

**Invitation to Qualified Bidders
Request for Proposals (RFP)
For the Development of the Former Chalmers Mill Site
In the City of Amsterdam, New York**

The City of Amsterdam (the “City”) is issuing a Request for Proposals (“RFP”) to seek a preferred developer (“Developer”) to:

- a. Prepare a redevelopment plan for a 2.5-acre site located in the City of Amsterdam, County of Montgomery, NY which is known as the Former Chalmers Mill Site, more accurately described as the property within SBL #55.42-1-14 on the 2012 assessment rolls of the City (the “Site”).
- b. Enter into a Preferred Developer Agreement and an Option Agreement (the “Option”) to acquire the Site on the purchase terms (as hereinafter described); and
- c. Acquire the Site and carry out the Redevelopment Plan after meeting certain development and marketing milestones, as set forth herein.

The City of Amsterdam is issuing this RFP to identify an experienced developer with the proven skills, resources and commitment needed to successfully redevelop, market, and manage a site in a manor that will act as a catalyst for improvements to its surrounding neighborhood and the entire City of Amsterdam. The development team should include participants with relevant experience in a development of this type. It is anticipated that the surrounding area may be developed in a phased approach over a number of years. Consequently, the City of Amsterdam is looking to reach a contractual arrangement with a preferred developer who will assemble a team acceptable to the City that is capable of planning, designing, financing, and developing a Site which is part of multi-faceted project list and is a key component of the City’s overall revitalization strategy.

The City of Amsterdam will evaluate RFP submissions and negotiate a preferred developer agreement. Copies of this RFP may be obtained at City Hall, 61 Church Street, Amsterdam, New

York, 12010, between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday. Respondents from outside the Amsterdam area may request that an RFP be sent via U.S. Mail. To request an RFP, contact Mayor Ann Thane at (518) 841-4311 or e-mail at athane@amsterdamny.gov. An informational meeting will be held at Noon. on September 6, 2012 at La Cuccina, 1 Port Jackson Square, Amsterdam, New York. Attendance is not mandatory, but is strongly encouraged. The City will provide minutes of the informational meeting to individuals who request the information from Mayor Thane at the above telephone number or email address.

Seven (7) copies of the response must be submitted to the Amsterdam City Clerk, City of Amsterdam, 61 Church Street, Amsterdam, New York 12010 by 4:30 p.m., on October 12, 2012.

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I. RFP SUMMARY

The City of Amsterdam (the “City”) is issuing a Request for Proposals (“RFP”) to seek a preferred developer (“Developer”) to:

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The Former Chalmers Mill Site is one of several projects that are completed, planned or proposed in the South Side Area in the City. These projects include:

The Bridge Street Revitalization Project – A project of NYS DOT, NYS DOS and the Amsterdam Industrial Development Agency is already completed. The project entailed the reconstruction of

three plus blocks of Bridge Street, which included new curbs, roadway surface, sidewalks, lighting, trees and pedestrian amenities.

The Pedestrian Bridge over the NYS Canal/Mohawk River – the planned project involves the construction of a new 475-foot long pedestrian bridge and approaches over the NYS Canal/Mohawk River in the City of Amsterdam. The bridge deck surface will contain park-like features including trees and flower planters, benches, walls, promenade overhangs and other amenities. The south approach work consists of rebuilding Bridge Street from the intersection at River Street to the edge of the river. Also included is the construction of a small parking lot, landscape features, and retaining walls to accommodate new pedestrian amenities such as walkways and viewing areas.

Via Ponte – The physical boundaries of the River, Chuctanunda Creek and NYS Route 30 physically separate the Southside Neighborhood from the remaining portions of the City of Amsterdam and have created the sense of community for those residing south of the River. Via Ponte, meaning Bridge Street, in Italian, is a Southside Neighborhood Redevelopment Study completed in 2004, that utilizes a mixed-use land development strategy with Commercial, Residential and Community components working in concert and being derived from a combination of private and public investment. In the end, the plan evokes the Southside neighborhood's historic roots as an Italian neighborhood, as well as a need to express the area's future identity as a cool place to live, a destination place to shop, and a center of culture and the arts.

The 2.5-acre Former Chalmers Mill Site is located in the City of Amsterdam, New York, is bounded by the Mohawk River to the north, Bridge Street to the east, Gilliland Street to the south and the Chuctanunda Creek to the west. The Site is currently zoned Commercial/Light Industrial (CLI).

The existing waterfront is recognized as a major asset to the community with potential for generating economic viability. A proposed mix of uses includes residential, cultural, retail, and recreational uses and the infusion of public investment projects to induce real estate and economic developments.

II. Submission Requirements

Of the seven (7) copies submitted, one complete set should contain original signatures, be marked ORIGINAL, and be left unbound.

The City of Amsterdam is requesting responses that detail a developer's qualifications and proposals for the redevelopment of the Former Chalmers Mill Site. All responses should contain the following items in the following order and be organized with tabs that correspond to the sections enumerated below.

- a. Cover Letter - A cover letter, signed by an authorized representative of the respondent, that provides a summary of the preferred developer's team and approach to the project.
- b. Provide a detailed Redevelopment Plan, including a description of the development, a conceptual site development plan, types and square footages of land and building uses, description of any residential, commercial, or industrial tenants, a preliminary development budget, proposed financing, a breakdown of the various steps in the development process, and a timetable for completing each of the steps in the development process; and,
- c. Provide a description of the benefits of the Redevelopment Plan project including jobs created (construction and permanent), total investment, tax base to be generated, housing units to be created, square footage of commercial space to be created, sales tax revenue to be generated, positive visual impacts of the project, and any other positive impacts that would arise from the Developer's Redevelopment Plan, if brought to fruition.
- d. Development Team Information - Description of the anticipated development team structure and key development team staff. Include current resumes for key individuals with direct project responsibility. . Describe the specific role the key individuals with direct project responsibility would play in the implementation of the redevelopment of the Former Chalmers Mill Site as well as the roles these individuals have played in projects

identified in the Relevant Project Experience section below. The City of Amsterdam recognizes that it is early in the development process and it might not be possible to identify all team members at this point. However, key development team partners should be identified as best as possible. Please include information on possible project ownership structure, management structure, and team organization.

- e. Relevant Project Experience - Describe current and previous experience of the firm or development team on similar projects. Please include up to five (5) projects completed within the last 10 years, including all relevant experience in the design and implementation of developments similar to the type of development proposed. Included in this information should be details regarding the process used to complete these projects, the gross value at project completion, development partners (lenders, general contractors, etc.) and whether projects met budgetary and scheduling goals.

Of special interest to the City of Amsterdam are other similar public/private arrangements in which the firm or development team has participated. Respondents should describe the role the developer performed in the development arrangement with the municipality. Emphasis should be placed on complex public/private development projects commensurate with the scope and nature of this site.

- f. Evidence of Creativity in Structuring Public/Private Arrangements - The City of Amsterdam is interested in the experience of the developer in structuring public/private arrangements, which reduce the public participant's capital investment and risk. Respondents should describe examples of creative deal structuring for public/private arrangements achieved in the past five years.
- g. Financial Data - The City of Amsterdam recognizes that it is premature to identify specific sources of debt and equity financing for this project. However, information is requested on the financing of past projects and a detailed description of the firm's commitment and capability in providing capital to competitively and successfully finance this project. Annual reports, prospectuses and other financial statements that speak to the financial capacity

of the preferred developer should be included. The City of Amsterdam reserves the right to require such information to be provided on prescribed forms.

- h. Project Approach - Describe the respondent's approach to managing the finance, design, phasing, development and construction of other projects. Of special interest to the City of Amsterdam is how the preferred developer has worked with planners.
- i. References - Provide financial and development references (name, title, entity, telephone number and contractual relationship to respondent) that can be contacted with respect to current and past project development experience.
- j. Legal Actions - Provide a listing and brief description of all legal actions for the past three years in which the firm (or any team member) has been: a debtor in bankruptcy; or a defendant in a lawsuit for deficient performance under a contract; or a defendant in an administrative action for deficient performance on a project; or a defendant in any criminal action.

III. Evaluation Criteria

The following criteria will be used to evaluate the developer submissions:

1. Experience implementing major multi-phased, mixed use project;
2. Demonstrated experience, financial strength and capacity to implement a redevelopment plan of this size in a timely manner;
3. Demonstrated ability to structure public/private financial arrangements, which reduce the public participant's capital investment and risk;
4. Experience in successfully refining redevelopment plans similar to the Former Chalmers Mill Site into projects that can be implemented;
5. Experience of the specific individuals assigned by the developer to the proposed project;
6. Demonstrated ability to obtain and access private equity and debt;
7. Demonstrated willingness to fund and undertake necessary land acquisitions;
8. Demonstrated experience with Federal and State requirements;
9. Creativity of Redevelopment Plan;
10. Economic and other benefits of the Project that best meet the needs of the City of Amsterdam.

The City of Amsterdam reserves the right to request clarification or additional information from respondents if necessary.

IV. Selection Process

The City of Amsterdam commits to make its best efforts to adhere to the following tentative sequence of events regarding the evaluation of the RFP submissions and the selection of a preferred developer.

September 6, 2012 - RFP Issued. The RFP will be mailed to potential developers on the standard developer list maintained by the City of Amsterdam and to individuals who attend the informational meeting on September 6, 2012. Also, the City of Amsterdam is advertising locally and nationally and will send copies to those responding to these advertisements.

September 6, 2012 – Informational Meeting and Luncheon- Attendance is not mandatory but this will be an opportunity for potential respondents to ask questions of City staff. The Luncheon and walking tour will be held at 12 PM, at the La Cucina Restaurant, One Port Jackson Square, Amsterdam, NY. The City of Amsterdam will provide minutes of the informational meeting to individuals who request the information by contacting Mayor Ann M. Thane by mail at 61 Church Street, Amsterdam, NY 12010, by phone at (518) 841-4311 or by email at athane@amsterdamny.gov.

October 12, 2012 – Seven (7) copies of the RFP Responses due at or before 4:30 PM Eastern Standard Time. The City of Amsterdam will appoint a selection committee including individuals from the City, and experts in the fields of real estate and finance to review all developer submittals in accordance with the evaluation criteria.

Week of October 22, 2012 – Interviews. The evaluation committee will recommend a short-list of respondents. Following this, the City of Amsterdam will invite finalists to give presentations and participate in oral interviews on their qualifications and general approach to development and completed projects. Short-listed developers should plan to bring the designer/planner that is part of the team and to present their specific plans for the Former Chalmers Mill Site.

Week of November 5, 2012 – The City will rank the top three teams based on the evaluation criteria and the interview process. The City will notify the top ranked preferred developer and inform the other two short-listed teams of the selection.

TBD – Negotiations will be initiated at once with the top-ranked preferred developer. Upon completion of negotiations, a preferred developer agreement will be entered into which will outline roles, expectations, responsibilities and times to which both the selected preferred developer and the City of Amsterdam will adhere.

If the City of Amsterdam and selected preferred developer cannot structure a mutually satisfactory agreement, the City reserves the right to terminate or continue negotiations with the top ranked preferred developer. The preferred developer shall indemnify and hold harmless the City, its agencies and agents from any and all claims and liabilities of whatever nature as a result of the RFP process.

Participation in the selection process is not intended to create any contractual relationship between the City of Amsterdam and any developer prior to the finalization of a preferred developer agreement.

The City of Amsterdam reserves the right to enter into a preferred developer agreement with any developer if a mutually acceptable agreement can not be reached with the top ranked team within 30 days of the designation of the top ranked team.

The City reserves the right to request clarification and/or additional information from the respondents during the evaluation and selection process. The City reserves the right to accept any proposals and/or any part or parts thereof and/or reject any or all proposals. The City of Amsterdam shall have no liability to any developer for costs incurred by any developer in responding to this request for Proposals. Any materials submitted by a developer shall become the property of the City of Amsterdam. Developers are also advised that the City of Amsterdam will undertake extensive background checking of any developer prior to final selection of any developer.

V. Option

The City and the Developer will execute and deliver the Option which embodies items (a) to (b) of Section I RFP Summary above and the terms set forth in this Notice as well as other terms, covenant and conditions deemed appropriate or advisable by the City.

The Option by and between the City and the Developer will provide certain development and marketing milestones (the "Milestones"), as set forth herein, which must be achieved by the Developer, as determined by the City, otherwise the Developer may be deemed by the City to have forfeited the right to acquire the Site pursuant to the Option.

As part of the Developer's submission the following blanks shall be completed by the Developer as part of their proposal. These elements are subject to further negotiation as components of the preferred developer agreement. These submissions will be evaluated in comparison to the submissions of other responding developers. Developers may propose any alternative structure that they feel will facilitate the successful redevelopment of the site.

The Developer and the City will execute the Option, which will set forth the following terms, covenants and conditions:

- a. The Developer will option the Site for a period of _____ year(s) (the "Term") from the date of the execution and delivery of the Option;
- b. The Option will require that the Developer pay the option price of _____ when required by the preferred developer's agreement. The option price will not be refundable;
- c. The Option will provide that after the completion of the Milestones, the Developer can acquire the Site for the purchase price of _____; and
- d. The Option period may be extended for up to _____ months by the payment of an extension fee of _____.

VI. Milestones

To maintain the Option in full force and effect, the Developer shall meet the following milestones:

As part of the Developer's submission the following blanks shall be completed by the Developer as part of their proposal. These elements are subject to further negotiation as components of the preferred developer agreement. These submissions will be evaluated in comparison to the submissions of other responding developers. Developers may propose any alternative structure that they feel will facilitate the successful redevelopment of the site.

- a. Within _____ months of signing the Preferred Developer's Agreement, the Developer shall have completed a survey, and a market study. Copies of these documents shall be provided to the City when completed and upon any subsequent revision;
- b. Within _____ months of signing the Preferred Developer's Agreement, the Developer shall have prepared a comprehensive Redevelopment Plan and obtained the approval of the Redevelopment Plan from the City;
- c. Within _____ months of signing the Preferred Developer's Agreement, the Developer shall pay the option price and execute the option agreement.
- d. Within _____ of signing the Option, the Developer shall present preliminary architectural drawings for the Site. Copies of these documents shall be provided to the City when completed and upon any subsequent revision;
- e. Within _____ months of signing the Option, The Developer shall have made presentations to the Planning Board for necessary approvals, and if necessary, applied to the Zoning Board of Appeals for any variances which may be required;
- f. Within _____ months of signing the Option, the Developer shall present evidence of strong interest in the project by construction and permanent lenders;

g. Within _____ months of signing the Option, The Developer shall have completed all documentation and received commitments for project funding by construction and permanent lenders, and all necessary permits and approvals; and

h. If the Developer has made substantial progress in meeting the Milestones, but has not met final requirements to close on construction financing within _____ months of signing the Option, the Option may be extended for a period of up to six months, as outlined in Section 2 above.

VII. Purchase and Closing

If all of the Milestones are satisfied, the Option will provide that the Developer can acquire the Site for \$_____, (the "Purchase Price").

At the Closing, the Developer must tender the Purchase Price. The option price and any extension fee do not reduce the purchase price. At the closing, the City will enter into an agreement with the Developer, which shall govern the disbursement of any remaining Restore NY grant funds to the Developer.

VIII. DESCRIPTION OF CITY OF AMSTERDAM, SOUTH SIDE NEIGHBORHOOD, MONTGOMERY COUNTY

Amsterdam, the only city in Montgomery County, is located approximately 32 miles west of Albany. It is within a four hour-drive of such major cities as New York City, Rochester NY, Boston MA, Montpelier VT, and Montreal, Canada. Access and proximity to major transportation outlets include:

Railway Access

The city is uniquely situated in the center of the state with access to major shipping routes. Rail service is serviced by CSX Rail lines on one of the largest East-West corridors in the Northeast. Amtrak provides passenger rail service with a train station on the West end of the city.

Major Roadways

Access by road is convenient. Exit 27 off of Interstate 90 (NYS Thruway) is easily accessed on the South side of the city, with access to Route 5, 5S and Route 67 through the city connecting Amsterdam to four of the major East-West routes throughout the state. For North-South travel, Route 30 is one of two major access routes to the Adirondack Mountains High Peaks Region.

Water Access

Water access is also available in the city for both recreational as well as commercial activities. Amsterdam has a unique shoreline along the Mohawk River, the third and final channel of the Historic Erie Canal. This waterway has played a huge role in the history of Amsterdam in the past, and will continue to do so into the future as well. The city is also approximately 35 miles west of the Port of Albany with direct water access through the Mohawk River.

Air Service

Two area airports supply air service. General aviation aircraft are serviced by Fulton County Airport approximately 11 miles from the city. The nearest Commercial airport is Albany International Airport at approximately 30 miles from the city. Albany International also functions as an East Coast hub for both United Parcel Service and Federal Express.

The City itself covers about 6.3 square miles and is surrounded on the north, east and west sides by the Town of Amsterdam. The Mohawk River separates the main City of Amsterdam from the southern portion. The southern portion, formerly known as the Village of Port Jackson, is now the 5th Ward of the City of Amsterdam and is referred to as Amsterdam's "South Side" or "Southside."

Neighborhood Context

The Southside Neighborhood is an attractive area along the shoreline of the Mohawk River. The terrain of the area is generally flat and historically, Erie Street was the site of the original Erie Canal. The Canal has since been relocated to the current location of the Mohawk River and the filling of the canal created the location for railroad lines (that have subsequently been transformed into a portion of the NYS Canal Trailway System). The physical boundaries of the River, Chuctanunda Creek and NYS Route 30 physically separate the Southside Neighborhood from the remaining portions of the City of Amsterdam and have created the sense of community for those residing south of the River. The existing Port Jackson Boat Launch and Bocce Club, the Armory, Veteran's Park and the proximity to the water and NYS Thruway are considered very influential components to the areas revitalization efforts.

The existing buildings in the Southside Neighborhood are generally of early to mid 20th century construction. Some of the buildings are brick structures of historical significance while others are more characteristic of urban/sub-urban construction during the 1950's and 60's.

The Southside neighborhood has an active neighborhood association that meets on a monthly basis. The neighborhood association works on a variety of public safety and quality of life issues designed to improve residential life in the neighborhood.

Institutional Amenities

Barkley Elementary School of the Greater Amsterdam School District serves the neighborhood. This is one of the better performing elementary schools within the City system.

Within the neighborhood are several local restaurants/bars, as well as coffee shop/desert eateries. The neighborhood is serviced by a small convenient store and is within minutes to health care, a full service grocery store, and active commercial districts.

The South Side Area is adjacent to the Florida Business Park, a major employer in the County of Montgomery. The Florida Business Park houses a Target Distribution Center, square-foot facility which employs approximately 1,300 workers. The park is also home to Hero/Beechnut a nationwide manufacturer of baby food. This 635,000 square-foot manufacturing facility is also the base for its headquarter operations. There are 500+/- workers at this facility. Hill and Markes a wholesale distributor of paper products is also close by employing approximately 190 workers. There are xxx residents in the City of Amsterdam and xxx of those residents live in the South Side area.

Port Jackson, the Southside neighborhood, provides passive recreational opportunities, playground facilities, bocce courts and a boat launch.

The Southside neighborhood is located within Census Tract 702. Census data portrays a population of smaller households (1.95 persons per household) and younger median age (27.5 years) in comparison to statistics for the nation as a whole.

Montgomery County and Vicinity Demographics

Population – Montgomery County has a total population of 50,219 and is located adjacent to the Albany-Schenectady-Troy MSA, which has a population of 870,716. Approximately 90% of the MSA’s population is within a 30-minute drive of the selected site.

Median Housing Sales Value \$92,900

Income-

Per Capita Personal Income: \$32,490

Total Personal Income: \$1,579,556*

*Total personal income estimates are in thousands of dollars, not adjusted for inflation and year 2009 dollars.

Educational Attainment

% of Population over 25 with Bachelor's Degree:	9.0%
% of Population over 25 with Graduate Degree:	5.1%

Education (Public Schools)

Total School Enrollment:	10,915
Pupil teacher Ratio:	12.8:1
Annual Attendance Rate:	93.9%
Drop Out Rate:	3.6%
% going to college:	82.9%
White:	87.8%
Black:	1.6%
Hispanic:	10.0%
Other:	.6%

Post-Secondary Education Resources

Fulton-Montgomery Community College (2yr)	
Approximate enrollment (full-time/ part-time)	1,863 Full-time/ 970 Part-time
Location relative to site(s)	(10 minutes) 9 miles North
University at Albany (4yr)	
Approximate enrollment (full-time/ part-time)	16,300 total enrollment
Location relative to site(s)	(45 minutes) 35 miles East
Sage College at Albany (4yr)	
Approximate enrollment (full-time/ part-time)	1,400 Full-time/ 750 Part-Time
Location relative to site(s)	(35 minutes) 30 miles East

SUNY Cobleskill

Approximate enrollment (full-time/ part-time)

2,500 total enrollment

Location relative to site(s)

(40 minutes) 30 miles Southwest

Additional Post-Secondary Educational Resources include but are not limited to:

Albany College of Pharmacy

Albany Law School

College of Nanoscale Science and Engineering at the University at Albany

College of St. Rose

Siena College

Skidmore College

Rensselaer Polytechnic Institute

Russell Sage College

Labor Force

*Mohawk Valley Region: Fulton, Herkimer, Madison, Montgomery, Oneida, and Schoharie Counties

Civilian Labor Force

New York State	9,629,500
Montgomery County	23,700
Mohawk Valley Region	235,600
Albany-Schenectady-Troy MSA	446,200

Available Workforce (unemployed)

New York State	744,400
Montgomery County-	2,100
Mohawk Valley Region-	18,000
Albany-Schenectady-Troy MSA	29,700

Unemployment Rate

New York State-	7.7%
Montgomery County-	8.9%
Mohawk Valley Region-	7.5%
Albany-Schenectady-Troy MSA	6.7%

Commuting 2000

Mean Travel Time to Work	23 minutes
Workers (16+) working outside County	38%