



# CITY OF MILWAUKIE REQUEST FOR QUALIFICATIONS—COHO POINT AT KELLOGG CREEK



RFQ #04-21-17-1 Request for Qualifications for Downtown Mixed-Use Development at Coho Point at Kellogg Creek—11100 SE McLoughlin, Milwaukie, OR)

The City of Milwaukie (City) is seeking qualifications from interested parties to form a public private partnership for the development of Coho Point at Kellogg Creek. The site is located at the corner of 99E (McLoughlin Blvd) and SE Washington Street in downtown Milwaukie. The City is interested in a timely development of this opportunity site. The RFQ process will move into the RFP process to the top teams.

This Request for Qualifications (RFQ) **issued on April 21, 2017** describes the City's intentions for this project. Information about the selection process, downtown Milwaukie and submission requirements are also included. Responses must be received at the City of Milwaukie Community Development Department, 6101 SE Johnson Creek Blvd., Milwaukie, Oregon 97206 no later than **Thursday, May 25, 2017 at 3 PM**. Proposals received after the 3 PM deadline will not be considered and will be returned unopened to the proposer(s).

Responses should be addressed to

**Project Manager:**

**Community Development Director  
City of Milwaukie  
6101 SE Johnson Creek Blvd.  
Milwaukie, OR 97206**

The City will conduct a pre-submittal meeting and site tour on **Thursday, April 27, 2017 at 3:30 p.m. to 5:30 p.m.** at Milwaukie City Hall Council Chambers located at 10722 SE Main St. Milwaukie, OR 97222. The City will provide a project overview, discuss short-term and long-term goals, expectations, potential partnership arrangements, and conduct a tour of the site. Copies of background studies and reports will also be available for viewing at the pre-submittal meeting. This meeting and tour are not mandatory, but prospective respondents to this RFQ are strongly encouraged to attend. Following the meeting, the City will reserve the right to amend the RFQ, if for instance new information comes to light at the pre-submittal meeting. After the RFQs responses are short-listed, interviews may occur between June 12-16, 2017. The top three development teams may be invited to submit for the full Request for Proposal (RFP) for this site. A project map is attached at the end.



## CITY OF MILWAUKIE INTRODUCTION

Milwaukie (pop. 21,000), a city strategically located within Clackamas County, Oregon. Milwaukie, located six miles south of downtown Portland, is economically linked with the greater Portland metropolitan area. It offers glorious views of the Willamette River and a small-town feel with easy access to the region's urban center, recreational activities, and services.

Named one of the best places to raise a family, Milwaukie provides a clean environment, quality transportation, schools, and health care. The Sunday Farmers Market, First Friday events, neighborhood concerts in the park and the on-going poetry and artist series are just a few of the many community and cultural offerings available throughout the city. Recreational opportunities in the city include boating, kayaking, and paddle boarding on the Willamette River. With more than 100 parks in Clackamas County there is easy access to many fishing, hiking, and mountain biking opportunities.

The City is comprised of nine neighborhood districts-- seven primarily in residential areas (the Historic Milwaukie Neighborhood includes the downtown business district) and two industrial districts. With more than 1,500 companies, Milwaukie is also home to several of Oregon's largest and most iconic employers including Dark Horse Comics, Bob's Red Mill, Blount International Inc., and Precision Castparts (a Fortune 500 company), to name a few. The City also has a community vision underway—*Milwaukie All Aboard: Milwaukie's Community Vision*-- to help articulate the community's vision for how it should grow in the next 20 years. This vision will be followed by a 5-year action plan and will help inform a 2035 comprehensive plan update covering housing, economic development, and other elements of the city's 20-year growth outlook. These are exciting times for the City of Milwaukie and we want to bring forward a well thought out development project that will serve as a gateway to our downtown.

### *Market Demographics*

In 2016, Milwaukie is home to over 8,800 households with an average household size of 2.30. Median household incomes are projected to be over \$56,000. According to the city's 2016 housing needs analysis, there is a need for additional housing options that meet the ownership ranges of \$90k to \$240k and rental rates between \$400-\$900 a month<sup>1</sup>. A 2016 downtown retail market analysis indicates that there is a need for a small-medium sized grocery store/food store, clothing stores, restaurants, and electronics (sales leakage of \$18m or about 69,000 square feet) in our downtown.

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<sup>1</sup> Johnson, Jerry. *City of Milwaukie--Housing and Residential Land Needs Assessment: 20 year Housing Need 2016-2036*. August 2016. p. 23.

## DOWNTOWN MILWAUKIE

Metro's 2040 Growth Concept Plan designates Downtown Milwaukie as a "regional center," concentrating public and private investment in new housing, office space, and neighborhood-supporting commercial development. Downtown Milwaukie's designation as a regional center is due to its role in providing high quality jobs, connections to the regional light rail system, and goals to become an active, vibrant core that serves the surrounding community. Downtown Milwaukie is the historic and commercial heart of the community. With a traditional urban form and retail frontage along Main Street, Milwaukie has an interest in retaining its small town charm and character even as the city plans for expanded growth in the downtown and other areas. Major employers within a two-mile radius of the downtown include Dark Horse Comics, City Hall, the Oregon Liquor Control Commission, MODA Health, Alpine Food Distributing, Inc., Dave's Killer Bread, Blount International, Inc., Providence Hospital, Advantis Credit Union headquarters, and many more.

Downtown Milwaukie has been planning for future development in the downtown through the Moving Milwaukie Forward planning effort and offers the benefit of the new Portland-Milwaukie Light Rail transit line that opened in September 2015. The new Orange Line extends the region's light rail network by 7.3 miles from Portland State University to the South Waterfront, through SE Portland, and into Milwaukie and north Clackamas County. The current daily ridership at the Milwaukie/Main Street station is at 700 on weekdays and over 400 on weekends.

Downtown is the civic center for the community and is the heart of premier events such as First Friday, the Farmer's Market, and concerts at the library. It is well connected through transportation by offering a regional transit hub, including the MAX light rail system and eight bus lines. The Downtown also includes Riverfront Park, an 8.5 acre park on the Willamette River, and the Ledding Library, which will soon undergo an expansion after a 2016 bond levy passed.

Worth noting is the Milwaukie Farmer's Market and the plans to relocate to the southern edge of the downtown and adjacent to this opportunity site. The Farmer's Market, which hosts over 75 vendors, and was recently named one of the best Sunday farmers markets in Oregon runs from May to October on Sundays. It will use Main Street and the Adams Street Connector as their new space starting in May 2018.



## 1. DEVELOPMENT OFFERING—SELECTION PROCESS

Upon receiving responses to this RFQ, the City may, in their sole discretion, elect to proceed in any of the following or possibly other directions.

- The City may establish a Selection Advisory Group (SAG) to review team qualifications and provide input to City staff (Staff). This group may consist of staff and/or other stakeholder groups. The City may also retain a consultant(s) to assist in the evaluation of the responses.
- The City may select a small number of teams for a second-round process. This second-round might entail interviews, a formal Request for Proposals (RFP) process, or some other means of selection from a short list of developer teams.
- The City may opt to select a single team for one or more of the development opportunities, without going to a second-round process. Under this scenario, the City would enter directly into negotiations with the preferred single team based solely on the RFQ responses.
- If the City and a selected team are unable to successfully negotiate terms, the City reserves the right to begin new negotiations with other respondents that meet the minimum proposal requirements.

## SCHEDULE

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Release of RFQ	Friday, April 21, 2017
Pre-Submittal Meeting (optional)	Thursday, April 27, 2017, 3:30--5:30 p.m.
RFQ Submittals Due	Thursday, May 25, 2017 3:00 p.m.
Preliminary Decision/Short List Identified	June 11, 2017 (tentative)
Developer Interviews (if applicable)	June 12-16, 2017 (tentative)
Top RFQ responses will be asked to submit a full RFP	by June 21, 2017 (tentative)
Request for Proposals (RFP due)	July 27, 2017 (tentative)
RFP Design Open House	August 3, 2017 (tentative)
Winning Project selected by Council	August city council session

## 2. SUBMISSION REQUIREMENTS

ORIGINAL MATERIAL, 12 PAGES OR LESS (NOT INCLUDING RESUMES, LETTERS OF REFERENCE, EXAMPLES OF OTHER PROJECTS (maximum of 10 pages for these items).

### 1. Project Vision (30 points)

- a. Describe the development team and why the team is interested in the project.
- b. Please indicate your initial approach to completing the project. Include your team's thoughts on how you would leverage the site's strengths and mitigate its disadvantages. Please also indicate what use or uses the team is considering for the site.
- c. Provide information on how the development team would respond to Section 3—Project Goals.

### 2. Team Qualifications and Development Experience (40 points)

- a. Identify development team members and roles, and describe qualifications. Provide resumes for key team members.
- b. Describe the team's experience in the development of high quality, successful urban infill projects of the scale anticipated for the development of this site. Include images of similar projects, if available.
- c. Describe the team's sustainable/green development project expertise and knowledge of LEED, passive building design, the use of alternative building materials, etc.
- d. Describe the team's previous experience working with public sector partners, and the types of public- private partnerships formed.

### 3. Financial Capacity (30 points)

- a. Explain how the team has the necessary financial standing, capacity, and resources to deliver the project.
- b. Please discuss likely sources and uses of funds. Provide as much information as is warranted, such as certified financial statements, to make the case that the team possesses the financing capacity to develop the project site. (Any financial documents submitted to the City should be placed in a separate envelope and clearly marked as confidential.)
- c. Describe any expectations for public assistance at this stage. The response should include general statements relating to financial participation, assistance with permits, and other potential public funding sources.
- d. Provide a preliminary estimated time frame to carry out the project(s) and describe if you envision a phased approach.

**Confidentiality: Please indicate by clearly marking or highlighting information the team would like to be kept confidential.**

### 3. PROJECT GOALS

The city would like to see a 5-story mixed-use building that maximizes the use of the land and provides a gateway to the downtown along McLoughlin Blvd. (99E). The city recently passed new, streamlined zoning under the Moving Forward Milwaukie Plan that allows for a base of 3 floors with a bonus of a 4th floor, if housing is provided, and a fifth-floor bonus if a green building or lodging is provided.

The city is interested in projects that meet multiple objectives, including, but not limited to:

- A signature project that leverages the spectacular views of the Willamette River and serves as a gateway to the downtown;
- A project that maximizes the city's desire to help revitalize downtown—several complimentary projects in the vicinity include the South Downtown Plaza, the Sunday Farmer's market, a city-owned food cart pod adjacent to the light rail platform, and the Adams Street Connector;
- A project with up to four floors of housing or other uses over retail;
- A project that considers housing options that meet a variety of incomes (review the current Housing Needs Analysis for income thresholds that the city has by way of unmet needs);
- A project that considers sustainable and equitable transit oriented development (TOD) elements that maximizes the strategic location of the site and access to public transportation and encourages a livable and walkable place;
- A project that uses "green" construction (e.g. Net Zero or Passive, solar, green roofs) for future generations to enjoy;
- A project that is a good environmental neighbor to Kellogg Creek;
- A project that will minimize the impact of construction on the Milwaukie Farmers Market at its 2018 location
- Utility connections should reflect the needs of the users (High speed internet, etc.)

## SITE AND ZONING

### SITE FEATURES OF THE PROPERTY (NOT COMPREHENSIVE)

- The property is 0.81 acres
- Publicly-owned (City)
- Downtown Mixed Use zoning (adjacent to Open Space)—development criteria below
- Highly visible location on McLoughlin Blvd/Highway 99E
- Near Adams Street Connector, Dogwood Park and future South Downtown Plaza
- Opportunity for Willamette River views over Riverfront Park
- Frontages on Main St, Washington St and McLoughlin Blvd, some topographical challenges
- Adjacent to natural area that includes Kellogg Lake
- Recent Phase I and Phase II Environmental assessments have been completed and are available for review.
- A recent Natural Resources Assessment has been completed and available for review.
- A recent Market Analysis, housing needs analysis, and economic opportunities analysis have been completed and available for review.

## ZONING SUMMARY<sup>2</sup>

FOLLOW THIS LINK TO [\*\*TITLE 19 OF ZONING CODE; SPECIFICALLY, CHAPTER 19.300 BASE ZONE: SECTION 19.304 DOWNTOWN ZONES\*\*](#)

### 19.304.1 Purpose

The downtown zones are Downtown Mixed Use Zone DMU and Open Space Zone OS. The zones are shown on Figure 19.304-1. These zones implement the Town Center and Public land use designations in the Milwaukie Comprehensive Plan. The downtown zones implement the Downtown and Riverfront Land Use Framework Plan and Milwaukie Comprehensive Plan. The downtown and riverfront area is envisioned as the focus of the community. Two zones are designated to distinguish between areas intended for public open space and those intended for downtown development. Specific use,

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<sup>2</sup> The full Milwaukie Municipal Code is available at: <http://www.qcode.us/codes/milwaukie/>



development, and design standards are adopted for the downtown zones to assure an active, attractive, and accessible environment for shoppers, employees, and residents.

*Downtown Mixed Use (DMU)*

The Downtown Mixed Use Zone provides for a wide range of uses—including retail, office, commercial, and residential—that will bring visitors to the downtown to live, work, shop, dine, and recreate. The desired character for this zone is a pedestrian-friendly, vibrant urban center with a prominent main street and connections to the riverfront. Desired character also includes buildings that are oriented toward the pedestrian, with primary entrances located along the street.

DEVELOPMENT STANDARDS (SECTION MMC 19.304.4)

**DEVELOPMENT STANDARDS**

Type	Minimum	Maximum	MMC
Floor Area Ratio (FAR)	0.5:1-1:1	4:1	19.304.5.A
Height <sup>3</sup>	25 ft.	35-65 ft.	19.304.5.B
Setbacks	0 ft.	10-20 ft.	19.304.5.D
Density			19.304.5.J
Rowhouses and live/work	10 units/acre	none	
Stand-alone multifamily	30 units/acre	none	
Mixed use	none	none	

**BONUSES**

Type	Provision	Bonus	MMC
Height (up to 2 available)			19.304.5.B.3
Residential	1 story/25% floor area residential use	1 story/12 ft. of building height	
Lodging	1 story/25% floor area lodging use	1 story/12 ft. of building height	
Green Building	ANSI-approved green building certification	1 story/12 ft. of building height	
Floor Area Ratio (FAR)	1 sq. ft. structured parking	0.5 sq. ft. floor area	19.611.4

<sup>3</sup> Height is measured as defined in MMC 19.202.2.B. This is noted due to the elevation differences on the site between SE Main Street and SE McLoughlin Blvd. Proposers are encouraged to review this section.

**DESIGN STANDARDS**

Type	MMC
Site design standards	19.504
Building design standards	19.505
Downtown site and building design	19.508



**OFF-STREET PARKING** (MMC 19.304.5.G)

- All nonresidential uses are exempt from off -street parking requirements.
- Residential parking: minimum 1 space/dwelling unit, maximum 2 spaces/dwelling unit (MMC 19.605.1)
- Surface parking lots must be at least 50 feet from Main Street right of way.
- Off street parking may not be located between a building and the street-facing lot line.
- No curb cuts on Main Street.
- ✳ American with Disabilities Act (ADA) parking will be required at the level of 1 per 25 spaces per the Oregon Structural Codes.

**TREES** (MMC 16.32)

- The large trees on-site are outside Habitat Conservation Area; removal is not subject to MMC 19.402.
- The large trees are located on public property and removal is subject to the tree cutting provisions in MMC 16.32. If the property is privately-owned, no regulations would apply.

PREVIOUS STUDIES AND RELEVANT REPORTS

<http://www.milwaukieoregon.gov/communitydevelopment/opportunity-sites>

- 2016 Downtown Retail Market Analysis
- Moving Forward Milwaukie: Downtown
- South Downtown Plaza—Adams Street Connector
- Public Area Requirements
- Downtown Development Review Code
- Brownfields—Phase 1 and Phase 2 for the Cash Spot
- Natural Resource Assessment for the Cash Spot
- Willamette Greenway Overlay (MMC 19.401)

- Urban Renewal Fact Sheet
- Economic Opportunities Analysis
- Target Industry Report
- Transportation Systems Plan—review the section for a pedestrian/bicycle lane on this site

## POTENTIAL INCENTIVES — VISIT

[WWW.MILWAUKIEOREGON.GOV/ECONOMICDEVELOPMENT](http://WWW.MILWAUKIEOREGON.GOV/ECONOMICDEVELOPMENT)

The following are financial incentives (either directly controlled by the city or by others) that are potentially available as part of this project. The city's willingness to consider incentives will be based on the degree of responsiveness of a proposal to the submission requirements and project goals and the city's determination that any city subsidy is necessary to make the project financially feasible.

- Enterprise Zone
- New Market Tax Credits
- EB5 program
- Vertical Housing Tax Zone (in process)
- Discounted Land Sale Price or ground lease rate
- Metro's Transit Oriented Development (TOD) program grants
- State Business Oregon Incentives that may apply:  
<http://www.oregon4biz.com/dev/www/BOR/Oregon-Business/Tax-Incentives/>

## SATELLITE IMAGES OF SITE



