

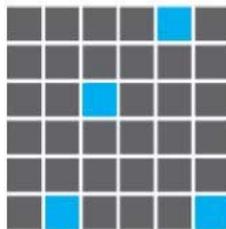
# **REAL ESTATE DEVELOPMENT**

## **Request for Qualifications and Statement of Interest**

**for**

## **High Density Development on Price North 9-acre Parcel Price, Utah**

**Issued January 10, 2020**



**State of Utah**  
*School and Institutional*  
**TRUST LANDS ADMINISTRATION**  
Planning and Development Group  
675 East 500 South, Suite 500  
Salt Lake City, Utah 84102  
801-538-5100

## **REQUEST FOR QUALIFICATIONS AND STATEMENT OF INTEREST**

The State of Utah, School and Institutional Trust Lands Administration (“Trust”) owns a 9-acre parcel located at the northern edge of Price City (“City”) in Carbon County, Utah. The parcel sits immediately east of the Atwood Baseball Complex in the northeastern part of the SE4SW4 of Section 10 of Township 14 South, Range 10 East, SLB&M (see Exhibit A) and is suitable for the development of a high-density housing project (the “Project”).

### **INTENT**

The Trust is soliciting statements of interest and qualifications for development and/or purchase of the parcel. The purpose of this request is to allow the Trust to ascertain the experience, compensation structure and resource commitment of developers interested in working on this Project with the Trust. *Substance in the response will carry more weight than form or manner of presentation.*

The Trust anticipates selecting a developer and entering into a contract wherein the selected developer will provide all resources to execute the Project. It is intended that the selected developer will design and implement the development plan in a phased approach that responds to market conditions and results in a high quality, balanced high-density residential community, which may support both the housing needs of the USU-Price campus as well as the housing needs of the Price community.

While purchase offers will be considered, the Trust anticipates preference for a transaction in which the Trust will act as a non-subordinated land partner in a development-lease structure. In this scenario, the selected developer would bring all capital and operate as either i) a “land developer” intending to wholesale “ready to build” land to builders; ii) a “land developer-builder” selling buildings at retail; or iii) a combination of i and ii. Additionally, if the project includes a student housing or rental component, the selected developer should propose a transaction structure for long term involvement in the ownership/operation of the units.

Compensation structures to the Trust should reflect the level at which the developer intends to operate. The Trust desires to be compensated at a gross price point so it will not be obligated to audit developer expenses. The Trust encourages additional and/or other compensation structures that could include performance-based bonus payments, profit participation, percentage rents of revenue-producing improvements, and/or reimbursement of infrastructure investments.

### **TIMING**

The Trust expects to enter negotiations with one or more qualified developers, depending on the nature of qualifications and statements received. The Trust anticipates concluding a development lease, development agreement or purchase agreement with the selected developer in the fall of 2020. At that time, the selected developer would assume full responsibility for the Project. Depending upon the specific agreement reached with the Trust, the Trust may retain partial prior approval authority for subsequent submittals to the City made in the normal course of development. It is expected that the developer would be able to commence development immediately. The Trust anticipates that the Project will be governed by appropriate design guidelines, CC&Rs, community association, etc., and that the selected developer would enter into a development agreement with the City regarding a number of these and other matters.

## **PARCEL DESCRIPTION AND DISCLOSURES**

### **GENERAL DESCRIPTION**

The attached map shows the general parcel location (Exhibit A). This parcel has not yet been subdivided and will be subject to a development lease for the purpose of developing a high-density residential product. The parcel is bounded by Price City ballfields on the west, a residential neighborhood on the south, and vacant private property on the east and north. The parcel contains approximately 9 acres that consist of approximately 5.5 acres of developable land, divided in a 3.2-acre and a 2.3-acre pod (See Exhibit B). The remaining acreage is encumbered by overhead and underground utility lines, drainage easement, or topography and can be used for outdoor amenities to support the density.

The Trust intends to enter into a transaction wherein the selected developer will perform the planning and engineering work necessary to lay out a reasonable development plan. Upon approval by the Trust, this development plan will firmly define development areas and adjoining open space along with roads, open space, utility corridors, parks, etc.

### **ENTITLEMENTS**

Currently the parcel is zoned R1-43, Rural Density Residential. However, the General Plan designates the parcel as High Density Residential, with an allowed zoning of R2-11, which allows for multi-family development, such as apartment and condominium complexes with an overall housing density over 7 units per gross acre.

The developer will be expected to implement a more detailed community plan containing design guidelines & standards pertaining to residential development, including CC& R's and apply for a zone change.

### **ACCESS**

Entrances to the parcel is via Cedar Hills Drive and 1000 North. The entry road has been dedicated to the city and is paved. An extension of Cedar Hills Drive to the north has been dedicated to the City but has not been constructed.

### **IMPROVEMENTS**

The developer will be responsible for supplying all development infrastructure both onsite and offsite. The following information is not warranted by the Trust Lands administration. It is provided for convenience only and may not represent the true condition of the parcel.

The developer should perform its own investigation regarding all aspects of the development requirements including onsite and offsite infrastructure. To the extent that infrastructure may also serve adjacent parcels owned by the Trust Lands Administration, a cost sharing arrangement may be considered.

- **Roads:** The developer will be responsible for the design and construction of all roadways to, from and within the parcel. A road providing access to the parcel and bordering the parcel has been dedicated and partially constructed.
- **Water and sewer:** Contact Price River Water Improvement District (PRWID) for information

about water and sewer service to this parcel.

- **Power:** Contact Rocky Mountain Power for information regarding power infrastructure.
- **Gas:** Contact Questar for information regarding natural gas service to the project.
- **Telecommunications:** Contact Emery Telecom for information regarding telecommunications for this project.
- **Parks and trails:** The developer shall work closely with Price City regarding the parks and trails. The parcel provides easy access to motorized and non-motorized trails. A common access route to the trails to the north runs between the two development pods.
- **Storm Drainage:** The parcel contains a storm water drainage channel for which Price City holds an easement. Several other drainage facilities have been constructed in the direct vicinity. The City will require a storm drainage plan prior to substantial development.

#### **PARCEL CONDITION**

The parcel is raw land in an undeveloped condition and will not be improved further by the Trust.

#### **PARCEL AVAILABILITY**

The parcel is available for transaction under a development lease or for a (phased) sale. The Trust may consider options on adjacent parcels, to be exercised only if certain development milestones are met.

#### **ANTICIPATED USE**

The Trust anticipates a high-density residential project to be developed on this parcel. Its location of a mile from USU Eastern campus offers the possibility of a (married) student housing component in cooperation with USU. The parcel may be suitable for the construction of low income/ affordable housing and incentives may be available. The developer is responsible for the application, project design and execution, to meet all requirements for development.

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## **SUBMISSION REQUIREMENTS**

Any developer wishing to receive consideration should submit the following (*Substance in the response will carry more weight than form or manner of presentation*):

### **A. Qualifications**

1. **History** – The Trust seeks to partner with experienced and well capitalized real estate developers. Provide background information such as a brief history of the developer, years in business and any other information communicating capabilities including numbers of master-planned residential land/lots developed and sold, and commercial and/or industrial land developed and leased or sold.
2. **Personnel** – Identify and provide resumes for all principals and key personnel who will be involved with the Trust and the Project. Provide contact information for the primary individual(s) representing the developer.
3. **Relevant Developer Experience** – An overview of multi-family/workforce housing experience over the last 10 years. The overview should outline the type(s) of transaction, position in the transaction(s) and the services provided by the principals and key personnel identified above.
4. **References** – Names and contact information for at least 3 current or recent-past references to demonstrate general professional integrity and reputation of the developer held within the business/public community.
5. **Financials**<sup>\*</sup> – The Trust seeks to partner with well capitalized developers. Provide the following financial information for the developer:
  - The guarantee relationship that will exist between the development entity and its sponsors or participants if the entity undertaking the development will be specifically formed for this Project or represents a subsidiary or joint venture.
  - Provide the following information for the development entity or, in the case of a specifically formed company, for each of its guarantors:
    - Three (3) most recent years of audited financial statements.
    - Two (2) credit references, preferably involved in projects of similar scope.
    - The development entity's ability to commit capital to the Project.
    - A statement of willingness to contribute unsecured capital to the Project.

### **B. Statement of Interest**

1. **Vision** – Summarize developer's vision for the Project. Drawings and/or plans may be submitted to support the respondent's vision; however, the respondent is not required to submit any plans or drawings.

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<sup>\*</sup> The Trust recognizes the sensitive nature of the financial information request. Financial information should be submitted in a separate electronic file with a request for Business Confidentiality as described in Exhibit C. This information will be used by the Trust for evaluation purposes only, will be kept confidential and will not be subject to public document requests under GRAMA.

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2. Strategy – Outline developer’s strategy for developing the Project including:
  - Interest in developing all or a portion of the Project, and
  - Developer’s depth of involvement in the development, e.g. a) “land developer” intending to wholesale “ready to build” land to builders; b) “land developer-builder” selling or leasing buildings at retail; or c) a combination of a and b.
3. Transaction – Proposed transaction style: purchase, development-lease structure or another type of transaction.
4. Compensation – Proposed compensation structure that dovetails with the proposed transaction style identified above.
5. Other Information – Identify and discuss any other information that you believe the Trust should be aware of or should take into consideration when reviewing your submission.

### **SUBMISSION INFORMATION**

**Date and Time:** By 3:00 pm Mountain Time on Friday May 29, 2020; no exceptions.

**Format:** Electronic file (PDF preferred)

Financial information should be labeled “*Confidential*”, submitted in a separate electronic file and be accompanied by a request for Business Confidentiality as described in Exhibit C.

**Submission Method/Location:** Electronic: [alexawison@utah.gov](mailto:alexawison@utah.gov)



# Exhibit B Developable areas



**Exhibit C**  
**CLAIM FOR BUSINESS CONFIDENTIALITY**

Pursuant to and in accordance with Utah Administrative Code §R850-6-500(3), a person or entity doing business with the State of Utah, School and Institutional Trust Lands Administration (SITLA) has the right to make a claim for Business Confidentiality for records, documents, data or other information provided to SITLA during the course of business if the records, documents, data or other information conform to Utah Code Annotated §§63G-2-305(1) and (2).

Claims of business confidentiality must conform with U.C.A. §63G-2-309 Confidentiality claims.

A claim of business confidentiality must be submitted at the same time as, and attached to the records, documents, data or other information for which the claim is being made. It cannot be submitted separately, in advance, or after the fact.

If the records, documents, data or other information requested to be treated as confidential do not meet the criteria found in U.C.A. §63G-2-305 and §63G-2-309, SITLA may not be able to withhold such records, documents, data or other in the event of a request for records under the Government Records Access and Management Act (GRAMA).

To make a claim for business confidentiality, please direct such request to the Director of SITLA and include:

1. A written claim of business confidentiality; and
2. A concise statement of reasons supporting the claim of business confidentiality.