen.

The member with a strong preference for townhouses, besides the less traffic and better neighborhood compatibility issues, saw a greater need for townhouses than apartments because (i) under new zoning for North and South Riverside areas, there were more than 50 apartments proposed or built, with more likely to follow, (ii) there is a severe shortage of homes for sale in the Village priced under \$500,000, squeezing out most middle class families, and (iii) due to issues of existing zoning, infrastructure, and number and size of remaining undeveloped parcels in Village, this is likely to be the last chance to develop a project with more than just a few "affordable" single family residences. This member also shared the hope that the Village could offer help with down payments (perhaps \$10,000 per unit on 3 to 5 units) for Village or School District employees or Village volunteer firefighters or EMTs; thus allowing a few of these people and their families to reside in the Village where it otherwise would not have been possible. That member believed that such incentives, although complex, could be legally accomplished through purchase price escrows. One of the Village Board liaisons had concerns about the legality of this; obviously if the Village Board liked the idea it would have to be carefully looked into by the Village Attorney. And, one task force member felt that this would not be an appropriate use of Village funds.

The member who strongly preferred an apartment project did so primarily on the bases of greater need for this type of housing, and possibility of providing more affordable units to more potential occupants.

2. If the Village Board decides that it does have a preference for either townhouses or apartments, what is the best way to try to achieve that result without discouraging bids for other types of development?

The Task Force members were unanimous in the belief that the RFP (and the critical subsequent marketing to be done by our consultant) should seek to attract the widest possible spectrum of bids so the Village Board can hopefully have several good proposals to choose among. Therefore, we strongly recommend that if the Village Board does have such a preference, it should not be mentioned in the RFP, since we cannot know whether any bids for the desired type of project would materialize (or, indeed, whether there will be any bids at all in the current economic climate), and therefore no reasonable bids should be discouraged. We do recommend that if the Village Board does have a preference, the consultant be instructed to use extra efforts to contact developers with experience in that type of project, and perhaps let them know that the Village would look more favorably thereon.

3. Should more than the required minimum of affordable units be asked for?

All of the Task Force members except one had no problem with the Village Board requesting several extra affordable units, and one member felt strongly that the Village Board should try to achieve this. The dissenter, although he would have no problem if the Village Board wanted to insist on a few more such units, felt that this would not be a good idea. He believes that (i) in the current fiscal climate, it is very important for the Village to obtain a good price for this land and to create a strong additional base of taxable revenue therefrom, and obviously the greater the number of affordable units the lower the price and annual Village taxes; and (ii) with the mandated 10% affordable requirement, as well as the hundreds of affordable apartments already existing in the Village (Bari Manor, Van Wyck apartments, the Croton Housing network units, and the many other units along Grand, Brook, High, North and South Riverside, and other streets), the Village can't be accused of not having done its fair share in this regard. The member strongly in favor of more than the required minimum of affordable units believed that, based on his experience, more such units in an apartment project would not necessarily result in a reduced price to the Village.

Should the Village Board decide it would like additional affordable units, the Task Force unanimously agrees that, as set forth in issue 2 above, this should not be mentioned in the RFP, but should be handled in quiet marketing by the consultant that does not result in suppressing bids, or perhaps in negotiations with developers after bids are received (which negotiations might include developer bonuses for providing additional affordable units, which could achieve more of same without greatly reducing the price).

4. Should the RFP raise the issue of preference for (or at least require description of) solar roofs and/or other "green" or energy saving features proposed by bidders?

The Task Force members unanimously agreed that this was a good idea, and did not think mention of it would suppress bidding. Perhaps this could be included on page 10 of the RFP in the sentence covering criteria for evaluation of proposals. In addition, two members felt that the Village Board should consider having the RFP make mention of efforts towards carbon neutrality, and include language like "scenarios that propose a development that will be as close as possible to carbon neutral are encouraged but not required." The other members did not think this language should be included for fear of suppressing bidding.

The Task Force will be glad to make itself available if you wish to further discuss any of the changes, suggestions, or thoughts in this report. We look forward to working with you to evaluate any developer responses to the RFP.

Respectfully submitted,

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Coordinator, Municipal Place Advisory Task Force