Request for Proposals: 23-acre Development Opportunity in St. Helens on Millard Road

April 2021

City of St. Helens

Due date and time: June 11, 2021, 3:00 pm PDT

Responses to this Request for Qualifications shall be submitted electronically to Jenny Dimsho, Associate Planner, jdimsho@ci.st-helens.or.us)

https://www.sthelensoregon.gov/rfps



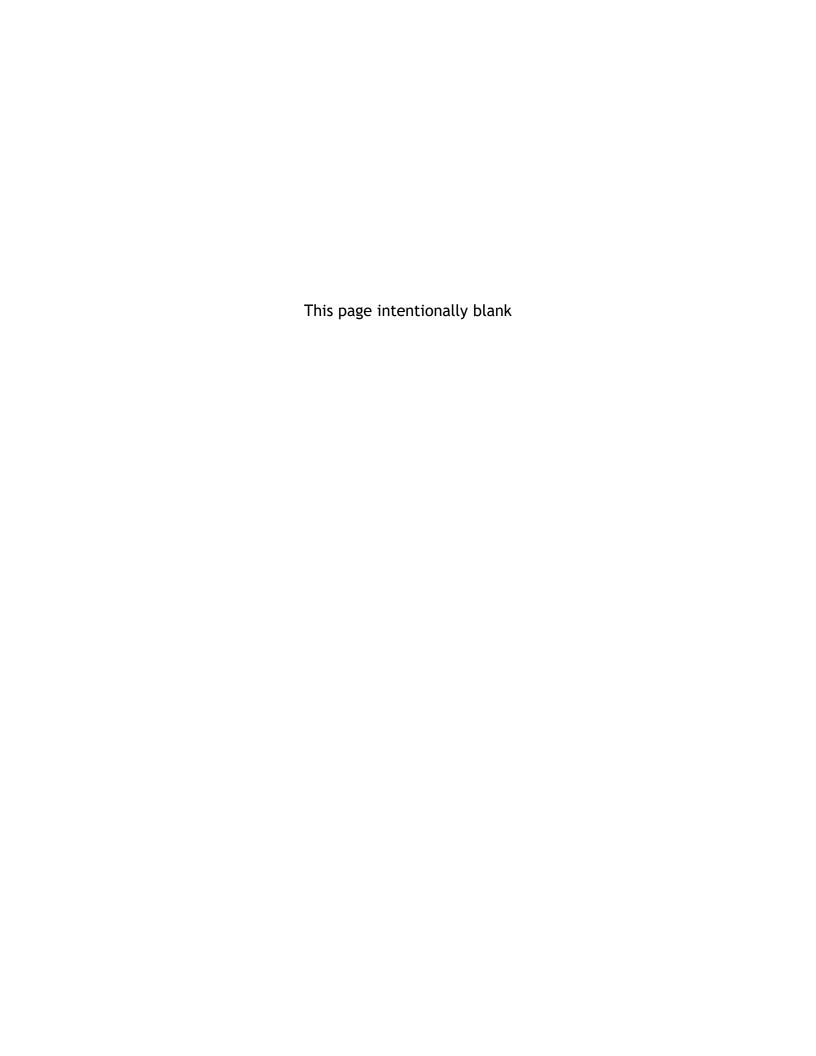
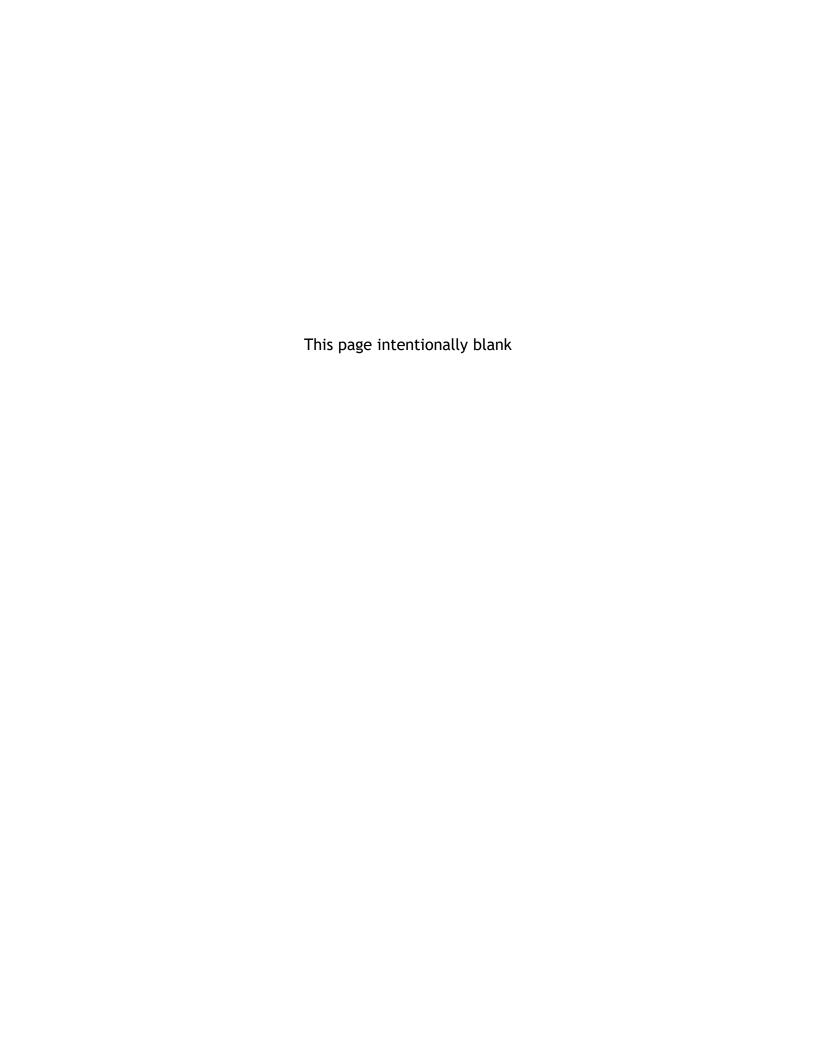


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Summary

The City of St. Helens is excited to partner with a private developer to construct market-driven housing or other mixed-use development on a 23-acre City-owned property on Millard Road near U.S. Highway 30. Through development and sale of the site, the City seeks to (1) increase the City's housing inventory and (2) achieve public benefit, like maintaining pedestrian connectivity through the site and offering small open space amenities. The City is interested in soliciting proposals which include housing types that meet current market demand.

St. Helens is a community of about 14,000 people located 30 miles north of Portland along U.S. Highway 30. Over the past decade, the City's economy has transitioned from a primarily timber-driven economy into a more diversified economy. St. Helens offers a small-town lifestyle within a relatively short commute to Portland-area employers and a lower cost of living. As housing costs in the Portland area increase, the City has seen an inflow of new residents that are seeking the quality of life in St. Helens and lower-cost housing.

1. Development Context

Site Context

Located about 30 miles north of Portland (35-minute drive), the Millard Road property in St. Helens comprises just over 23 acres of land and is located between Maple Street to the north and Millard Road to the south.

The site is mainly level except in the north quarter, which is heavily wooded around McNulty Creek. The area south of the wooded portion is generally open field with scattered trees, except around some wetlands where tree density increases (see Exhibit 5 in the Appendix). The site is surrounded largely by City and County residential-zoned land, all within the Urban Growth Boundary (See zoning map in Exhibit 7 in the Appendix). The Ross Road property to the northwest of the site has been set aside to become a community park.

The site was previously owned by the St. Helens School District and used for wetland mitigation for school projects. The City annexed the property in 2009, and at the time of annexation, the City owned the northern two-thirds of the property and the Columbia Health District owned the remaining one-third to the south. In November 2010, the Columbia Health District was dissolved, and the City now owns the entire property.

Oregon Department of Transportation (ODOT) has invested \$7.5 million in a new traffic signal at Millard Road and US 30, approximately 1,700 feet from the site. It is anticipated to be completed by October 2021. A 50-foot utility easement to Chase Road on the following map is identified. A secondary access point may also be vested in this location with development.



Millard Road site: Heading north to McNulty Creek, near tree line



Millard Road site: Taken from Maple Street looking south into McNulty Creek area

ST. HELENS 50' utility & access easement Church Road (to be vested) Millard Road ODOT Signalization Project to be completed by October of 2021 3 Miles

Exhibit 1. Millard Road Property in St. Helens

Sources: esri, Open Street Map, Columbia County GIS, OR Division of State Lands

St. Helens Economy and Public Investments

Industrial Development

St. Helens and nearby Scappoose are seeing substantial industrial development that are bringing new jobs and residents to the area.

In Scappoose, the **Oregon Manufacturing Innovation Center (OMIC)** offers high tech training to companies throughout the Portland region. Modeled on an industrial redevelopment project in Sheffield, England, area leaders are spearheading a public-private collaborative research and development outpost for Boeing, Oregon State University, Portland State University, and Oregon Tech. The project features workforce training facilities in OMIC's Training Center, operated by Portland Community College, with the goal of placing graduates in to high-wage, high-demand jobs. In addition, **Cascade Tissue, Inc.** announced a new 600,000 square foot plant in Scappoose that will employ 80 workers. The site will use wood material from the existing tissue plant in St. Helens. In 2020, the City of St. Helens completed a parcelization and funding plan for the 204-acre **St. Helens Industrial Business Park**, the largest remaining parcel of industrial employment lands within St. Helens city limits. Today, Cascade Tissue operates two paper machines employing 100 people on 25 to 30 acres of the property. The Port of Columbia County is assisting the City in marketing this industrial property for new users.

The City and partnering Columbia County Economic Development Team receive regular inquiries from potential investors citing a relocation interest outside of Portland for their commercial and industrial space needs.

Commercial & Institutional Development

On US 30, a new Legacy Health Clinic recently opened its doors in 2020, and a new Grocery Outlet is under construction with completion anticipated in Summer 2021. The St. Helens Middle School was just completely re-built, and the St. Helens High School is in the design process for a major re-model which has already been funded. The St. Helens Police Station is being re-designed, and the City is working on acquiring funding for a completely new Public Safety Facility in a new location.

Quality of Life

Riverfront District: The site is located about 3.5 miles from the nationally registered historic downtown, which has seen several adaptive reuse redevelopment projects, indicating growing interest and investment in the area. The City is actively working to revitalize the riverfront, and over \$830,000 in grants to construct the first phase of its Riverwalk Project by 2023. In addition, the City is leveraging over \$12 million from its Urban Renewal Agency to construct streets and utilities on the site in order to catalyze mixed-use development on the 24-acre parcel, adjacent to downtown. The City purchased this site after the Boise veneer plant closed in 2009 due to years of declining profitability, with the intention of positioning a portion of the area for new mixed-use development. The result is a vision of the

area as a vibrant, mixed-use waterfront neighborhood that takes advantage of the striking natural setting to provide new development and public access to the Columbia River.



Riverfront District Rendering, courtesy of the City of St. Helens

Local Events: The area hosts a series of popular events throughout the year, including the annual *Spirit of Halloweentown* festival that commemorates the 1998 Disney movie filmed in the community. The month-long event attracts over 10,000 Halloween enthusiasts traveling from around the globe to visit the nostalgic film site. Hotels are booked through weekends in October because many of these visitors come from out of state for the multiday events.

Water Proximity: Proximity to water in a region where there is high demand for renting, mooring, and docking watercraft presents an opportunity to draw new residents from around the region and beyond. An existing public marina already draws boaters and fishing enthusiasts to St. Helens from around the region and the State. The Columbia River Yachting Association, based in Portland, has over 2,500 members and St. Helens is a popular cruise destination.

Parks & Recreation: The City has an extensive parks system with over 135 acres of parks which include well-maintained sport fields, river access, playgrounds, picnic shelters, and nature trails. The City has made significant investments in growing its Recreation Department in recent years, resulting in countless low-cost recreation programs for the residents of St. Helens.



Annual Halloweentown Celebration on the plaza (2014)



Historic Columbia Theater, renovated in 2012



The Muckle Building, converted into a mixed-use apartment building in 2016 and achieving some of the highest rents in the City.



13 Nights on the River market and concert series (2016) in Columbia View Park, the location of the Riverwalk Phase I project and a new stage/amphitheater

2. Development Considerations

Public Access, Transportation, and Open Space

Trail connectivity is one of the key City goals for this project. The Parks and Trails Master Plan (2015) suggested the development of a multiuse trail through the property that would provide pedestrian access from Maple Street to Millard Road. The existing wooden footbridge (pictured to the right) and small footpath that crosses McNulty Creek provide an ideal opportunity to construct a pedestrian path through the site and meet the goals for public access.¹



The Transportation Systems Plan (2011) calls for And-built pedestrian bridge across McNulty a 60' wide collector street through the site from Creek on the northern end of the property. Millard Road to Maple Street. Any development will need to include public right-of-way dedication through the site to Maple Street. Access to Chase Road is also anticipated to improve connectivity and fire access (See Exhibit 1).

Zoning and Permitted Uses

In 2020, the City changed the zoning and comprehensive plan designations of the Millard Road Property, reflecting City priorities to solicit market-driven development on the property. The new Comprehensive Plan designation of General Commercial (GC) and the new zoning designation of Mixed Use (MU) are for the entire property and allow a flexible mix of uses. These uses include a variety of residential such as single family detached (SFD) and attached (SFA), duplexes, and multi-dwelling units with or without ground floor commercial, as well as commercial and civic uses including, but not limited to, dining establishments, small retail stores, and offices. Some specifics of the zoning code are included below. More details, including density calculations and landscaping requirements, can be found in the Community Development Code. ² Due to HB 2001, the City is in the process of amending our housing codes to comply with state mandates. These code changes will be implemented by June 2021. The summary below reflects the proposed changes.

• The maximum building height on the property is 45 feet, unless it is purely residential, then it is 35 feet.

¹"Parks & Trails Master Plan." City of St. Helens. 2015. https://www.sthelensoregon.gov/sites/default/files/fileattachments/planning/page/268/parks-trails-master-planattachment-a.pdf

² https://www.codepublishing.com/OR/StHelens/#!/StHelens17/StHelens17.html

- SFD, SFA, and duplexes must comply with General Residential (R-5) zone standards. Minimum lot size requirements are 5,000 sq/ft for SFD, 5,000 sq/ft for duplexes, and 2,500 sq/ft for SFAs.
- Multi-dwelling units must comply with Apartment Residential (AR) zone standards.
 Minimum lot size requirements are 1,500 sq/ft for each multi-dwelling unit over the base of 4,000 square feet for the first two units (with no maximum).
- Maximum lot coverage:

Nonresidential: 90%

• SFD: 40%

SFA and multi-dwelling units: 50%

Planned Development in the City of St. Helens

A Planned Development may be a consideration for the Millard Road property. The Planned Development flexibilities are particularly advantageous for residential development. For example, the normal minimum size and dimension standards that apply to lots are exempt. There is also relief from other standards such as building height and yard (setback) requirements. A Planned Development can also help with wetland and riparian area buffer regulations.

A Planned Development requires two key things: 1) an overlay zone adopted for the property and 2) a development plan. The overlay zone can be done in advance or in conjunction with a development plan. It is possible that the City can adopt an overlay zone in advance of other matters.

Please see Chapter 17.148 of the St. Helens Municipal Code for further details.

Environmental Considerations

Wetlands

The site contains several wetlands and a riparian corridor, some of which are mitigation areas. Sensitive land constrains approximate 7.53 acres leaving net developable acres of about 15.63 acres. The appendix includes a map of the sensitive lands and their significance to the city, an estimate of sensitive land constraints and net developable acres (Exhibit 5), and a summary of potential upland protection zone reductions which only apply to riparian areas and wetlands that are significant to the city (Exhibit 8).

Infrastructure Needs

Water

City water will need to be extended to the property from the nearest water main (see Exhibit 7), which is located in the Maple Street right-of-way to the north of the property. The City is open to cost-sharing for this improvement, subject to evaluation of specific development proposals.

Stormwater

The Columbia County stormwater infrastructure in the Millard Road right-of-way may be able to support additional stormwater conveyance. However, the property will need on-site detention of stormwater as well. Further stormwater analysis will be needed, but the City anticipates that the existing wetlands and McNulty Creek may be suitable for some of the on-site stormwater detention.

Sanitary Sewer

An 8-inch sanitary sewer mainline extends onto the property from Millard Road and terminates along the west property line, approximately 750 feet north of the southwest property corner. It is approximately 8 feet deep. An as-built of the sanitary sewer line extension is included in the Appendix (Exhibit 10).

Road

The Transportation Systems Plan (2011) requires a 60' wide collector street from Millard Road to Maple Street. The developer may not be responsible for constructing the entire length of the road, but right-of-way dedication will be required for any portion that is not developed with this development. Trail connection is required through the site as well. The City is open to cost-sharing agreements for these public improvements, subject to specific development evaluation.



Frontage improvements on the site along Millard Road.

3. Market Dynamics

- St. Helens is expected to grow faster than the county and state. Between 2020 and 2040, the city's population will increase by nearly 4,000 new residents (an average annual growth rate of 1.2%). This growth rate is slightly higher than the state's expected annual growth rate of about 1% over the same period.³
- St. Helens rental market is well positioned to compete with Portland. Residential rents grew by nearly 21% between 2016 and 2020 for 2-bedroom apartments. Rents are generally tracking with the Portland market but at a lower value with the average 2-bedroom rent around \$1100 for St. Helens and \$1400 for the Portland MSA. Vacancy rates have also remained lower in St. Helens (4.9%) compared to Portland MSA (6.4%). The St. Helens Place Apartments, a large development completed in 2020, added 204 luxury rental units to the market. The building is almost fully leased (only 5 units available as of mid-March 2021) and asking rents for each dwelling are considerably higher than is usual for St. Helens. Two-bedroom units are listed between \$1,400-\$1,525 which is \$300-\$400 above average for the area. While the property is offering rent concessions (2 weeks free), this is lower than many projects in Portland, indicating a growing interest in St. Helens and a willingness to pay prices akin to those found in Portland.
- St. Helens is attractive to first time homebuyers and middle-income households. Housing prices in St. Helens have been increasing at a faster rate than the Portland MSA rising 136% between 2012 and 2020, from \$140,000 to nearly \$330,000. Comparatively, prices in the Portland MSA have risen 90% from \$228,608 to \$434,829 over the same time period. Sales volumes have also remained fairly steady from 2015-2020. Coupled with the substantial investments in the St. Helens Middle School (completely new) and High School (to be remodeled in the next 2 years), St. Helens will continue to be a desirable place for first time homebuyers and middle-income households as new home sales prices remain lower than the Portland region.
- Office and retail asking rents remain significantly lower than the Portland MSA. Retail asking rents are around \$8.50 per sq/ft compared to Portland's nearly \$20.00 per sq/ft. Office asking rents are slightly higher at \$15.00 per sq/ft compared to Portland's \$25.00 per sq/ft. Commercial would likely be a supportive part of residential development but not the main use of the Millard Road site.
- The Millard Road property would be an ideal location for residential development. St. Helens proximity to Portland and other job centers, combined with its relatively lower rent and home prices, make it a desirable location for renters and buyers alike. Commercial would likely be a supportive part of residential development that could include multi-family development. ODOT improvements to the US 30/Millard Road

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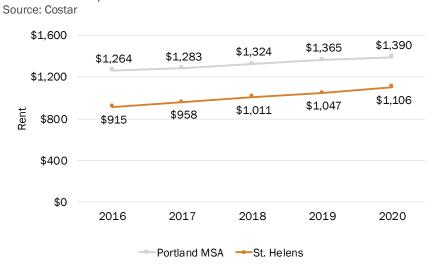
³ PSU Population Forecasts

intersection will reduce potential traffic impact analysis fees/improvements that would normally otherwise be triggered from a development of this size and scale.

Residential Rents for 2bedroom apartments increased 21% between 2016 and 2020 in St. Helens

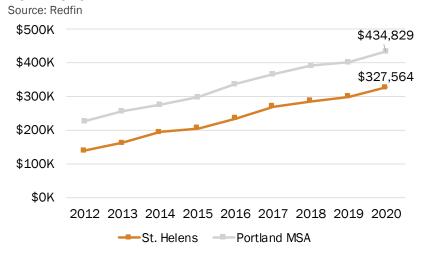
Rents are generally tracking with the Portland market but at a lower value.

Exhibit 2. Average Rent for 2 Bedroom Units, St. Helens and Portland MSA, 2016-2020



Housing prices in St. Helens rose nearly 136% between 2012 and 2020 but are still lower than Portland.

Exhibit 3. Home Sales Prices, St. Helens and Portland MSA, 2012-2020



4. Submission and Evaluation

The City seeks to select the team with the most creative and compelling vision for meeting the public goals for the site and the most transparent appraisal of feasibility and team capacity for implementing that development. Evaluation of RFP responses will be based upon the following criteria:

- 1. Vision for the site accomplishes public objectives.
- 2. Proposed development is feasible.
- 3. Success in previous public-private partnerships.
- 4. Quality of representative projects.
- 5. Qualifications of project team and key project managers.
- 6. Proposed development meets the general provisions of the City's Development Code.

Written responses should be succinct. There is no formal page limit on the length of a response, but the City suggests that responses not exceed 20 pages, excluding appendices. Resumes, cut sheets, and other marketing materials may be included in an appendix. Content should be organized as shown in Exhibit 4.

Exhibit 4. Submittal Requirements and Selection Criteria

| Proposal Section | Submittal Requirements | Suggested Page Limit | Total Points |
|---|---|----------------------|-----------------|
| Cover Letter | Define lead entity and team members; highlight key components of the team's vision for the site. Identify and describe the developer, including developer's name, corporation name (if applicable) or business name, addresses, telephone numbers, e-mail addresses, and the name of the primary project contact. | 2 pages | 0 |
| Preliminary Vision for Site | Describe why you believe this development program is the best solution for the site and furthers the City's goals. Describe your proposed preliminary development program. Include: • A preliminary site plan identifying the location of residential units/lots, and/or commercial lots/units • If multi-family or mixed-use buildings are proposed, provide details about the uses and square footage on each floor. Include number of parking spaces. • Access in the form of right-of-way, roads, and trails • Areas for public open spaces improvements • Areas of sensitive lands (wetlands, riparian areas, and their associated upland protection zones) Identify what you see as key development challenges and opportunities. | 10 pages | 50 |
| Financial Feasibility of Site Vision | Identify probable development phasing. Provide your preliminary financial analysis regarding sources and uses for achieving your proposed development program, minimizing public investment to the degree practical. If your team or any member of your team will function as a fee developer, please provide your current thinking about the proposed fee. If any information that is provided in this section is proprietary, please clearly label it as such so that it may be kept confidential. Confidential materials will be returned. | As needed | 20 |
| Financial Capacity of Team | Describe and provide evidence of the team's financial capacity to complete the proposed development. This could include audited year-end financial statements from all relevant team members, financial statements from successfully completed past projects, or letters of interest from investment partners, which can be attached in an appendix. If any information that is provided in this section is proprietary, please clearly label it as such so that it may be kept confidential. Confidential materials will be returned. | 2 pages | 10 |

Submittal Requirements and Selection Criteria, Continued

| Proposal Section | Submittal Requirements | Suggested Page Limit | Total Points |
|-----------------------------------|--|----------------------|-----------------|
| Development Team Experience | Provide evidence of the team's qualifications to implement the proposed development program, including experience refining this program in collaboration with a public entity. Provide an organizational chart for your team that identifies: • The individual who would be authorized to negotiate on behalf of the team • The individual who would be responsible for coordinating all team activities during due diligence, including site planning activities • Minority, women and emerging small business representatives on team • Experience with LEED certified or other sustainable development • Experience with public private partnerships | 4 pages | 20 |
| References | Contact information for two references on similar projects completed in the last 8 years. References will be contacted, and responses scored for all respondents. | 1 page | 0 |
| Supporting Materials | Appendices can include supporting material to supplement responses to the questions above. There are no requirements for contents of appendices and the contents are not scored separately: • Resumes for key personnel • Non-binding letters of support from financial partners • Images of similar completed projects • Testimonials from partners or stakeholders | No limit | 0 |

Interested developers must submit an electronic copy of the response to the RFP by email to jdimsho@ci.st-helens.or.us. It is suggested to limit the responses to no more than 20 pages, excluding supplementary material. The City will become owner of all submitted materials and will not pay any costs related to any responses to the RFP.

Evaluation Schedule, Process, and Award

April 22, 2021: Request for Proposals released.

Anytime: Site Tours. The site is publicly accessible and available for self-guided tours at any time.

May 21, 2021: Deadline for Questions.

May 28, 2021: Deadline for City to Issue Addenda (This will include a summarized list of Questions/Answers).

June 11, 2021: Responses due at 3pm PST by email.

June 2021: Interviews (as needed). Selected developer(s) will be invited to give a presentation on all aspects of the proposal, including design concepts, development cost, financial capacity/lender commitments, terms of site acquisition, and

implementation schedule to the review committee. This may be in person or on a digital platform, like ZOOM.

July 2021: Selection announced.

General Provisions and Conditions

The City reserves the right to:

- Modify the timeline and to issue addenda to this document
- Reject any and all responses.
- Negotiate with more than one development partner.
- Waive minor irregularities in a response.
- Cancel, revise, or extend this solicitation.
- Request additional information on any response beyond that required by this RFP.
- Modify the selection process set forth in this RFP upon written notification to all respondents who have not been rejected at the time of modification.
- Make the final decision on whether to move forward with a development team or not.

Contact information

Jenny Dimsho, AICP Associate Planner City of St. Helens (503) 366-8207 jdimsho@ci.st-helens.or.us

Appendix

Exhibit 5. Millard Road Property - Sensitive Lands

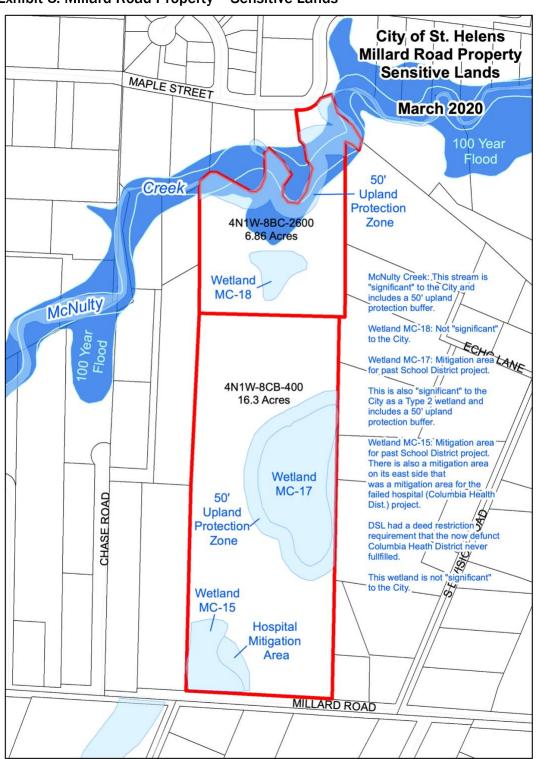


Exhibit 6. Millard Road Property Sensitive Lands - Estimated Net Developable Area (March 2020)

Total gross size: Approximately 23.16 acres

* * *

Sensitive Lands Constraints:

McNulty Creek floodplain (100 yr) and 50' upland protection zone (City required)

Approximate area: 97,000 s.f. or 2.23 acres

Basis: DFIRM and City Staff estimate (GIS – not field verified/surveyed)

Wetland MC-18

Approximate area: 0.54 acres

Basis: DSL WD# 06-0677

Wetland MC-17

Approximate area: 2.55 acres

Basis: DSL WD# 06-0677

Wetland MC-17's 50' upland protection zone (city required)

Approximate area: 60,000 s.f. or 1.38 acres

Basis: City Staff estimate (GIS- not field verified/surveyed)

Wetland MC-15

Approximate area: 0.66 acres

Basis: DSL WD# 06-0677

Wetland MC-15 addition (hospital mitigation area)

Approximate area: 7,341 s.f. or 0.17 acres

Basis: Hospital project plans

Total estimated approximate sensitive land constraints: 7.53 acres

* * *

Net acres, excluding estimated sensitive land constraints: 15.63 acres

Exhibit 7. Millard Road Property - Infrastructure Provision and Property Context

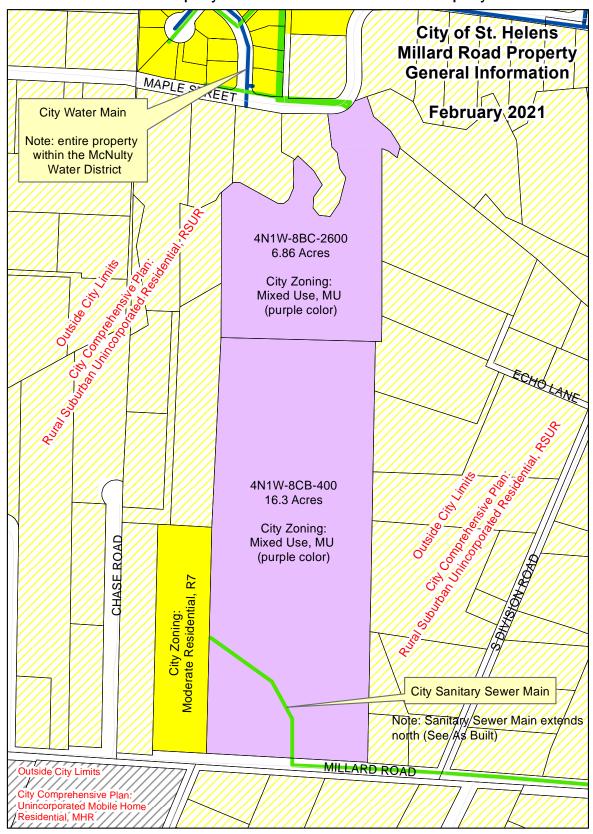


Exhibit 8. Wetland and Riparian Area Upload Protection Zone Reduction Options

Wetlands and riparian areas that are significant to the city include an upland protection zone subject to protection like the wetland or riparian areas themselves.

The Millard Road property includes a significant riparia area associated with McNulty Creek, which includes a 50' upland protection zone. There is also floodplain area associated with the creek, which is a separate matter, but also impacts potential development.

The site also has three known wetlands. Only the largest of the three, MC-17, is significant to the city. This wetland includes a 50' upland protection zone.

An upland protection zone may be reduced under the following circumstances:

| 1. | If the property is developed without subdividing or a development agreement | | | |
|----|---|---|--|--|
| | | Up to 50% reduction to the 50' protection zone width possible | | |
| | | The protection zone must be determined to be an obstacle that precludes reasonable use of the property. | | |
| | | The development proposal must demonstrate that it is designed as much as possible to minimize protection zone impact. | | |
| | | A dimensional standard (e.g., a yard or height requirement) may be adjusted up to 50% if the design of the development minimizing intrusion into the protection zone is to the adjustment (as opposed to being unrelated). | | |
| | | 1:1 restoration and enhancement is required elsewhere within the protection zone to compensate for the reduced protection zone width. | | |
| 2. | If | the property is developed without subdividing but with a development agreement | | |
| | | If the 50% protection zone reduction noted above is insufficient for a development's needs or found to be not applicable to the circumstances, a development agreement is another option. | | |
| | | The development agreement allows protection zone averaging such that it may vary in width, provided the overall average width is 50 feet. | | |
| | | There are protection zone enhancement and minimum impact considerations. | | |
| 3. | If | the property is subdivided | | |
| | | Normally, significant wetlands, significant riparian corridors and protection zones are required to be in preservation tracts and not part of lots, or new streets or other infrastructure. | | |
| | | If the subdivision is <u>part of a planned development with a development agreement</u> , the protection zone area may be part of individual lots. The protection zone may also vary in width, provided the overall average width is 50 feet. | | |
| | | There are protection zone enhancement and minimum impact considerations. | | |

Exhibit 9. Survey

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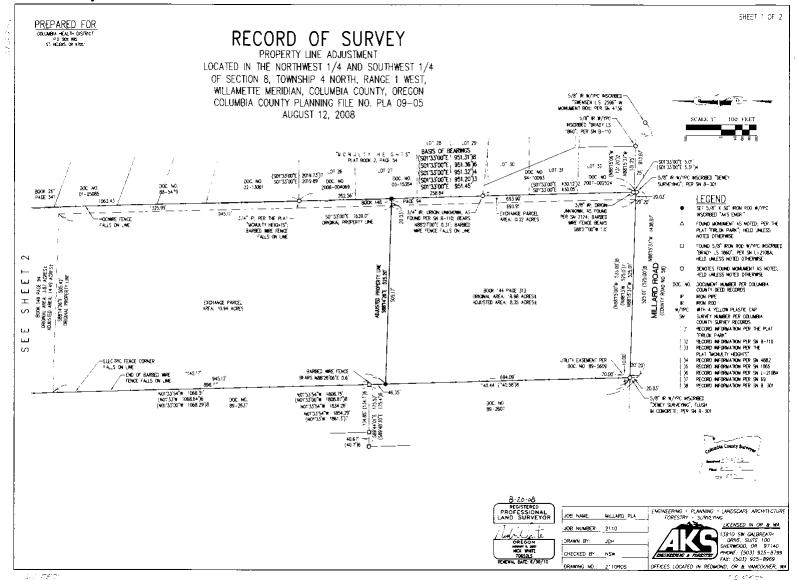


Exhibit 10. St. Helens As-Built Sanitary Sewer Line Extension

