

Request for Proposals

North Jersey Developmental Center (NJDC) Borough of Totowa, Passaic County, New Jersey

**Borough of Totowa
John Coiro, Mayor**

ISSUE DATE: August 10, 2016

RESPONSES DUE: October 14, 2016 at 4:00 P.M. EST

MINIMUM BID: \$4,449,000.00

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The Borough of Totowa, Passaic County, New Jersey (the “**Borough**”) is pleased to solicit qualifications and proposals from qualified firms to qualify as eligible redevelopers to purchase the former North Jersey Developmental Center (the “**NJDC**”). This is an exciting new development opportunity for developers or teams of developers (“**Respondent(s)**”) interested in taking part in the transformation of over one hundred and thirty (± 130) acres at the NJDC. Respondents are being asked to present their most creative and innovative designs and concept plans for the development of the NJDC. The site is located at Block 154, Lot 19 and Block 154.01, Lot 1 on the Borough tax assessment records (the “**Site**”).

The redevelopment of the NJDC will be undertaken pursuant to the New Jersey Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the “**Redevelopment Law**”) which affords the Borough broad powers to direct and incentivize the development efforts at the Site. The Borough is seeking motivated and creative partners in redevelopment who share the Borough’s vision to develop an effective transition between the residential development and industrial/commercial development in the surrounding area.

The following pages contain the Borough’s goals for the redevelopment of the NJDC, background information as well as submission requirements, selection criteria and other information necessary for Respondents to successfully respond to this “Request for Proposals” (this “**RFP**”). In addition thereto, additional information relating to the Site is available on a document sharing site (the “**FTP Site**”) described herein.

The Borough is looking forward to reviewing the responses to this RFP and developing a partnership that will untap the potential of the NJDC for the residents of the Borough, the State of New Jersey (the “**State**”) and the region.

John Coiro
Mayor

I. THE SELECTION PROCESS

Legislative Approval

This RFP follows the requirements of State law concerning the disposition of property which shall include approval of the State Legislature.

State House Commission

The State House Commission (the “**Commission**”) was created in 1953 by the New Jersey Legislature. See P.L. 1953, c.85. The Commission controls the sale and leasing of State owned properties. The Commission will have to approve the disposition procedure for the Site.

Overview of the Disposition Process

The Site will be made available for purchase and redevelopment through the following process:

- Issue this RFP;
- Respondents submit responses to the RFP;
- Borough reviews the bid responses;
- Borough may interview some or all of the Respondents;
- Borough may request additional information from some or all of the Respondents;
- Borough may select a short list of Respondents;
- Borough may designate a Respondent as the redeveloper of the Site, conditioned upon the successful negotiation of the required agreements with the Borough described below;
- Enter into the agreements described below with one of the Respondents; and
- At closing, the Site will be transferred from the State of New Jersey to Borough, and Borough will then transfer the Site to the selected Respondent acting as redeveloper.

Minimum Bid

The **MINIMUM BID** for the Site is **\$4,449,000**.

Required Agreements

A successful Respondent will enter into the following agreements:

- Purchase and sale agreement which will include milestones that successful bidder will need to meet prior to the transfer of title.
- Redevelopment agreement with the Borough.
- Such other agreements as are appropriate.

Prior to entering into an agreements with the Borough, Respondents may be required to provide the Borough and its agents with an executed hold harmless agreement in a form suitable to the Borough, an executed disclosure statement in a form suitable to the Borough and the Respondent's Articles of Incorporation.

II. BACKGROUND ON BOROUGH

The Borough of Totowa is approximately 4 square miles. The Borough was settled in 1750 and incorporated in 1898. The Borough has an approximate population of 10,500 persons.

Totowa is located on several major roadways, including Interstate 80 and U.S. Route 46. Nearby roadways include New Jersey Route 23, New Jersey Route 3, and the Garden State Parkway. Totowa is also crisscrossed by several Passaic County Routes, including New Jersey Route 62, CR 632, CR 642 and CR 644.

There are two public school buildings in Totowa; Washington Park School, located at 10 Crews Street, serves grades 3-8 and Memorial School, located at 294 Totowa Road, serves grades K-2. Passaic Valley Regional High School, located on East Main Street in Little Falls, serves grades 9-12 for the communities of Totowa, Little Falls and Woodland Park.

The Borough of Totowa Police Department, located within the Totowa Municipal Building on Totowa Road, is responsible for law enforcement.

The Totowa Fire Department is an entirely volunteer fire department and was established in April 1908. The department consists of four "companies:" Volunteer Fire Company #1 (1908), Lincoln Fire Company (1908), Riverview Fire Company #3 (1925), and Fire Rescue Company #4 (1955). The department consists of 98 volunteer firefighters.

The Borough of Totowa First Aid Squad was founded in 1951 to provide a free, volunteer based service to the residents of Totowa. The Borough of Totowa First Aid Squad Auxiliary was also formed to help raise funds to support and benefit the first aid squad. During the day, between the hours of 6:00 am and 6:00 pm, the emergency services are supplementd by Cardinal Ambulance, a private company founded in 2007, based on Minnisink Road.

III. THE SITE

General Description

The Site is the former North Jersey Developmental Center, a public facility developmental center operated by the New Jersey Department of Human Services Division of Developmental Disabilities. The Site is well suited for development due to its size, suburban context, excellent transportation access, existing infrastructure, proximity to regional

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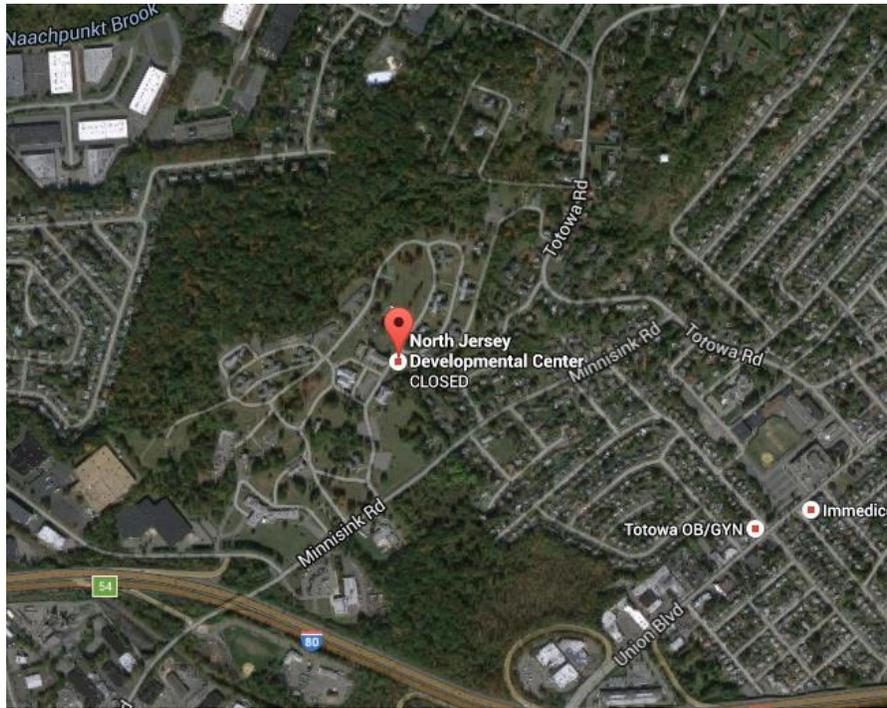
headquarters of the State Police, topography that fosters flexible design creativity, and a broad range of permitted uses.



Aerial photograph depicting subject property limits and adjacent development.

The Site has proximate access to Interstate 80 and to State Highway 46. The Site also has excellent local access to over 2,300 feet of public road frontage including Minnisink Road, Vreeland Avenue and Totowa Road.

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The Site comprises approximately one hundred and thirty-seven (± 137) acres currently divided into two (2) parcels (commonly known on the Borough tax maps as Block 154, Lot 19 and Block 154.01, Lot 1) with the following area:

	Block, Lot	Area (sf)
Site	154,19	4,769,820.0
	154.01,1	1,427,025.6
	TOTAL	6,196,845.6

In its present state, the Site includes a variety of existing structures and site improvements that will likely have to be demolished. An estimate of such demolition cost is available on the FTP Site. The Site is currently owned by the State in fee simple. The Site is now considered surplus land and is managed by the Department of Treasury. Subject to the negotiation of a redevelopment agreement, the Borough is in a position to have the State immediately transfer these lands to a redeveloper in order to facilitate a project (which may be multi-phased) which will achieve the goals and objectives of the Borough.

Redevelopment Plan

The Redevelopment Law grants municipalities broad powers to package underutilized and unproductive properties under a redevelopment plan and to negotiate with private developers in order to effectuate the goals and objectives of such a plan. A redevelopment plan establishes specialized land use and building controls effectively serving as the zoning for the applicable

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property. A copy of the North Jersey Developmental Center Redevelopment Plan dated February 2016 (the “**Redevelopment Plan**”) is available on the FTP Site. The Borough is seeking proposals that are consistent with the Redevelopment Plan, although, it will consider adopting amendments to the Redevelopment Plan if they further the vision of the Borough provided that they are limited to the permitted uses in the current Redevelopment Plan.

Surrounding Land Uses and Community

To the south, the Site is bordered by the regional State Police headquarters and the New Jersey Department of Children and Families Regional School (an alternate school) on the opposite side of Minnisink Road. To the southeast of the Site there are single-family residential developments along streets that intersect Minnisink Road.

To the north and northwest, the Site is bordered by single family residential developments along Artillery Park Road and Winifred Drive. Expansive onsite woodlands and topographic conditions effectively screen and buffer these residential areas from the Site.

To the north, the Site is bordered by single-family residential developments on Artillery Park Road and Hydeaway Drive.

To the south, the Site is bordered by industrial development fronting on Vreeland Avenue, which parallels Interstate 80.

The Site serves as an effective transition between the residential developments to the north, northeast, and west and the industrial/commercial and institutional development to the south and southwest.

Transportation Access

Transportation access to the Site is excellent. The Site has proximate access to Interstate 80 and Highway 46. Access ramps to and from Interstate 80 are located just south of the Site on Vreeland Avenue and Minnisink Road and off of Union Boulevard. State Highway 46 connects the Interstate 80 interchanges and provides sub-regional access to other parts of Passaic County.

The Site also has excellent local access including 2,300 feet of public road frontage as itemized below:

- 1,600 feet of frontage on Minnisink Road, a two lane County Road which currently serves as the main access the Site;
- 500 feet of frontage on Vreeland Avenue, a Borough Street, that connects to an access ramp to Interstate 80 West; (New Jersey Department of Transportation) has jurisdiction over the segment of Vreeland Avenue from Minnisink Road to the Interstate 80 West access ramp); and
- 200 feet of frontage on Totowa Road, a two lane County Road.

IV. GOALS FOR THE REDEVELOPMENT OF THE SITE

The Borough has identified the redevelopment of the Site as a top priority. It envisions the Site as a data center and/or an office park development.

The Borough is seeking proposals that accommodate a range of future stakeholder needs and shifting market forces, while at the same time taking into consideration development challenges in the areas of infrastructure improvements, parking and vehicular and pedestrian circulation. The Borough has the following goals for the Site:

- Generate tax ratables and other direct (and indirect) financial benefits for the Borough and the region including the Borough Parcel (as shown in Appendix A) and Public Safety Contribution (each defined in Section IV below);
- Contribute to temporary and permanent job creation for Borough and area residents;
- Create a linear greenway through the Site along the unnamed tributary as well as preserving a significant portion of the Site for open space and buffering of adjacent existing residential development; and
- Assist the State in generating proceeds from the sale of the Site.

The foregoing goals for the Site reflect the Borough's general aspirations for redevelopment, with an emphasis on and preference for proposals that best address the first goal identified above.

The Municipal Land Use Law allows municipalities to consider General Development Plan (“GDP”) approvals for developments on parcels in excess of one hundred (100) acres. The Site is well in excess of this requirement. A GDP approval allows for more extended timing schedules and culminates in a municipal development agreement. The Borough will require the redeveloper to prepare and submit a GDP application indicating the basic outline of their redevelopment strategy for approval by the Borough and Borough Planning Board.

V. BOROUGH VISION FOR THE SITE

The Borough seeks to fulfill the above-stated goals through a shared development vision. Respondents are encouraged to propose any or all of the following: data center, offices/office park, professional offices, research and development, medical offices, medical support facilities, same day surgery centers, and child care centers, as well as, subject to certain conditions, assisted living residences and business incubators/accelerators together with related parking. Notwithstanding the above, the Site is well-situated to serve as a data center and/or office park with quick access to major highways and these permitted uses are preferred by the Borough.

The Borough seeks development that can realize the full potential of the Site as a location with similar and complementary occupants with an overall clear identity for the Site. The Borough encourages the submission of creative concept plans for the Site to spur economic growth, enhance tax ratables and maximize the use of the large property. The Borough strongly encourages shared facilities throughout the complex as well as common access in terms of traffic

management. The Borough believes that full advantage should be gained from the forested open space and internal stream corridor through the Site. Proposals that provide for expedited land acquisition and development will be favored.

The State is the present owner of all the parcels constituting the Site. Subject to the negotiation of a redevelopment agreement, the Borough is in a position to immediately have the State transfer these lands to a qualified redeveloper (which redeveloper may be a master redeveloper for the Site) in order to facilitate projects which will achieve the goals and objectives of the Borough.

VI. DEVELOPMENT OPPORTUNITY

The Borough seeks to identify qualified redevelopers with the ability and capacity to commence development immediately. Respondents should demonstrate a broad portfolio of real estate, development and financing experience, including successful past experience with their proposed permitted use(s). Respondents are also strongly encouraged to create development teams that include local partners with responsibilities in all aspects of the development process.

VII. SITE INFRASTRUCTURE

Existing Structures

The NJDC was closed in July of 2014 and still includes the following structures: administrative facility, healthcare facility, employee benefits facility, food service facility, clothing center/hair salon, auditorium/gymnasium, nursery building, cottages for care and rehabilitation, staff buildings, school for instructional activity, environmental buildings for therapeutic activities, power house for steam production, chapel, maintenance building, vocational building, recreational facility, utility buildings and storage buildings. It is likely that any project will require that these structures be demolished. The Borough does not require the preservation of the existing buildings.

Roadways

All internal roadways and Site access improvements will be constructed as part of the infrastructure at the Site by the redeveloper. The Borough will work with the selected redeveloper on the design of the roadways. In addition to the Borough, such design will be subject to the review and approval of the appropriate governmental agencies.

Water Supply & Distribution

The Site is bisected by a water pipeline that serves the City of Newark. The State and City of Newark have a water supply agreement which allows a direct connection to the on-Site pipeline. This water supply arrangement may be extended to the redeveloper for the Site.

Wastewater Collection & Treatment

The Site is located within the sewer service of the Passaic Valley Sewerage Commission (the “PVSC”). There are no sewer service area or treatment plan capacity issues of any regulatory consequence. All wastewater generated within the Site will be directed to onsite lift stations which discharge to the collection system in the Borough and eventually lead to the PVSC treatment facility in the City of Newark.

The onsite wastewater conveyance system will need to be upgraded to adhere to the Borough standards and existing pump stations will need to be replaced to efficiently handle the anticipated wastewater flow. Small segments of the existing system which are difficult to replace may continue to be used, if approved by the Borough engineer. The redeveloper will be responsible for the improvements necessary to upgrade the wastewater collection system.

Electric Power, Natural Gas, Telephone and CATV Distribution

The redeveloper will be responsible for electric power, natural gas, telephone and CATV service extensions.

Rights-of-Way

The redeveloper will be responsible for constructing public right-of-way improvements, including, but not limited to, the following: curbs; pavement; lighting and associated improvements; traffic striping; signage; traffic control; street trees/landscaping; sidewalks; and street furniture.

Open Space and Parks

The Redevelopment Plan prescribes certain minimum requirement for open space green areas to serve as buffers and screening for adjacent residential development as well as a passive recreation park and trail for Site workers, visitors and the public. The Redevelopment Plan describes the stream corridor that bisects the development area and suggests the area be landscaped to serve as a passive recreation park and trail through the project. Walkways should be used to connect the greenway with the proposed buildings. The open space, green areas and passive recreation park and trail shall be shown on an approved GDP. Preference will be given to those developments that incorporate these features. All parks, trails and open space may, in Borough’s discretion, be dedicated to the Borough upon completion. Any project will include improvements in the passive recreation park or greenway/trails as agreed to by the Borough.

Site Remediation

A preliminary assessment has been conducted for the Site which resulted in areas of concern (“**Areas of Concern**”). These Areas of Concern are considered minor for such an expansive site. Environmental incidents for the Site include underground tanks, treatment plant operation and power house malfunctions, all of which have been deemed resolved. See the FTP Site for further details.

Public Safety and Public Facility Needs

The Borough anticipates that the project will impact the Borough's ability to meet its public safety responsibilities. Accordingly, the redevelopment agreement will require that the redeveloper contribute One Million Dollars (\$1,000,000) (the "**Public Safety Contribution**") to the Borough to be expended on public safety equipment or other capital items. In addition, the Borough has identified the portion of the property, identified on the FTP Site, for a future public use. The redeveloper will be required to subdivide the Site to isolate this parcel (the "**Borough Parcel**") and deed same to the Borough.

VIII. EXISTING ENTITLEMENTS AND APPROVALS

The Redevelopment Plan

The existing Redevelopment Plan has been prepared by the Borough after careful thought and consideration. The Borough is looking for proposals that comply with the Redevelopment Plan although amendments may be considered if they further the Borough's vision as set forth in the Redevelopment Plan.

Approvals

There are various entities that will need to grant permits or approvals for any project on the Site. The redeveloper will be responsible for obtaining all permits and approvals necessary for the implementation of the Redevelopment Plan in accordance with a redevelopment agreement.

The regulatory agencies with jurisdiction over the Site include, but are not limited to: the New Jersey Department of Environmental Protection, the Borough, the Passaic County Planning Board and the Hudson-Essex-Passaic Soil Conservation District.

The Redevelopment Agreement, Purchase and Sale Agreement, and Other Agreements

The successful Respondent will be required to enter into a redevelopment agreement with the Borough which redevelopment agreement will address all of the requirements of the Redevelopment Law including limitations on transfer, project schedules, etc. In addition, the successful Respondent will enter into a purchase and sale agreement with the Borough setting forth the terms of the sale of the Site. Such other agreements as may be required to effectuate the redevelopment of the Site may also be executed including financial agreements, if required.

IX. SUBMISSION REQUIREMENTS

General Requirements

A. SEALED PROPOSAL

Proposals shall be submitted in a securely **SEALED** envelope or carton. Unsealed and faxed proposals shall not be accepted.

B. SUBMISSION DEADLINE/FORMAT

Proposals must be received **by 4:00 p.m. EST on October 14, 2016**. Responses to the RFP will be received until the above-mentioned time and date for receipt. Proposals received after the time and date listed above will not be considered.

Respondents should submit five (5) hard copies of their proposal. Proposals should be submitted on 8 ½ x 11 sized paper, printed single sides, and should not exceed 35 pages (excluding appendices). Each page of the proposal shall be numbered. Planning diagrams may be submitted on 11 x 17 sized paper. In addition, one (1) copy of the proposal in PDF format organized in the same manner as the bound proposal, must be submitted on a USB drive.

C. SUBMISSIONS

All proposals should be sent to:

Joseph P. Baumann, Jr., Esq.
McManimon, Scotland & Baumann, LLC
Special Redevelopment Counsel to the Borough of Totowa
75 Livingston Avenue, Second Floor
Roseland, New Jersey 07068

Submissions must be accompanied by a non-refundable \$5,000.00 certified check or money order made payable to the “Borough of Totowa”. This fee shall be used to reimburse the Borough for third party costs related to this RFP.

For access to the FTP Site, please provide your email address to Joseph P. Baumann, Jr. at jbaumann@msbnj.com and instructions shall be emailed to you. **All updates regarding this RFP will be provided via email to all parties requesting this RFP and shall be posted on the FTP Site.** Any questions must be submitted in writing via e-mail to Joseph P. Baumann, Jr., Esq. at jbaumann@msbnj.com no later than 4:00 pm., EST on September 23, 2016. The questions and answers will be posted on the FTP Site.

Submission Requirements

A. RESPONDENT TEAM

For this RFP, Respondents should identify a primary point of contact for all submission, inquiries, acknowledgements, amendments and any other correspondence under this RFP and key members of the professional team. Respondents are to additionally provide the following:

- (i) Respondents should provide a company overview describing its general experience, with concise details on years of operation, number of projects, range of suburban and architectural project sizes and budgets, awards, prizes, citations, *etc.*;
- (ii) Name, address, telephone number, fax number, and e-mail address of primary Respondent point of contact and managing principal(s), and such persons' resume, roles and titles;
- (iii) Identification of any affiliation or other relationship between any members of the Respondent and any development company, parent company or subsidiary; and
- (iv) Confirm no adverse findings.

B. QUALIFICATIONS AND EXPERIENCE

Respondents must clearly demonstrate qualifications in redevelopment and prior experience and success with projects similar to their proposed project. Respondents should present relevant projects that exemplify the Respondent's accomplishments in large scale development experience, with particular focus on their proposed project and public-private partnerships. Local and/or regional experience should also be highlighted, particularly in and around the Borough. Respondents may include the following for each project qualification, if available:

- (i) Project summary, including project name, address, size, client, total development cost, project team members, roles, financing structure, architect and date of completion;
- (ii) Brief physical description (may include photograph, site plan, or rendering in Appendices); and
- (iii) References, including names, addresses, telephone numbers, and email addresses for individuals directly involved with projects presented in qualifications section.

C. DEVELOPMENT APPROACH

Respondents are required to submit a Site concept plan and Site-specific redevelopment proposal for the Site. Respondents should provide planning concept diagrams and a narrative that describes the Respondent's overall vision for the Site.

Respondents' Site concept plan must clearly outline how the Respondents' proposed project(s) will meet the Borough's goals and conformity with the RFP-stated vision and the overall approach to achieving a bold and innovative project.

Respondents must provide Site-specific redevelopment diagrams, including the mix of uses and size of program components for the Borough. Proposals should include the following:

- (i) Conceptual site layouts and massing diagrams;
- (ii) The target market for the plan components;
- (iii) Conceptual plans for development strategy, citing examples of tenants if possible;
- (iv) Explanation of market feasibility; and
- (v) Any additional diagrams and illustrations as necessary to communicate the vision and redevelopment strategy.

Respondents should outline their implementation strategy, including a description of the phasing plan for the overall project. If available, Respondents should create a phasing diagram that illustrates the construction schedule and timeline for redevelopment achievable in, for example, 12, 24, 36, and 48 month increments.

D. COMMITMENT AND PROJECT READINESS

Respondents should describe their commitment to project implementation and should demonstrate their financial capacity. Respondents should detail their financial resources and preparedness to commence work promptly.

E. FISCAL IMPACT

Respondents should provide an overview of the expected fiscal impact on the Borough and the region including tax ratables and other direct and indirect financial benefits during construction and upon stabilization of each phase.

F. COMMUNITY BENEFITS/PUBLIC SAFETY

Respondents should confirm their willingness to provide the Borough Parcel and Public Safety Contribution.

G. PURCHASE PRICE

Respondents should provide an offer for the purchase of the Site which offer shall not be less than the minimum bid described herein.

The Borough will also consider the use of financial tools available to it under the Redevelopment Law and other applicable laws, such as tax exemptions and payments in lieu of taxes, to the extent warranted by the proposed project.

H. FINANCIAL CAPACITY

Respondents are to submit financial statements indicating that the development entity or its principals' have sufficient equity to complete the proposed redevelopment project.

Selection Criteria

Respondents and their proposals will be evaluated based on the following criteria:

- Estimated tax ratables and other direct and indirect financial benefits for the Borough and the region;
- Public benefits of the proposed project including the Borough Parcel and Public Safety Contribution;
- Preference for data centers and office parks;
- Quality and feasibility of the proposal;
- Experience with, and success in, the development of projects similar to the proposed project;
- Proven success in meeting expectations, milestones and schedules;
- Strength of the team's qualifications;
- Demonstration of financial capacity;
- Ability to commence the project expeditiously; and
- Purchase price for the Site.

Borough's Reservation of Rights

Notwithstanding anything to the contrary, the Borough reserves the right to proceed or not to proceed with this RFP or to terminate the process at any time.

The Borough has no obligation to qualify any Respondent and it expressly reserves the right, at its sole and absolute discretion, to modify, alter, or waive any provisions or informalities of this RFP.

The Borough reserves the right to reject any and all proposals which, in the Borough's sole judgment, is/are not in compliance with the terms of, or is/are not responsive to, the RFP or any part thereof, or which is/are not deemed in the best interest of the Borough.

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The Borough shall be under no obligation whatsoever, legal or otherwise, to sell the Site or any interest in the Site, unless or until a purchase and sale agreement is approved for execution by the Borough, in its sole discretion, the Commission and the State Legislature.

No Respondent or other party shall have any legal right or interest in the Site unless and until a purchase and sale agreement is properly executed and delivered by the Borough.

The award of any contracts with the Borough under this RFP is subject to approval by the Borough Council.

Applicant's Withdrawal of Proposals

Respondents may withdraw their proposals at any time prior to the final filing date and time, as indicated on the cover page to this RFP, by written notification signed by the Respondent's authorized agent(s). Proposals may thereafter be resubmitted, but only up to the final filing date and time.

Applicant's Responsibility

Each Respondent assumes sole responsibility for the complete effort required in the RFP. No special consideration shall be given after the proposals are opened because of Respondent's failure to be knowledgeable about all requirements of this RFP. By submitting a proposal in response to this RFP, the Respondent represents that it has satisfied itself, from its own investigation, of all of the requirements of this RFP. Respondents are responsible for ensuring that the responses to this RFP are compliant with all applicable Federal, State and Local Laws, regulations and ordinances.

Borough and State Not Responsible for Respondent's Costs and/or Disclosures

The Borough and the State of New Jersey will not be responsible for any expenses in the preparation of and/or presentation of the proposals and oral interviews, and otherwise in connection with the participation in this process.

In addition, the Borough and the State of New Jersey will not be responsible for the disclosure, if any, of any information or material received in connection with this RFP, whether by negligence or otherwise.