

# REQUEST FOR BID PROPOSALS

## **Bid to Purchase or Lease Land in the Vintage Business Park and Proposal for the Development and Operation of a Senior Assisted Living Housing and Care Community**



**For more information, contact:**  
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### I. Introduction

The City and Borough of Juneau (CBJ) is interested in the development of a senior assisted living housing and memory care project that combines housing, supportive services, personalized assistance, and health care to meet community and senior housing goals noted in the 2014 Juneau Senior Housing and Services Market Demand Study (Appendix A) and the 2016 CBJ Housing Action Plan. (Appendix B).

In the past year, the City and Borough of Juneau has taken the following steps to help meet this goal:

- ***CBJ Property Tax Abatement Program to Incentivize the Development of Assisted Living for Senior Citizens:*** In July 2019, CBJ passed Ordinance 2019-23 that created a property tax abatement program for assisted living developments that create 15 or more new residential units. The ordinance provides a property tax abatement, in excess of 2.65 mils, on the full value of newly constructed units for senior citizens for twelve years.
- ***Land Purchase:*** In August 2019, CBJ purchased vacant land in the Vintage Business Park, containing an area of 2.35 acres for the development of a senior assisted living housing and care project. It is adjacent to Trillium Landing, rental apartments for seniors who can live independently. The property will be available for either purchase or lease.

Currently, CBJ seeks a developer/operator that can utilize these resources to create a sustainable senior assisted living housing and memory care project that meets the following community goals:

- Generate assisted living/memory care beds in Juneau to help meet the targeted forecast of 327 assisted living beds by 2042;
- Ensure a target population of seniors will be served that includes units for both private pay and Medicaid-eligible individuals;
- Provide a mix of units that includes levels of care in assisted living and memory care units;
- Provide an array of quality services that meet the needs of senior residents;
- Create skilled/professional and entry-level employment opportunities in the healthcare field;

- Develop a facility that meets State of Alaska assisted living regulations and licensing requirements and working knowledge of Alaska Medicaid, Alaska Senior Benefits Program, long-term care insurance options, and other senior resources available to a project;
- Enhance the local neighborhood and create a campus-feel for delivery of senior assisted living and services.

## II. Sealed Competitive Bid Proposal Process

Disposal of the CBJ Vintage Business Park property will be through a sealed competitive bid proposal process (CBJ code 53.09.250). There are three components to the sealed competitive bid proposal process that will determine the award.

- 1) **Bid Form:** Completing and submitting the CBJ bid form (Appendix E) for purchase or lease of the property;
- 2) **Proposal:** a written senior housing assisted living and memory care development proposal that demonstrates:
  - a. the ability to meet threshold requirements for a senior assisted living housing and memory care developer/operator;
  - b. the capacity to develop a viable assisted living and memory care project that accomplishes the greatest number of CBJ goals;
  - c. an understanding and grounding of the local senior assisted living and memory care market demand; and
  - d. the ability to attract the capital required to build and operate a sustainable senior housing assisted living and memory care project.
- 3) **Registration Fee:** A fee of \$500 must accompany each bid form and proposal. The fee is returned to unsuccessful bidders and applied to the down payment or lease for the successful applicant. (CBJ code 53.09.250)
  - Note: Any applicant participating in a CBJ land purchase or lease must be an individual 18 years of age or older at the time of registering for the sale; or a business, licensed to conduct business in the State of Alaska. (CBJ Code- Title 53.09.200(g))
  - Payment must be in the form of a check payable to the City and Borough of Juneau. Do not mail cash.

**Due Date:** Sealed Bid form, proposals, and registration fee must be received by **Thursday, November 21, 2019** prior to **2:00PM Alaska Time**. All materials and fee to be mailed or hand-delivered to the CBJ Purchasing Division. Reference the Vintage Business Park Senior Assisted Living Housing and Care Community Proposal.

Proposal documents delivered in person or by courier service must be delivered to:

**PHYSICAL LOCATION**

City and Borough of Juneau, Purchasing Division  
105 Municipal Way, Room 300  
Juneau, AK 99801

Proposal documents delivered by the U.S. Postal Service must be mailed to:

**MAILING ADDRESS**

City and Borough of Juneau, Purchasing Division  
155 South Seward Street  
Juneau, AK 99801

<b>IMPORTANT NOTICE TO BIDDER/PROPOSER</b>	
<b>To submit your bid/proposal:</b>	
1. Print your company name and address on the upper left corner of your envelope.	
2. Complete this label and place it on the lower left corner of your envelope.	
<b>S E A L E D</b>	<b>BID/PROPOSAL NUMBER:</b> _____
	<b>SUBJECT:</b> _____
	<b>DEADLINE DATE:</b> _____
	<b>PRIOR TO 2:00PM ALASKA TIME</b>
	<b>B I D  P R O P O S A L</b>

**III. The Senior Assisted Living Housing and Care Community Development Opportunity**

**A. Increase Senior Housing and Service Options to Meet Growing Need in Juneau**

Juneau, Alaska’s Capital City, has a senior population that is projected to grow to 20 percent or more of the Juneau overall population by 2032 and is situated in Southeast Alaska, an area where more than 1 in 4 residents in the region is an adult 60+ years of age. Juneau has a higher proportion of seniors with pensions and higher incomes than other communities in the state, or the U.S. as a whole. Considering the Juneau Pioneer Home (47 beds) is the only licensed assisted living option in the community, and is always full with a long waiting list, there is great opportunity to address an expanding need.

## B. Develop Property in the Vintage Business Park in the Mendenhall Valley

The subject parcel is 2.35 acres of vacant land located on the Mendenhall River. The property is located in the Vintage Business Park in the Mendenhall Valley, adjacent to Trillium Landing, apartments for seniors that live independently. The property is zoned Mixed Use (MU). The property offers dramatic views of meadows, river, and the glacier. It is situated close to retail and grocery, library, swimming pool, fitness clubs, restaurants, churches, and transportation options. In August 2019 CBJ purchased the property for \$1,519,000. An April 18, 2019 appraisal report (Appendix C) showed a fair market valuation of \$1,860,000.



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### Property Identification

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Property Name	Vintage Business Park
Address	Vintage Blvd. Juneau, Alaska 99801
Tax ID	5B1601440011, 5B1601440021, 5B1601440031, 5B1601440041, 5B1601440051, 5B1601440061, 5B1601440071, 5B1601440082, 5B1601420020, 5B1601420040, 5B1601440320, 5B1601440330, 5B1601440340, 5B1601440350, 5B1601440360, 5B1601440370, 5B1601440380 and 5B1601430017
Owner of Record	City and Borough of Juneau

Additional information about the property is available, including:

- Appraisal report, April 19 (Appendix C); and
- The declaration of covenants, conditions, easements, restrictions, and reservations for Vintage Business Park. (Appendix D)

**Reminder:** Potential bidders can consider *purchase or lease terms* for the Vintage Business Park property in their proposals.

### **Site Visit and Briefing**

Interested proposers are encouraged to attend a voluntary on-site briefing session **at 10:00 am on Tuesday, October 15, 2019**. At this briefing, the details of the bid packet will be reviewed and interested parties will have a chance to walk the property.

If this time is not convenient, interested proposers can also contact Chief Housing Officer, Scott Ciambor to schedule a site visit. (scott.ciambor@juneau.org)

### **V. Proposal Requirements**

Because the most important factor in the award of the bid is the development proposal, additional information is required.

Bidders are required to submit a proposal that clearly explains the experience and capacity of the development team, the senior assisted living housing and care community project design & development concept, the feasibility of the project, and readiness to proceed.

Proposals should be marked Vintage Business Park Senior Assisted Living Housing and Care Community Proposal.

All required documents should be completed and signed by an authorized signatory, and include the following:

- A. Cover page labeled Vintage Business Park Senior Assisted Living Housing and Care Community Proposal specifying the development entity, contact person and all contact information;
- B. One clearly marked original and 4 copies of the proposal with required attachments; and
- C. An electronic version of the complete proposal submission on a flash drive.

All inquiries about the bid proposal process should be made via e-mail and directed to: Scott Ciambor, Chief Housing Officer no later than **Tuesday, November 5, 2019**. Inquiries should have a subject line entitled: Vintage Business Park Senior Assisted Living Housing and Care Community Proposal. Any inquiries after such date will not be accepted.

### **Written Requirements**

Written proposals must be for use of the entire site and address the following:

#### **1. The Development Team Experience and Capacity**

The proposal must include a narrative description of the development team, the owners and operators, the individuals and organizations to be involved in the development, in particular the project manager, and their experience.

The development team may include, without limitation, the developer, property manager, architect, contractor, engineers, consultants, lenders and investors, and the project operator and senior services or third party providers. Also:

- The name, address, e-mail address, and telephone number of the proposer, the name of any representative authorized to act on his/her behalf, the name and contact information of the primary person to which all correspondence should be addressed, and the names and responsibilities of each individual on the development team.
- If the proposer is not an individual doing business under his/her name, a description of the firm and status of the organization (e.g. whether a for profit, not-for-profit or charitable institution, a general or limited partnership, a corporation, LLC, LLP, business association, or joint venture) and the jurisdictions in which it is registered to do business. If the proposer is a non-profit entity, please include a list of the organization's Board of Directors and areas of expertise they represent.
- The type of entity to enter into the sale or the lease of the Property and the borrower and guarantors of debt, if any.
- Identification of all principals, partners, co-venturers or sub-developers participating in the transaction, and the nature and share of participants' ownership in the project.
- Discussion of whether the property developer will also be the property manager/operator and if this is not the case, the legal and financial relationship between the entities. If the developer will not be the property manager or the operator/service provider, the proposer shall describe the process for securing property management services and operations/senior services.
- Identification of the development team, such as architects, engineers, landscape designers, contractor, development consultants. Background information, including firm qualifications and resumes for principals and employees expected to be assigned to the project, should be provided.
- A summary of the developer's and the development team's experience, both collectively and individually, and with similar projects. Particular attention should be given to demonstrate experience with projects of a similar scale and complexity of site conditions, design and financing. Proposers should demonstrate the ability to perform as proposed and to complete the project in a competent and timely manner, including the ability to pursue and carry out design, permitting, financing, construction, and marketing/unit absorption.
- Proposers to demonstrate familiarity and ability to comply with all Alaska State assisted living regulations and licensing requirements.

## **2. Project Design and Development Concept**

The proposal must include a description of overall approach to development and operation of a senior assisted living housing and memory care facility, specifically addressing the following:

- Mission statement and care philosophy showing person-centered support;
- Creation of an atmosphere that ensures residents will be served with dignity, respect, and cultural sensitivity; where individual religious experiences and spiritual practices can be freely expressed; and seniors can thrive as they age;
- Creation of a community of apartment homes providing the privacy and independence of a private residence plus supportive aid to help residents perform daily tasks and maintain health; and
- Creation of a place that seniors who need assistance with daily living skills want to live and where friends and family will want to visit and gather, with communal space for community entertainment/events.

The proposal must include a detailed description of the development concept for the property and its improvements, including but not limited to:

- A description of the target market, e.g., pricing of the units and the strategy for marketing, and a plan for the ongoing management of the development
- Number and size of units (square footage and number of bedrooms) and affordability levels including a breakout of private-pay and Medicaid eligible beds;
- A narrative on why/how the mix of bedroom sizes and affordability was determined to ensure project financial feasibility and appropriateness for the marketplace;
- Preliminary site design;
- Discussion of the physical plan and architectural character of the project and the various programmatic and physical elements of the development, including energy savings/ green design elements of the building and site designs;
- Considering the property location along the Mendenhall River, proposals should address riverbank protection as part of the design and in the pro forma;
- Construction staging plan and discussion of construction impacts;
- The proposal must address pre-development design concepts about, but not limited to the following:
  - site plan and parking layout
  - landscape plan
  - floor plans
  - elevations
  - river bank reinforcement

The proposal must include details on potential desired services and amenities provided for seniors, including, but not limited to:

- Transportation to help residents get to shopping, doctor appointments, etc.;
- A variety of activity and fitness programs suitable to resident's abilities;
- Outdoor garden and walking areas utilizing river location and scenic views;
- Library, reading areas;



- In-house dining options for residents and visiting public;
- Technological features, for fall prevention, etc.;
- House-keeping and laundry services; and
- In-house hair salon/barbershop

The proposal must include details on approach to staffing, operations, and marketing of the project as a desired place of employment, such as:

- Information on the service array, type of staff, and staff ratios associated with the project; and
- Recruitment and retention strategies.

### **3. Feasibility of the project**

The proposal should include a narrative and full project pro forma that addresses the following:

- Total project costs including details of land purchase/lease costs, planning/building fees, riverbank protections, and construction and financing costs;
- The overall investment structure, including debt, equity, and city incentive figures;
- Unit mix, unit pricing, and expected revenues;
- An operating budget including admin, maintenance and utility costs, staffing ratios and labor costs ; and a
- Projected lease up schedule and marketing strategy for recruitment of residents.

### **4. Readiness to Proceed**

The proposal should include an implementation timeline and provide evidence of the ability to secure financing as evidenced by letter(s) from prospective lenders and banking references.

### **Other Possible CBJ Incentives**

The CBJ has established other incentives that bidders may consider for inclusion into bid proposals.

- CBJ Property Tax Abatement Program to Incentivize the Development of Assisted Living for Senior Citizens.
- Juneau Affordable Housing Fund

## **VI. Ranking and Selection Process**

Evaluation of the proposals will be based on the information provided in the proposers' submissions in accordance with the requirements of the sealed competitive bid proposal and any interviews, references, and additional information requested and/or gathered by the CBJ.

Proposals will be evaluated on 1) meeting minimum threshold requirements and 2) a set of evaluation criteria that demonstrates the capability to develop and operate senior housing assisted living on the site.

## **Minimum Threshold Requirement**

In the bid proposal packet, applicants must meet minimum criteria for consideration. Bid proposals that do not clearly and fully convey compliance with these minimum criteria will not be considered.

- Complete conformance with all bid proposal requirements;
- Proposer must have a minimum of 5 years' experience in development and operation of senior housing assisted living and memory care facilities;
- Proposer must show a successful track record of projects of similar scope with at least 3 references; and
- Proposer must show an availability to commence work within one year; show sufficient staff resources and availability to perform required services.

## **Comparative Evaluation Criteria**

Proposals that meet the minimum criteria will then be judged on the following additional comparative evaluation criteria:

### **I. Development Team Experience and Capacity (30 points)**

- Demonstrated experience on projects of similar scope and nature;
- Established development and/or operating partnerships, including the provisions of senior support services;
- Qualified staff – Developer, Director, Property Manager, Senior Supportive Services;
- Capacity to maintain/manage project, and experience developing energy efficient and universal design housing;
- Ability to meet all Alaska State assisted living regulations and licensing requirements; working knowledge of Alaska Medicaid, Senior Benefits Program, and Long-term care insurance options; and
- Results of reference checks

### **II. Project Design and Characteristics (25 points)**

- Mission statement and care philosophy for providing housing and services to seniors;
- Development concept that maximizes the use of the property and meets overall CBJ assisted living goals in regards to site and unit design: design approach reflecting identified housing needs, density within the context the surroundings, local design vernacular, that provides a sense of community while maintaining individual tenant privacy, incorporates universal design, provides adequate parking, provides adequate recreation and community space, and limits the impact on the site to the greatest extent possible; experience marketing for assisted living to ensure full lease up.
- Desired services and amenities for seniors;

- Feasibility of the staffing and operations approach;
- Green design elements: energy saving design with green/sustainable materials, methods and systems;

**III. Feasibility of the project (25 points)**

- Financial Feasibility: extent to which the project is feasible financially and proposed resources are attainable; analysis of total budget costs noted in the pro forma; reasonable and balance budget with cost controls
- Analysis of operating budget in the pro forma: appropriate for target population, reasonableness of management, unit mix and pricing, staffing ratios and labor costs, administrative costs, maintenance and utility costs;
- Ability to secure other financing needed to carry out project; including debt, equity, or state or federal funds.

**IV. Readiness to Proceed (15 points)**

- Realistic implementation table
- Leveraging/percentage of total cost with commitments
- Construction/operation within following fiscal year

**V. Juneau Applicant Preference (5 points)**

The CBJ Assisted Living Evaluation Criteria Table is included in the packet. (Attachment E)

**Post bid negotiations:** Staff will review and rank proposals. If necessary the city manager may negotiate with the best bidder, or the two best bidders as part of the bid proposal process.

The final award of the bid is subject to the approval by the assembly. Once the award is approved, CBJ staff will work with the developer to enter into a purchase and sales agreement or a lease agreement.

**V. Attachments**

- A. 2014 Juneau Senior Housing and Services Market Demand Study
- B. 2016 CBJ Housing Action Plan
- C. Vintage II subdivision appraisal report (April 18, 2019)
- D. Declaration of covenants, conditions, easements, restrictions, and reservations for Vintage Business Park
- E. CBJ Senior Housing Assisted Living Bid Form
- F. CBJ Assisted Living Evaluation Criteria Table