

**CITY OF PORTSMOUTH, NEW HAMPSHIRE
REQUEST FOR PROPOSALS**

**FOR THE
GROUND LEASE AND REDEVELOPMENT
OF THE**

OLD PUBLIC LIBRARY

**8 ISLINGTON STREET,
CORNER OF ISLINGTON AND MIDDLE STREETS
PORTSMOUTH, NEW HAMPSHIRE**

RFP #30-07



CITY OF PORTSMOUTH
CITY HALL
ONE JUNKINS AVENUE
PORTSMOUTH, NH 03801
www.cityofportsmouth.com

**RFP FOR GROUND LEASE AND REDEVELOPMENT OF
OLD PUBLIC LIBRARY**

INVITATION

Sealed Proposals, plainly marked RFP # 30 -07, "Ground Lease and Redevelopment of Old Public Library" on the outside of the mailing envelope, addressed to the Finance/Purchasing Department, City Hall, One Junkins Avenue, Portsmouth, NH 03801 will be accepted until 2:00 p.m. on May 16, 2007.

Proposals which are received late or are incomplete will be returned unopened.
Faxed proposals are unacceptable.

Description.....

The City of Portsmouth is soliciting proposals from any interested party (or parties) for the long-term lease and redevelopment of buildings within the City of Portsmouth old Public Library complex, located at the intersection of Islington Street, Middle Street, Maplewood Avenue, and Congress Street.

Mandatory Pre-Proposal Meeting.....

A mandatory pre-proposal meeting will be held at the old Public Library on March 14, 2007 at 1:30 p.m. A representative from each party interested in submitting a proposal must attend in order to qualify to submit a proposal.

The purpose of the meetings is to conduct a site-walk of the property and complex of buildings and to solicit and respond to questions. As appropriate, any additional proposal materials related to this Proposal shall be distributed at that time.

This Request for Proposal may be obtained by visiting or calling the Finance/ Purchasing Department on the third floor of City Hall, One Junkins Ave, Portsmouth, NH, and (603) 610-7227 or by downloading it from the City's web site at www.cityofportsmouth.com.

Questions regarding this proposal should be directed to Nancy Carmer, Economic Development Program Manager, City of Portsmouth (603) 610-7220 phone or nmcarmer@ch.cityofportsmouth.com.

The City reserves the right to reject any or all proposals, to waive technical or legal deficiencies, and to accept any proposal that it may deem to be in the best interest of the City.

1. INTRODUCTION

The City of Portsmouth is soliciting proposals from any interested party (or parties) for the long-term ground lease and redevelopment of buildings within the City of Portsmouth old Public Library complex, located at the intersection of Islington Street, Middle Street, Maplewood Avenue, and Congress Street. The complex is composed of three attached brick buildings:

- Academy Building (1809) (2 floors plus basement and attic)
- Benedict House (1810) (three floors, crawl space and attic)
- Addition (1976) (two levels with half level)

Total square footage is approximately 16,000 square feet on about a half acre of land.

In December 2006, the City of Portsmouth moved its municipal library functions from a complex located at the intersection of Islington Street, Middle Street, Maplewood Avenue, and Congress Street to a new facility on Parrott Avenue. The City operated a public library at this location since 1896.

The Portsmouth City Council is interested in receiving proposals from any interested party concerning the long-term use of this property. This includes interest in exclusively private development as well as public or mixed uses. The City is aware from the listening session held in January that some not-for-profit organizations have investigated the feasibility of working together to propose a re-use. Collaboration is encouraged.

The term “Developer” is used in this document to refer to that person, organization, corporation (for profit or not-for-profit) or other entity who/that will have the primary responsibility for ensuring the planning, design, construction, financing and operation of the complex.

The City's primary objectives are to:

- Encourage the timely redevelopment of the complex in a manner consistent with the City's Master Plan;
- Realize economic benefit associated with the redevelopment of the property; and
- Encourage long-term occupancy and maintenance.

2. RE-DEVELOPMENT CONSIDERATIONS

- 1) The City anticipates that the land and buildings will be conveyed under a long-term ground lease (\pm 40 years). Ownership of land will remain with the City.
- 2) The Benedict Building and the Penhallow-Academy Building are listed on the National Historic Register and preservation restrictions apply to interior and exterior characteristics of the building. See Attachment 1 .
- 3) Market rent is likely to be required due to the operation of certain deed restrictions. See Attachment 2 .
- 4) The facility is in need of major repairs and capital improvements. Maintenance costs may be high. See Attachment 3 and Attachment 4 .

3. ADDITIONAL MATERIALS FOR REVIEW

Additional materials relative to the old library complex are available for review at the Portsmouth Public Library reference desk and City Hall front desk. Those materials include additional historical data, deeds and additional information relative to potential operational and capital improvement costs. The construction plans for the 1976 addition are available for review at the department of public works. To set up an appointment to review the plans contact Steve Parkinson at 766-1420.

4. REVIEW PROCESS/EVALUATION CRITERIA

The City Council has final authority to determine what if any proposed redevelopment of the property will be undertaken. The purpose of this Request For Proposals is to identify 2 - 4 qualified proposals to be presented to the City Council for its review. The following criteria will guide the review process:

1. **Quality of Redevelopment Proposal.** The City is seeking a reuse which encourages long-term occupancy and ensures proper stewardship of the historic structures.
2. **Economic and/or Other Public Benefit to the City.** The redevelopment should provide an economic and/or public benefit to the City.
3. **Qualifications and Financial Capability of Developer.** The City is looking for a Developer who can successfully redevelop the site and fulfill the lease terms over the long term. The Developer should demonstrate adequate project financing, or an ability to obtain project financing, as well as an ability to provide operation and maintenance, and participate in a capital improvement plan for the building.

The City may, in its sole discretion, expand or reduce the criteria upon which it bases its final decisions regarding selection of the Developer for this parcel.

5. SUBMITTAL REQUIREMENTS

Proposals must include the following:

- 1) Cover Page that includes the following information:
 - a) Developer's name and mailing address
 - b) Developer's current legal status: corporation, partnership, sole proprietor, etc.
 - c) Contact person's name, title, phone number, fax number and e-mail address

- d) Signature of authorized corporate officer for each entity proposing as a partnership or team
- 2) A narrative of the proposed development, describing generally the nature of the improvements and uses. If preliminary plans, designs, or other details are available, Developers are encouraged to submit them.
 - a) If residential development is proposed, the proposal may include information about the bedroom compositions, rents and/or sales prices and amenities/services included.
 - b) If commercial development is proposed, information may be included about the anticipated type of tenants expected.
- 3) An identification of the entities (persons, organizations or corporations) that will be involved and, if available, a description of the roles they will play (e.g., developer, architect, building owner, property manager, tenant, professional consultant).
- 4) A description of the economic or public benefit to be realized by the City.
- 5) A proposed timeframe for the development.
- 6) A preliminary capital pro forma showing the detailed sources and uses of funds (debt, equity, gifts, grants, fees and other) to construct and maintain the re-development (including any tenant improvements).
 - a) Information as to the status of securing those funds should be included if available. Clearly indicate any public assistance to be requested and time frame for applying for and award of such assistance.
 - b) The City reserves the right to request of the Developer additional financial information, which, depending on its nature, may be submitted confidentially to the City.
- 7) Optional submittals: Additional materials may be submitted to assist the City in its review of the proposals.

6. RESERVATION OF RIGHTS

The City reserves the right to request additional information from persons submitting proposals after submittals in order to verify statements, performance and development capacity ability. The City reserves the right to make such inquiries regarding the Developer's qualifications and reputation as it deems necessary to evaluate the proposal. The Developer may be requested to execute releases to obtain information from third parties. Failure to execute a release upon request may result in disqualification.

Upon review of submissions, the City reserves the right to: (A) take no further action; (B) reject any or all proposals; and/or (C) conduct discussions, interviews and negotiations and proceed with a lease.

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ATTACHMENT 1:

Preservation of Historic Architectural Features: In 1977, the City agreed, by deed, to preserve the historic characteristics of the Academy Building and the Penhallow- Benedict House. With regard to the exterior of both structures, the historic elements are preserved not only by deed, but by regulation through the City's zoning ordinance and the Historic District Commission.

With regard to the interior of the Academy Building and the Penhallow-Benedict House, the City is in the process of inventorying the historic interior architectural features of the buildings in preparation for updating the 1977 deed and for providing guidance for re-use.

Based on a preliminary assessment, the following interior elements are likely to be considered historic and subject to preservation restrictions:

The Portsmouth Academy Building: The interior was compromised in the 1970s when the Library was remodeled and the addition/connector to the Penhallow-Benedict House was created. Significant surviving features include the open configuration of the second floor which was created in 1896 when the Portsmouth Academy became the Portsmouth Public Library and the finish work including the 1809 window casements and the 1896 stairway.

The Penhallow-Benedict House: The interior of this fine c.1810 Federal Style house has survived with a very high degree of integrity. It is a rare example of an I-plan executed in masonry, and the plan has not been changed. The joinery of the finish work is of high quality suggesting the work of one of Portsmouth's finer cabinet makers. Details include six differently finished fireplaces, window casements with folding shutters, a spiral stairway, a nineteenth century built-in bench; c.1810 6-panel doors; and other specialized moldings.

All rehabilitation work would have to comply with the Secretary of the Interior's Standards for Rehabilitation.

The 1976 addition is not of sufficient age to be considered historic and would not be protected.

Pursuant to the current historic preservation deed, the Academy Building and the Penhallow-Benedict building must be open to the public at least 12 days per year, equally spaced, and upon appointment. This public access requirement is likely to be in place until at least 2017 although the City is discussing with the Division of Historic Resources the possibility of allowing some additional flexibility with regard to public access.

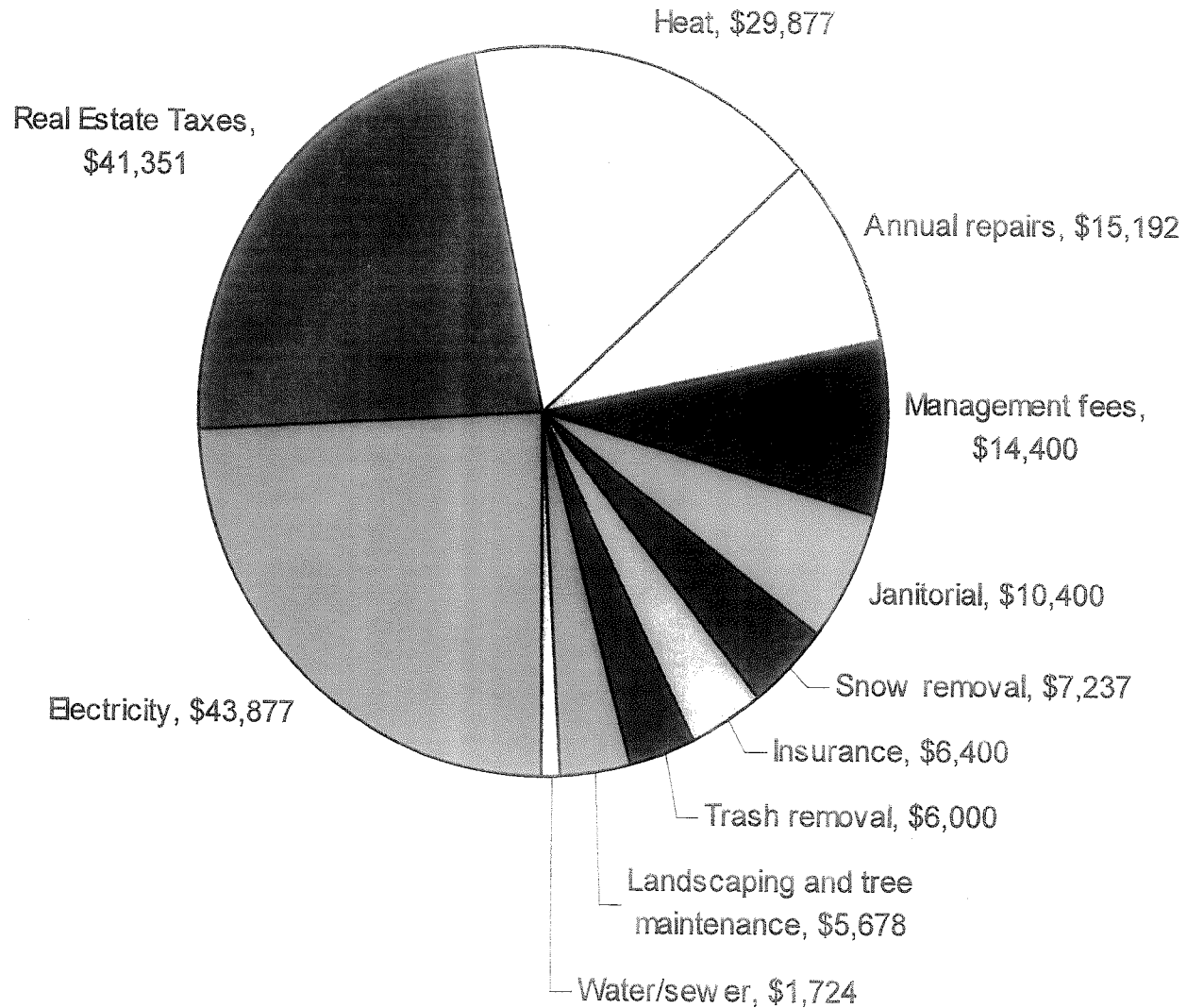
ATTACHMENT 2

Deed Restrictions Relative to Re-Use

The City acquired the Portsmouth Academy building in 1906. The 1906 deed provided that if the Academy Building is not used for purposes of a public library (or a memorial hall for a then existing Civil War veterans group), the property reverts back to the Portsmouth Academy. The Portsmouth Academy is, however, no longer a functioning corporate entity. As a result of the restriction, any re-use for non-library or non-memorial hall purposes will need the approval of the Division of Charitable Trusts and the Probate Court. The re-use must be structured in such a way as to honor the intent of the grantor of the property. This means that proceeds from a sale, or lease payments, will likely have to be directed to a trust to benefit of the new public library. Based on preliminary conversations with the Division of Charitable Trusts, and consistent with State law, the Division is likely to require the sale or lease to be at market terms in order to maximize the value of the charitable asset.

Whichever non-library use is pursued, the City will need to file a petition with the probate court to ask for relief from the restriction in the deed and will need to demonstrate that the charitable intent of the grantor is being met through maximization of the value of the asset. If the Division of Charitable Trusts concurs in the petition and the relief the City seeks, there is a substantially greater likelihood of the relief being granted.

Financial Overview: Annual Operating Expenses: \$182,136



Mayor's
Blue
Ribbon
Committee
on
Building
Reuse



Financial Overview: Capital Improvements

Interior:.....\$326,000

- HVAC, Fire Controls, etc.

Exterior:.....\$TBD

- Roof, windows, parking lot

Additional dependent upon use:.....\$TBD

- Handicap accessibility (ADA),
Building Codes including
parking requirements

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