REQUEST FOR PROPOSALS
5.9 AC - WEST BOTHELL LANDING NEIGHBORHOOD

Properties not needed for municipal purposes

This offering is a component of Bothell Revitalization

This supporting reports are available at: www.futureofbothell.com

Proposals ONLY received in person or by U.S. Mail:
Bothell City Hall Office of the City Manager
18305 101st Avenue NE
Bothell WA 98011

Contact:
Terrie Battuello, Assistant City Manager
terrie.battuello@ci.bothell.wa.us
Phone: (425) 489-3387

Office Hours: Mon. to Fri. 8 a.m. to 5 p.m.

Questions deadline:
Submittals Due:

Friday, April 8, 2001, by 4 p.m.
Wednesday, April 20, 2011 by 4 p.m.

Washington State Public Records Act (RCW 42.56) requires public agencies make public records available promptly for inspection unless they fall within Act exemptions. See Note Regarding Public Disclosure at the end of this document.
Bothell is Enjoying a Remarkable Time of Re-discovery

The City of Bothell and the private sector development community are developing a high-density urban downtown community to include new housing, retail, hospitality and creative office space. This offering promises 5.9 acres of shovel-ready residential and professional office development land, situated right on the edge of the action.

LOCATION

Bothell is situated on the upper Eastside of Seattle, 16 miles from downtown and 14 miles from the center of Bellevue. Bothell lies in both King and Snohomish counties, the latter of which is the fastest growing county in the Seattle Metropolitan Area (MSA). Bothell is easily accessible from the local highways (I5, I405, SR 522, SR 527), providing quick access to key employment, cultural and recreational nodes in the region. As King County has become increasingly built out, development is expected to continue to push northward toward Bothell and into Snohomish County.

Bothell’s estimated 2009 population was 32,900 (US Census), and is projected to grow at an annual rate of 1.8 percent from 2010 to 2020, a strong rate in comparison to the greater Eastside region (1.3%) and the Seattle MSA (1.2%). Future annexation of more than 23,000 new residents is poised to occur in 2012 could lead to even stronger population and household growth in the city’s expanded geographic limits.

Bothell’s median household income is $66,700, which is higher than that of the Seattle MSA ($61,300), and is the lowest of its neighboring cities. In comparison to the greater Eastside, Bothell has a higher concentration of 1 and 2-person households (62% vs. 58%) and multi-family (apartments, condominiums) households (46% vs. 39%), signaling a higher propensity for multi-family living.

The City’s planned public sector investment of $150,000,000 in downtown Bothell, four-year university campus, 23,000 high tech jobs, and close vicinity to recreational and cultural activities creates a setting for economic opportunities unlike any other in the State or region.
The success of downtown redevelopment hinges on targeting and reaching groups already prevalent in Bothell and the surrounding areas.

DEMOGRAPHICS

Bothell is situated in the northern Eastside of Seattle, 16 miles from downtown Seattle and 14 miles from downtown Bellevue. Bothell lies in both King and Snohomish counties, the latter of which is the fastest growing county in the Seattle Metropolitan Area (MSA). As King County has become more increasingly built-out, development is expected to continue to push into Snohomish County. Downtown Bothell is easily accessible from the local freeways and state routes, providing relatively quick access to key employment, cultural and recreational notes in the region.

Bothell’s population is projected to grow at an annual rate of 1.8% from 2010 to 2020, a strong rate in comparison to the greater Eastside region (1.3%) and the Seattle MSA as a whole at 1.2 percent.

Bothell’s median household income of $66,700 is higher than that of Seattle MSA ($61,300). Bothell has a higher concentration of 1 and 2-person households (62% vs. 58%) in the greater Eastside, and multi-family (apartments, condominiums) households (46% vs. 39%), signaling a higher propensity for multi-family living.

Bothell has a higher percentage of suburban-oriented couples and families and young singles in comparison to the greater Eastside and Seattle MSA. An analysis of Claritas, Inc.’s PRIZM segmentation clusters revealed a high prevalence of the following groups in comparison to the greater Eastside and Seattle MSA, with their respective percentage of Bothell households in parenthesis, and comprising nearly 60% of Bothell’s households.

- Pools and Patios (7.4%)
- New Empty Nests (7.7%)
- Home Sweet Home (20.4%)
- Kids and Cul-de-Sacs (10.1%)
- Beltway Boomers (6.9%)
- Young Influentials (6.1%)

Bothell currently has 23,000 jobs and an income-per-household average consistent with top Eastside employment nodes. The City’s economy boomed in the 2000’s. From 2004-2007, Bothell’s employment grew at an average annual rate of 5.6%, triple that of the Eastside as a whole and over double that of the Seattle MSA. This growth was largely related to expansion of bio tech and telecommunications sectors which have migrated to Bothell as a low cost option and which now is recognized by Washington State as the BioMed Tech Innovation Partnership Zone.

According to census data, 19 percent of Bothell residents work within Bothell, with 37% commuting to other Eastside areas and 23% commuting to Seattle. This highly mobile work center provides significant
opportunities to capture untapped demand from Bothell employees who currently live in other cities, as well as from Bothell residents who work and shop in other nearby urban areas.

More information on the housing market in Bothell is available through a post-recession market study prepared by the Concord Group. It can be found on the report linked below, starting on page eight at:


DOWNTOWN DISTRICT: BOTHELL LANDING

Bothell’s authentic 102 year old downtown radiates charm adding to its appeal and strength for redevelopment. Bothell has enjoyed great success in marshaling its creative downtown plan, building community support, and is making the necessary investments possible to stimulate private sector interest to activate the community’s vision for a revitalized downtown.

• In 2010, Bothell initiated the first of several public investments in new and improved public infrastructure. The Crossroads Realignment of SR 522 at its junction with SR 527 and capacity and safety improvements along Wayne Curve (also on SR 522).
• Also in 2010, the City announced its public/private partnership with McMenamins to restore the art deco Anderson School building into a destination hotel, pub and spa.
  • In December 2010, the news of another private development to build 250 low to market rate senior housing SHAG apartments on the former Safeway site will be open in 2013 was released.
  • In 2011, the City has already announced a public/private partnership with Vulcan Real Estate to develop a new 60,000 square foot (est.) City Hall at the City Center block by June 2013. This development is envisioned to feature civic and commercial outdoor plazas and government and retail amenities.

Less than ¼ mile away, state-funded capital investments at the nearby University of Washington Bothell and Cascadia Community College campus have fueled increased student enrollment to attract more than 6,000 Full Time Equivalent (FTE) students to campus each day and adding visitors and workers to the area. The campus expects to grow to 10,000 FTE (or 15,000 daily arrivals) over the next few years.

Even without these public investments, economists at The Concord Group have demonstrated in a post recession, market-based analysis a current future demand (2010-2020) downtown of more than 1 million square feet in retail, office and residential facilities.

INVITATION
The City is seeking Proposals from experienced developers, companies or teams or end users interested in purchasing and developing the sites described in the following section.

At the end of the proposal period, the City may choose to engage with one or more developers to discuss a possible agreement to sell the site through a purchase and sale agreement for redevelopment of this parcel. The decision will be based on a number of criteria that aim to create the best overall value to the citizens of Bothell.

The City may withdraw from this process at any time, and submitters may withdraw their proposals and participation at any time they so choose without recourse. The City also reserves all options with respect to any subsequent process or decision concerning disposition of the property.

**AVAILABLE SITE**

In August 2010, a large tract of prime downtown property located at the junction of SR 522 and SR 527 transferred from the Northshore School District (NSD) to the City. This site, plus the City’s seven acres of parcel remnants collected from transportation project acquisition, comprises some 18-acres of buildable land anticipated to be available for private redevelopment.

This invitation is with regard to the sale of the West Bothell Landing neighborhood. This site is tucked just a short walk away from the downtown core, within walking distance of entertainment, employment, education and recreation, with quick access to public transit.

*General description.* The site is located between 96th Avenue NE on the west, Pop Keeney above NE 185th Street to the North and the new Pop Keeney Connector (pictured) to the northeast. On the southern edge, the property abuts the Hopelink site and several private properties (dental offices) which have addresses off 98th Avenue NE.

The total parcel is approximately 257,368 square feet or 5.9 acres. Two right of way zones (one developed, one undeveloped) could be included as part of an aggregation of this parcel cluster depending upon the developer’s program. With its excellent access to SR 527 and current 20,000 vehicles per day (VPD) traffic count and projected (2035) traffic count of 41,000 VPD.

A new connector road is designed (30%) to link Pop Keeney Stadium and the planned adjacent new development to the downtown core. A new ½ acre park and diagonal street with a tree-lined median...
extending northwest from the “bend” is included in the new roadway development, creating a wide open space for the community to enjoy.

An additional new street segment will connect and extend the north/south 98th Avenue NE to the NE 185rd Street roadway, greatly enhancing east-west traffic circulation and serving as a new transit route for buses traversing downtown to campus, the business parks and beyond (Bellevue, Seattle, Everett, Lynwood).

The site includes King County parcel numbers and Bothell Land Use Zoning (form based code) from the Downtown Subarea Plan:

**LAND USE**

The specifications of each of these two zoning designations can be found on line at:

http://www.ci.bothell.wa.us/CityServices/PlanningAndDevelopment/DowntownRevitalizationPlan.ashx?p=1448

<table>
<thead>
<tr>
<th>King County Parcel Number</th>
<th>Bothell Land Use Code</th>
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<tbody>
<tr>
<td>0516000025</td>
<td>Downtown Transition District</td>
</tr>
<tr>
<td>0626059052 (western portion to 98th Street)</td>
<td>Split zone: Downtown Transition District Downtown Neighborhood</td>
</tr>
<tr>
<td>0726059284</td>
<td>Downtown Transition District</td>
</tr>
<tr>
<td>0726059123</td>
<td>Downtown Transition District</td>
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<tr>
<td>0726059124</td>
<td>Downtown Transition District</td>
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</tbody>
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*Downtown Neighborhood District (DN)* allows a minimum height of 2 floors (20 feet) and a maximum height of 5 floors (55 feet). Permitted uses (outright) include business and personal services, corner store retail, civic and cultural uses, office, lodging, multi-family with common or individual entry, detached single family
housing and home occupation. Specific use category charts are in the Plan (page 73) to fully describe these uses. If retail uses about the new development, the code allows a provision in 12.64.102A.1 for “contiguous pedestrian oriented retail.” Ninety-five percent impervious surface is allowed. No block can exceed a maximum parcel perimeter of 1,500 ft.

Downtown Transition District (DT) allows a minimum height of 2 floors (20 feet) and a maximum height of 3 floors (35 feet). Permitted uses (outright) include all DND zone uses but corner store retail and there is no provision for contiguously permitted pedestrian oriented retail.

SITE CONDITION

The City purchased from the Northshore School District with known petroleum contamination in 2010, and extensive environmental testing was performed. The City performed clean up actions to address environmental concerns on this site. Residual contamination may be present. The City will provide all documents from historic assessment and recent cleanup activities upon request.

Additionally, two right of way areas are inside the boundaries of these parcels. It is anticipated that these areas may be modified to redevelop the blocks and would be subject to discussion and possible action. One is undeveloped located (north/south) NE 96th Street, the other is the developed NE 185th (east/west).

Several easements for utilities and other access issues will be evaluated and possible action taken as part of the negotiation. These right of way and easements are documented on the ALTA survey, which can be found at: www.futureofbothell.com.

MARKET DATA

Bothell and its downtown were evaluated by The Condord Group (full study available on www.futureofbothell.com) on a variety of factors in comparison to neighboring Eastside cities. Its strengths include accessible and visible downtown core, diversity of uses, and a connection to the river and natural amenities. Bothell’s assets give it the potential to compete effectively with neighboring cities, as the Park at Bothell Landing and Sammamish River Trail, roadway improvements, a walkable and historic downtown, civic uses including a library and city center block, proximity to the resources of the University of Washington and Cascadia Community College, and a strong and growing job center.

For rent residential

The Primary Market Area (PMA) from which the majority of demand for rental units will emanate stretches from the southern limit of Everett in the North to Bellevue in the South. Vacancy rates among Bothell’s 2,740 apartment units
were reported in early 2010 at less than 4 percent, indicating a demand for additional for rent facilities; with an average rent of $1,120 per month. The Concord Group projected demand for new apartment development in this vicinity from two sources: (1) new households; and (2) existing households turnover as they seek new housing options. When compared with the apartment developments projected to be built and the low vacancy rate, significant opportunity exists to attract potential residents to the downtown area for locational, employment and lifestyle reasons. Additionally, there is potential demand from commuting students. Assuming only a 1 percent capture of the potential demand from both new and existing renters, this area would be able to support approximately 550 for-rent units for income-qualified renter households over $40,000 per year in income.

For Sale Residential

The Competitive Market Area in which for sale units will compete with product at this site includes the cities of Bothell, Kenmore and Woodinville, and the primary market stretches from the southern limit of Everett in the North to Bellevue in the South. Demand for new for sale residential development comes from two sources: (1) new household demand; and (2) existing household turnover seeing new locational, employment and lifestyle. When compared with attached for sale development projected to be built as well as the stock of unsold units, the Competitive Market Area appears under-supplied over the next five years for 560 units. Assuming a 1% capture of the potential demand from both new households as well as existing households, downtown Bothell would be able to support approximately 230 for sale attached units for income-qualified renter households earning over $40,000 per year.

REVIEW PROCESS

The City of Bothell will consider each proposal to evaluate benefits of the land price offered, development value, creation of community and economic benefit, and the team’s overall ability to accomplish the City’s planning concept goals. Property to be surplused by the City must be sold at the fair market value, which is the minimum accepted price, as determined by appraisal and/or other information which must be presented to the Council. Weighted criteria will be aimed at determining the best overall value to the citizens of Bothell, including land price (25 pts), developer and team experience (25 pts), financial ability to deliver a quality project, schedule, and overall approach (50). The preferred candidates will be invited to meet with the City to discuss their proposal.
CITY GOALS
The City would like to hear from candidates who can demonstrate their ability to address important City goals through the use of these sites. Information contained in the response should present information responding to the points below in a clear, comprehensive and concise manner.

- Ability to exemplify and stimulate the type of development and community enhancement envisioned in the Downtown Subarea Plan
- Ability to conceptualize and execute projects that create a strong sense of place;
- Ability to understand the need for and use projects to provide opportunities for public gathering spaces
- Ability to generate economic benefit to the City
- Ability to demonstrate the party’s financial ability to execute project
- Timing of closing and approximate construction period.

COPIES
The City requests that packages include five (5) copies of entire submittal and one (1) electronic Adobe PDF or Word file copy on compact disc.

DISCRETION AND AUTHORITY

- The City reserves the right to reject all or any submittals.
- The City is not responsible for the cost of submittal development.
- The City retains the right to modify this RFP by adding or withdrawing properties, including without limitation, other properties deemed to be needed to support the City’s desired actions.

SCHEDULE

- **Friday, April 8, 2011** – Final questions deadline
- **Wednesday, April 20, 2011** – Proposal Deadline
- **Monday, May 2, 2011** – Invitation to present
- **Tuesday, May 31, 2011** – City Decision to Select a Preferred Developer

Proposals should be hand delivered or mailed to (no email):

City of Bothell - Office of the City Manager

\[c/o\] Terrie Battuello, Assistant City Manager

18305 101st Avenue NE, Bothell WA 98011

The City may decide on process for further action to dispose of the site or may delay this until a later time.

SUPPORTING INFORMATION
The City has created a Web page to conveniently provide submitters with quick access to available research and plans, and to include general information regarding this solicitation and downtown revitalization at:

KEY CONTACTS

- Assistant City Manager/ Manager of Economic Development Terrie Battuello  
  Phone: 425.489.3387; Email: terrie.battuello@ci.bothell.wa.us

- Director of Community Development Bill Wiselogle  
  Phone: 425.486.8152 x4466; Email: bill.wiselogle@ci.bothell.wa.us

DOCUMENT REQUESTS

To request a hard copy of any documents, please contact the Bothell City Clerk’s Office Public Records Request staff via the following Web address: www.ci.bothell.wa.us or by calling 425.486.3256. Please reference this RFP when requesting. Copy fees will apply upon collection of copies.

A Note Regarding Records Disclosure

The Washington State Public Records Act (RCW 42.56) requires public agencies in Washington to promptly make public records available for inspection and copying unless they fall within the specified exemptions contained in the Act. Submittals received under this RFP shall be considered public records. Subject to the paragraph immediately below, submittals will be available for inspection and copying by the public upon the conclusion of the selection process.

If a submitter considers any portion of the concept to be protected under the law, the submitter shall clearly identify on the page(s) affected such words as “CONFIDENTIAL, PROPRIETARY or BUSINESS SECRET.” The submitter shall also identify the affected page numbers(s) and location(s) of any material to be considered as confidential (attach additional sheets as necessary).

If a request is made for disclosure of such portion, the City will determine whether the material should be made available under the law. If the material is not exempt from public records law and is marked by the applicant as confidential, the City will notify the submitter of the request and allow the submitter ten (10) days to take whatever action it deems necessary to protect its interests. If the submitter fails or neglects to take such action within said period, the City will release the portion of the submittal deemed subject to disclosure. By submitting a concept, the submitter assents to the procedure outlined in this paragraph and shall have no claim against the City on account of actions taken under this procedure.

DISCLAIMER: THE INFORMATION IN THIS RFP HAS BEEN PREPARED FOR INFORMATIONAL PURPOSES AS GENERAL REFERENCE AND GUIDANCE FOR POTENTIAL SUBMITTERS. IT IS EACH SUBMITTER’S RESPONSIBILITY TO PERFORM ITS OWN REVIEW AND DUE DILIGENCE WITH RESPECT TO FACTS AND THE APPLICATION OF LAW.