

Martin Luther King Jr. Avenue



SCHOOL OF
GOVERNMENT

Development
Finance Initiative

Park Avenue

E Franklin Street

N Arlington Street



SOLICITATION FOR DEVELOPMENT PARTNER PROPOSALS

Former Kesler Mill Site - 423 N. Martin Luther King Jr. Avenue
City of Salisbury | ROWAN COUNTY, NC



CONTENTS

About this Solicitation	1
The Opportunity	2
Guiding Public Interests	5
Market Overview	6
Development Program	8
Submission Process	16
Evaluation Criteria and Selection Process	17
Submission Requirements	18
Additional Information	21
Appendix A: Contingent Fee Payment	22



SCHOOL OF
GOVERNMENT

Development
Finance Initiative



ABOUT THIS SOLICITATION

The City of Salisbury in Rowan County, North Carolina (“City”) is pleased to release this Solicitation for Development Partner Proposals (“SDP”) for the redevelopment of 13 acres at 423 N. Martin Luther King Jr. Ave. known as the former Kesler Mill site (“Site”). The City seeks a qualified development partner or partners to redevelop the City-controlled Site into a residential community affordable to low-to-moderate-income (LMI) households (“Project”). This document is an invitation for qualified development teams to present development concepts for review and consideration by the City. Proposals should outline how the development team intends to execute on the City’s vision for the Site and demonstrate their ability and commitment to do so. Responses to the solicitation are due no later than April 11, 2025.

The Development Finance Initiative (“DFI”) at UNC-Chapel Hill’s School of Government (“SOG”) will help development teams understand and respond to the City’s requirements for redevelopment of the former Kesler Mill site. This solicitation process will culminate in the selection of a development partner or partners and the negotiation of one or more development service agreements for public-private partnerships pursuant to North Carolina General Statutes 160D-1311, 157-9, and other relevant authority.

Prior to releasing this SDP, the City, with assistance from DFI, completed significant pre-development analysis to ensure the Project and the proposed public-private partnership is supported by the community, endorsed by the Salisbury City Council (“Council”), and is financially feasible for development partners.



ESTIMATED PRE-DEVELOPMENT TIMELINE

April 11, 2025	Development partner proposals due
Q3 2025	Council selects development partner(s)
Q3 2025	City and development partner(s) execute a Memorandum of Understanding (MOU)
Q3 2026	City and development partner(s) execute a development agreement
2026	Submission of preliminary LIHTC application

THE OPPORTUNITY

The City of Salisbury, in collaboration with a qualified Low-Income Housing Tax Credit (LIHTC) developer(s), seeks to leverage the Site to facilitate the development of 147 units for low-to-moderate-income households in a range of rental housing types with a small amount of homeownership opportunities centered in the Park Avenue neighborhood. The Park Avenue neighborhood lies between downtown Salisbury and the I-85 corridor, and the Site is prime for redevelopment.

The City requests proposals from qualified development teams for the proposed Project. The City is prepared to work with a developer or developers to facilitate a development that meets both public and private sector interests.



Brownfields Program

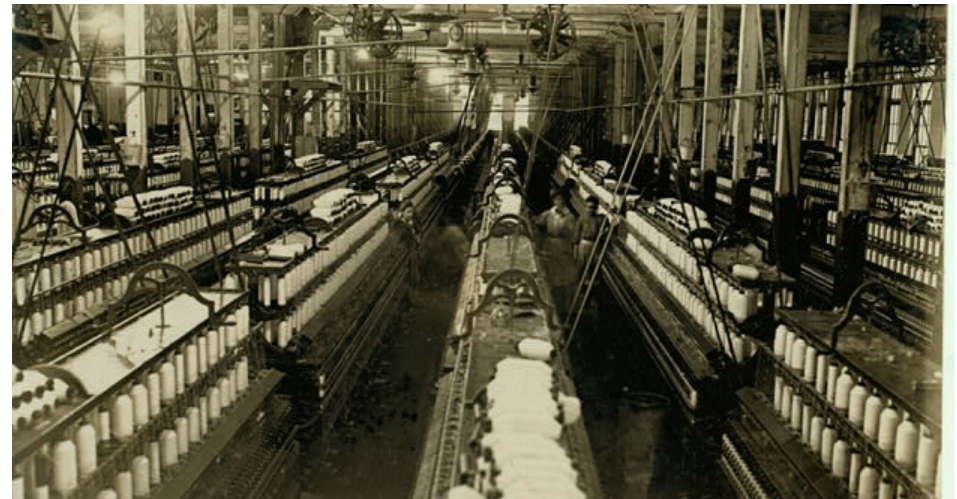
An 11.7 acre portion of the Site (Parcel ID: 016 183) is a designated brownfield, and qualifying improvements will be eligible for the partial brownfields property tax exclusion after a brownfields agreement is executed ([N.C.G.S. 105-277.13](#)). The former Kesler Mill was demolished after the mill closed in 2003 and the City acquired the property in 2019. The City received an EPA brownfields grant for the cleanup of this former industrial site and remediation work was completed on May 12, 2023. Impacts remain in place that will be managed through Land Use Restrictions (LURs) outlined in a brownfields agreement projected to be executed by Q2 2025. Restrictions will include:

- No groundwater use.
- Single-family detached homes for sale or for rent are not permitted and townhomes will require special considerations.
- An Environmental Management Plan (EMP) will be required for redevelopment.
- A Vapor Intrusion Mitigation Plan (VIMP) may be required pending sample results from the City consultant and type of redevelopment planned.

The NC Department of Environmental Quality (NCDEQ) reviewed the proposed development plan for the Site and offered preliminary support for the program. More information about the EPA brownfields analysis and considerations for the former Kesler Mill site can be made available upon request to Sonyia Turner, turner@sog.unc.edu. Additionally, the materials shared with the community and the Salisbury City Council throughout the brownfields process are available on the City of Salisbury's Kesler Mill project page (salisburync.gov/KeslerMill).



Former Kesler Cotton Mill exterior



Former Kesler Cotton Mill interior

Development Finance Initiative

DFI provides specialized finance and development expertise to local governments to assist them in attracting private investment for transformative projects. DFI has been engaged in more than 240 projects representing more than \$1 billion of current and planned investment in communities across North Carolina, Virginia, and South Carolina. DFI was engaged in January 2023 to perform pre-development feasibility analysis to arrive at the recommended development plan in Salisbury.

The analysis included:

- **Community Engagement:** Engaged stakeholders, including neighbors, business owners, the broader community, and potential partners to refine guiding public interests, set parameters for development, and build momentum.
- **Market Assessment:** Assessed the supply and demand for potential private uses including market rate and affordable residential.
- **Site Assessment:** Worked closely with JDavis Architects and the NCDEQ to understand the physical and regulatory constraints of the Site to design a program that maximized its development potential.
- **Financial Feasibility:** Projected the development costs, capital sources, and cash flows to ensure development feasibility. Identified potential level and type of public participation to facilitate an approach that best meets the guiding public interests.

DFI's pre-development work to date and ongoing role will benefit the private developer or developers selected by Council by significantly reducing the time, effort, expense, and overall risk required to determine feasibility, conduct due diligence, and identify the City's preferences, as well as the potential type and scale of public participation. The City has therefore agreed in a contract fully executed on January 23, 2023, that the developer(s) selected following the Solicitation for Development Partner Proposals is required to pay a fee equal to 1.0% of the total development cost to DFI as part of any development services agreement related to the development of the Project Site. An alternative schedule of payment of the Development Services Fee to DFI may be created as mutually agreed in writing by Developer and DFI; by way of illustration only, such schedule of payments could include deferred payment of the fee until closing on construction financing for the Project. The terms of the fee are further described in Appendix A of this document.

GUIDING PUBLIC INTERESTS

DFI worked closely with the Salisbury City Council and staff to engage community members and local stakeholders to identify project-specific public interests to guide the programming of the Site's development. Roughly 50 community members participated and a memo summarizing the findings was provided to City staff (available [here](#)). Council endorsed these interests on September 5, 2023 and they should be incorporated within any submitted proposal.

The City and DFI identified that new development on this Site should:

- Provide a catalytic development that incorporates housing options for low-to-moderate income households for a mixed-income community.
- Respect the character and history of the Park Avenue neighborhood.
- Incorporate multimodal connections to the existing streets and sidewalks in the surrounding neighborhood and downtown Salisbury.
- Incorporate a greenway or trail through the Site that promotes safety and is accessible to the surrounding community.
- Minimize public investment; maximize private investment.



June 2023 Kesler Mill Community Input Session, Salisbury, NC

MARKET OVERVIEW

Located 40 miles from both downtown Charlotte and Winston-Salem, the City of Salisbury has benefited from regional growth due to its proximity to the Charlotte metro area and its location along the I-85 corridor. Between 2016 and 2021, Salisbury’s population grew by 4.7% to just over 35,000 (North Carolina grew by 4.28% over the same time).¹ With a growing population, downtown Salisbury has experienced renewed investment from both the public and private sectors. Growth is likely to continue as the city attracts a greater number of workers from the Charlotte area and expands its footprint in anticipation of further development.

The Site is conveniently positioned in a national historic district and is central to the Park Avenue neighborhood, a predominantly residential, historically middle-income, African-American neighborhood. Given the predominantly residential nature of the surrounding area, a residential development was determined to be the most appropriate use of the Site. Moreover, low traffic counts surrounding the Site and the uncertainty in the broader commercial real estate markets suggest that commercial uses would face significant challenges on the Site.

Population and Housing Projections, 2028 ²	
City of Salisbury, North Carolina	
Total Population	37,396
Median Household Income	\$54,025
Total Housing Units	16,084
Owner-Occupied Housing Units	7,952
Renter-Occupied Housing Units	6,799



Salisbury, NC area context

1 ACS 5-Year Estimates
2 Esri BAO Projections

Affordable Housing

The four-person Area Median Income (AMI) for Rowan County is \$80,300.³ In Salisbury, at least 67% of renter households earning less than 80% AMI are cost burdened, spending more than 30% of their income on housing costs. Furthermore, over half of those renters are considered severely cost burdened, spending more than 50% of their income on housing costs.

Rowan County has nearly 1,900 restricted affordable units, of which an estimated 950 are LIHTC units.⁴ Demand for affordable units is significant: in 2022, vacancy for LIHTC units was 2.4% in Rowan County.⁵ The Rowan County market rate vacancy during the same time was 3.8%.⁶ Production of new affordable units is slow; nearly 44% of the affordable units in Rowan were built 20+ years ago.⁷

DFI estimates that units ranging in size from studio to 2-bedrooms that are affordable to households earning 80% AMI and below are in high demand. In Salisbury, 2,730 households are currently in need of affordable housing, with small families (1,050 households) and seniors (780 households) facing the greatest need. An additional 150 units on the Kesler Mill site will meet less than 6% of the existing demand for affordable housing.

Single-Family

Single-family development in Rowan County has grown since 2015, with permit issuances rising from 200 per year in 2015 to nearly 700 in 2021. DFI estimates that the Salisbury market may expect demand from 5,580 new households seeking single-family housing in the next five years.⁸ The greatest homeownership demand will be for houses priced between \$300,000 and \$400,000, followed by houses priced between \$200,000 and \$300,000.

In the Park Avenue neighborhood where the Kesler Mill site is located, the median home sale price is currently at \$205,000.⁹ Approximately one-third of the homes in the neighborhood are owner-occupied, while two-thirds are likely renter-occupied. An additional five to seven affordable homeownership units on the Kesler Mill site will meet less than a fraction of the projected demand for new homeownership units priced between \$200,000 and \$300,000.

3 Novogadac, 2024

4 National Housing Preservation Database (NHPD)

5 CohnReznick, 2022. County Profile – Rowan County

6 CoStar

7 NHPD

8 Based on DFI analysis of Esri BAO projections and HUD Special Tabulations

9 Based on 2023 Zillow listings

DEVELOPMENT PROGRAM

DFI, in partnership with the City of Salisbury and JDavis Architects, tested potential development options for the Kesler Mill site and identified a financially feasible development plan that meets the City’s guiding public interests as described on page 5. The development team is encouraged to propose their own development approach and aesthetic but should use the program and plan approved by the Salisbury City Council on May 21, 2024 as a frame of reference for use, density, and affordability levels that meet the guiding public interests. A successful proposal will demonstrate that the proposed plan can be achieved without requiring more City participation than outlined in the “Potential Public Participation” section of this document. Developers are not required to engage JDavis Architects.

DFI evaluated options based on market demand to support a mix of housing types that includes units affordable to households earning between 40% and 80% Area Median Income (AMI). The development program described in this solicitation includes three privately held residential projects. The City’s vision is that these projects would be connected through thoughtful road, streetscape, and trail investments. The City prefers to select a development team that will develop the LIHTC and Homeownership projects. The City will also consider proposals that only include the LIHTC component.

Project	Proposed Ownership	Use
Senior LIHTC Development	Private	Est. 60 Senior LIHTC units restricted to LMI households
Family LIHTC Development	Private	Est. 80 Family LIHTC units restricted to LMI households
Single-family Development	Private	Est. 5 to 7 single-family detached homes restricted to LMI households
Trail and Open Space	Public	Approx. 1,300 linear feet of greenway and 2.5 acres of open space



Project: LIHTC Developments

The Site is likely competitive to receive a 9% LIHTC award according to the NC Housing Finance Agency's (NCHFA) 2025 Qualified Allocation Plan (QAP). A qualified grocer, shopping center, pharmacy, and bus stop are located within 1 mile of the Site. The surrounding neighborhood consists primarily of single-family residential, with many mill homes directly adjacent to the Site.

To minimize the amount of public investment required and serve both seniors and families, the City assumes that the Project will need to be two 9% LIHTC developments over multiple years: a senior project with up to 60 units and a family project with up to 80 units. The senior LIHTC project was envisioned as a garden style multifamily apartment building, up to three-stories. The family LIHTC project was envisioned as a mix of duplexes and townhouses, up to two-stories. The City does not desire a garden style multifamily development for the family LIHTC project.

The City prefers that the senior LIHTC development be included in the first phase of the overall site development. If a developer is able to deliver all 140 units as a single project within the level of public investment, then the City is willing to consider an alternative approach. The preference is for a mix of bedroom sizes among the developments. The City is prepared to provide development capital to ensure the affordability for households earning between 40% and 80% AMI for a minimum of 30 years (see "Potential Public Participation" section).



View of senior LIHTC development from N Arlington St.



Washington Terrace, Raleigh, NC | senior LIHTC precedent image



View of family LIHTC development from N Martin Luther King Jr. Avenue

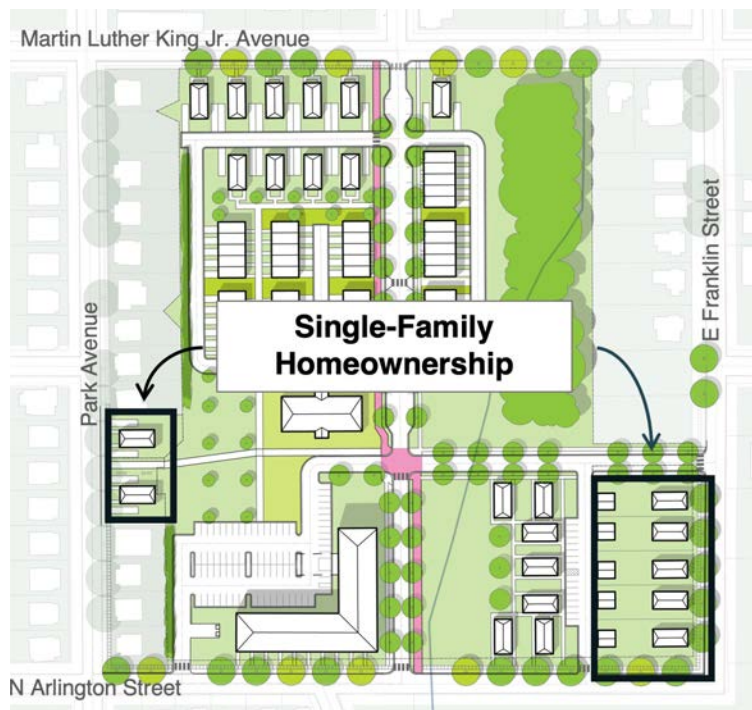


Park Terrace, High Point, NC | family LIHTC precedent image

Project: Single-Family Development

The City desires the development of an estimated five to seven single-family detached owner-occupied residences across four parcels reserved for moderate-income households (Parcel IDs: 016 387, 016 384, 016 385, 016 386). The location of the single-family residences is not negotiable as these are the only parcels where single family development can occur on the Site (see “Brownfields Program” section). The City understands that affordable homeownership development is a different product type than what LIHTC developers typically build. Therefore, proposals for the single-family development portion of this Project are encouraged, but not required. If a developer elects not to include single-family residences in their proposal, the four parcels should not be included as part of the Project parcels.

The City prefers to select a development team that will develop the LIHTC and Homeownership projects. The City will also consider proposals that only include the LIHTC component. The City is prepared to provide development capital to ensure the homes remain affordable to households earning between 60% to 80% AMI.



Southeast Raleigh development precedent image

Road and Greenway Installation

The City has a strong desire to see the development of the Kesler Mill site integrated into the existing Park Avenue neighborhood per the Guiding Public Interests. The City requests that both LIHTC developments include a walking trail as one of the Additional Site Amenities as outlined in the 2025 Appendix B (Design Quality) guidelines of the QAP. Additionally, the City envisions that the new roads through the Site would support multimodal transit and incorporate a greenway/trail that would connect to existing and future greenway/trail systems. The City will work closely with the selected development partner to design their desired streetscape enhancements to the roads installed by the developer.

- The City envisions the following new primary roads for the former Kesler Mill site:
 - i. Road 1: new “Cemetery Street” extension from N. Martin Luther King Jr. Ave. going south and east to N. Arlington Street.
 - ii. Road 2: new road from E. Franklin Street going south and west to intersect with the new “Cemetery Street.”
 - iii. Optional Road 3: Extension of N. Arlington Street to the north and E. Franklin Street to the east to intersect and complete the block.
- The new roads should accommodate multimodal transit in accordance with the City of Salisbury Land Development Ordinance (LDO) guidelines and will be maintained by the City of Salisbury.

Approximately 2.5 acres of the Site are within the floodplain of the Town Creek subsidiary and this acreage was assumed to remain as open space for this project. The City requests that developers include in their proposals measures that would promote safety and visibility, while also deterring undesirable activity in these open spaces through lighting and other design measures.



NC Flood Risk Information System (FRIS) Map

OTHER IMPORTANT PLAN CONSIDERATIONS

The City expects the architectural style of the developments on the Kesler Mill site to be cohesive with the surrounding Park Avenue neighborhood. Architectural references to the historic mill building are encouraged for the senior LIHTC development.



Bradshaw House - 432 Park Avenue



520 Park Avenue

POTENTIAL PUBLIC PARTICIPATION

The City understands that a development with restricted rents and sale prices would not be possible without significant public investment. Therefore, the City has made the following preliminary commitments to support the Project:

1. Sale or ground lease of property to the development partner(s) at a nominal rate (exact structure and process to be determined based on individual proposals and the City’s authority to convey property).¹⁰
2. Soft loan for up to 140 restricted, affordable rental units across two projects utilizing the 9% LIHTC:
 - Senior LIHTC: City assumes a development of up to 60 units will not require City investment.
 - Family LIHTC: City is prepared to provide capital to support the development of up to 80 units.
3. Soft loan(s) for at least five affordable homeownership units (for the benefit of eligible homeowners).
4. Direct investment into the enhancement of the primary roads installed by the development partner(s) to accommodate the City’s streetscape and greenway/trail vision. City investment will be made (and bid out by Development Partner) pursuant to a reimbursement agreement under G.S. 160A-499.

¹⁰ Land conveyed for multifamily development at nominal cost will be subject to a perpetual reverter in favor of the City if made by sale rather than ground lease. Land conveyed for single-family homeownership will be subject to a similar reverter only until it is sold to an eligible household.

Park Avenue Neighborhood Housing Rehabilitation Program - Investments since 2020
City of Salisbury, Salisbury CDC



City of Salisbury investments since 2020

Legend

- New Construction (1)
- City Neighborhood Rehab Program (21)
- Kesler Mill Site



Park Avenue Community Center

ZONING

The Site is currently zoned Light Industrial (LI), a zoning designation of the Salisbury Land Development Ordinance. The City is prepared to work with, and support, the selected developer(s) to rezone the property to support the redevelopment of the Kesler Mill property.

KEY FINANCIAL ASSUMPTIONS

The following assumptions are based on construction costs, interest rates, and tax credit pricing as of January 2025. DFI made a series of assumptions to estimate the level of private debt and equity the development could likely secure, but recognizes the uncertainty of market conditions in the future. The level of public participation was then estimated based on any gaps in funding and the need for additional sources of low-cost capital. Interest rates at the time of financial modeling were 6.75% for non-HUD guaranteed loans.

LIHTC Multifamily

The senior and family projects were modeled as separate 9% LIHTC projects. DFI assumed the following to estimate the funding gap on the LIHTC developments:

Sources and Uses

- Total Site acquisition: \$0
- Estimated LIHTC equity pricing: \$0.85
- The property is in a Qualified Census Tract and receives a 30% boost in tax credits.
- The following unit mix was designed to maximize the competitiveness of the project and meet the requirements of the Rental Production Program (RPP).

AMI	Percent distribution
40% AMI	25%
50% AMI	15%
60% AMI	60%

Senior LIHTC Sources, Uses, and Income

- Estimated development cost per unit: \$235,000
- 0% of developer fees deferred
- Average monthly rent collected per unit with a mix of 60% one-bedroom and 40% two-bedroom units: \$876

Family LIHTC Sources, Uses, and Income

- Estimated development cost per unit: \$270,000
- 25% of developer fees deferred
- Average monthly rent collected per unit with a mix of 18% one-bedroom, 60% two-bedroom, and 23% three-bedroom units: \$1,070



Affordable Homeownership

- DFI estimated the cost of construction at \$160 per square foot (average 1,300 SF).
- Lots conveyed at a nominal cost to affordable home builder (if the developer/builder is not the development partner).
 - Additional fundraising by affordable homebuilder likely required

ADDITIONAL FINANCIAL CONSIDERATIONS

- The City of Salisbury is expecting developers to pursue two 9% LIHTC projects (one senior and one family). The City is not prepared to provide the gap funding required to facilitate a tax-exempt bond/4% LIHTC project.
- This Site is likely qualified to compete as a Redevelopment Project as outlined in the 2025 Qualified Allocation Plan Section 2.B.2.

Additional due diligence conducted by the City and DFI, including financial assumptions for the outlined development plan, is available to potential developers by e-mailing Sonya Turner at turner@sog.unc.edu.

SUBMISSION PROCESS

Development partner proposals are due at 5:00 p.m. EDT on April 11, 2025. Proposals must be submitted electronically in PDF format and financials submitted in Excel format, to Sonyia Turner at turner@sog.unc.edu and Hannah Jacobson at hannah.jacobson@salisburync.gov.

Proposals must be prepared in conformance with the guidelines described under “Submission Requirements.” The e-mail subject must be “Development Partner Proposal: Salisbury Kesler Mill Redevelopment.” Proposals received after the deadline will not be considered.

All responses are subject to public disclosure under the North Carolina Public Records Law. DFI recognizes that respondents must submit financial information that they may deem confidential and proprietary to comply with the requirements of this solicitation. To the extent permissible by law, DFI agrees to keep confidential any confidential proprietary information included in a response, provided that (1) the respondent identifies the confidential proprietary portions of the response, (2) the respondent identifies as confidential and proprietary only those portions of the submittal that are confidential and proprietary, and (3) the respondent states why protection is necessary. Respondents shall not designate their entire response as confidential and proprietary, nor shall they designate information that is already public.

Any information that the respondent would like to remain confidential should be e-mailed under separate cover to turner@sog.unc.edu. The e-mail subject must be “PROTECTED: Development Partner Proposal: Salisbury Kesler Mill Redevelopment.”

For information concerning the procedure for responding to this Solicitation for Development Partner Proposals (SDP) or clarifications of the terms, conditions, and requirements of this SDP, please e-mail Sonyia Turner, Senior Project Manager, DFI, at turner@sog.unc.edu.

EVALUATION CRITERIA AND SELECTION PROCESS

The City of Salisbury and DFI will review proposals, contact references, and coordinate interviews as necessary with the goal of identifying a qualified development partner with the plan and experience to best meet the identified guiding public interests. The Salisbury City Council will endorse the selection of a development partner based on the proposals, analyses by DFI and City staff, and all information requested. City Council's endorsement will commence a period of negotiation between the City and selected development partner for a Memorandum of Understanding (MOU) to be followed by a purchase and development agreement.

A successful proposal in response to this solicitation will demonstrate the following:

- Alignment with the public interests listed under the section titled “Guiding Public Interests.”
- Qualifications and experience of development partner(s) with preference given to those with experience with the type and scale of development proposed in the response.
 - Proof of development partner's eligibility for LIHTC awards in North Carolina.
 - If submitting a proposal that includes affordable homeownership, experience qualifying low-income households for homeownership.
- Positive references from local governments who previously partnered with the development partner(s).
- Ability to deliver the type and scale of development outlined in the “The Opportunity” section of this document.
- Ability to execute the Project within a reasonable timeline.
- Inclusion of financial and development assumptions that reflect market conditions.
- Ability to adhere to the City of Salisbury's minority business participation goals pursuant to N.C.G.S. 143-128.2 and set forth in the City of Salisbury's procurement policy.

Competitive proposals will satisfy the above evaluation criteria. The following elements are preferred but not required:

- Experience with, or identification of, a potential partner with experience implementing a model for affordable homeownership that can maintain the affordability of homes for at least 30 years.

DFI and the City reserve the right to request additional information and arrange interviews after the solicitation period has ended. Development teams may not submit additional information after the April 11, 2025 deadline, unless requested.

SUBMISSION REQUIREMENTS

Developers should organize their submission in the format with numbering described below. Please provide the requested information in appropriate detail to allow adequate review and evaluation. Any information that a respondent requests remain confidential should be sent under a separate cover (see above “Submission Process”).

PROPOSAL

I. Site Plan

- 1.** Summary – Summary of development partner’s approach to executing the proposed development plan including a phasing plan for the individual projects.
- 2.** Site Plan – Site plan should include:
 - a. Internal roads by type and location.
 - i. Boundaries of individual projects including senior LIHTC, family LIHTC, and homeownership components.
 - b. Type and location of community amenities, including walking trails.
 - c. Distribution of parking.
- 3.** Timeline – Proposed timeline for key pre-development and development milestones. Timeline should include finalization of development team for all individual projects, preliminary LIHTC application submission, financial closings, groundbreaking, and total plan buildout. Indicate whether proposed timeline under “Estimated Pre-Development Timeline” is feasible; if not, propose alternative timeline. Indicate development team’s availability to undertake the project and adhere to the timeline.
- 4.** Additional Elements
 - a. If proposing to meet any of the preferred criteria, provide a detailed description of the approach and commitments.

II. Preliminary Project Development Programs

For each individual project – senior LIHTC, family LIHTC, and affordable homeownership – include:

- 1.** Building Program
 - a. Total number of units by unit type and income level served.
 - b. Average unit size by unit type.

- c. Estimate of parking spaces required per unit.
- 2. Project-Specific Amenities
 - a. Identify amenities provided for a) residents of the individual project, and b) accessible to all community residents.
- 3. Financial Assumptions – Provide in Excel format:
 - a. Expected rents or sale values by unit type and affordability.
 - b. Detailed list of sources and uses. In addition,
 - i. Projected terms and rates for each funding source.
 - ii. If public participation is anticipated, propose the public investment structure and amount. Provide financial analysis to demonstrate why type and level of participation is necessary.
- 4. For affordable homeownership units, a detailed plan for attracting and qualifying potential low-income homeowners. Include proposal for maintaining long-term affordability.

QUALIFICATIONS

- 1. Letter of Introduction
 - a. Include a summary of the respondent’s qualifications (including LIHTC eligibility in NC), experience, and reasons for interest in this opportunity. Special attention should be given to a clear statement outlining how the developer’s proposal aligns with the guiding public interests. The letter must be signed by a principal or authorized officer of the entity.
- 2. Development Partner Experience and References
 - a. List of five recent and completed projects (preferably in the last ten years) relevant to proposed plans. Include the following information:
 - i. Location and name of projects (preference for projects in North Carolina).
 - ii. Development team members, including architects/designers and general contractors.
 - iii. Scope and scale of development program.
 - iv. Photos/illustrations of completed project.
 - v. Total development budget by use.
 - vi. Sources, including government sources.
 - vii. Financing partners.

- b. Most recent example, if any, of the developer's experience executing public-private partnerships.
 - i. Include all information requested above in section 2(a). This can also be satisfied as one of the projects provided above unless project was completed more than ten years ago.
 - ii. Contact information for a representative of the primary public agency partner in the project.
- c. Identification and resumes of lead staff (principals and project managers) who will be responsible for negotiating a development agreement with the City and completing the remainder of the preconstruction approval process.

3. Development Team Experience

- a. Identification of partner firms and role in execution of the overall plan. Include architects/designers, property manager, and potential general contractor or subcontractors, if known.
- b. Overview of each firm on the team, including brief history of firm, licensure, past experience working with the developer, and relationship of the firm's parent company with the office responsible for this project, if applicable.
- c. For development partners on individual projects, include three examples of projects completed in the last three years. Include all the information requested in section 2(a).

4. Minority/Women-Owned Business Enterprise (MWBE)

- a. If available, developer's MWBE policy.
- b. If available, historical MWBE performance, particularly for projects listed in section 2(a).
- c. Proposed MWBE goals and strategy to achieve goals.

5. Disclosures and Evidence of Financial Stability

- a. Disclosure of any potential conflicts of interest that could be relevant to this project in any manner.
- b. Disclosure of any projects/financing on which the team or any of its members has defaulted.
- c. Disclosure of whether the developer or any officer, director, or owner thereof has had judgments entered against it, him, or her within the past 10 years for breach of contracts for governmental or nongovernmental construction or development.
- d. Disclosure of whether the developer has been in substantial noncompliance with the terms and conditions of prior construction contracts with a public body.
- e. Disclosure of whether any officer, director, owner, project manager, procurement manager, or chief financial official thereof has been convicted within the past 10 years of a crime related to financial fraud or to governmental or nongovernmental construction or contracting.
- f. Disclosure of whether any officer, director, or owner is currently debarred from bidding or contracting, pursuant to an established debarment procedure, by any public body, agency of any state, or agency of the federal government.
- g. Other evidence of financial stability of developer (may be submitted under confidential cover)

ADDITIONAL INFORMATION

All facts and opinions stated in this solicitation are based on available information and are believed to be accurate. Nevertheless, neither the City of Salisbury nor SOG, nor any of their officers, agents, or employees, shall be responsible for the accuracy of any information provided to any respondent as part of this solicitation or vetting process. All respondents are encouraged to independently verify the accuracy of any information provided. The use of any of this information in response to this request is at the sole risk of the respondent.

Those submitting responses to the SDP assume all financial costs and risks associated with the submission. No reimbursement or remuneration will be made by the City or SOG to cover the costs of any submittal, whether or not such submittal is selected or utilized. The City reserves the right to reject submittals or waive irregularities or informalities in any submittal in its sole and absolute discretion and accepts no responsibility for any financial loss by such action.

Any agreements that may be entered into between the developer(s) and the City, including but not limited to a Development Services Agreement, are subject to all statutory and legal requirements and ultimate approval by the City of Salisbury Council in its sole and absolute discretion and nothing herein is to be construed as binding on the City.

The City makes no express or implied warranty as to matters of title, zoning, tax consequences, physical or environmental conditions, valuation, financial conditions or economic matters, accuracy of the any materials or reports provided, governmental approvals, governmental regulations, or any other matter or thing relating to or affecting the properties described herein or any proposed transaction or agreement contemplated herein.

DFI does not act as a broker or agent of the City and no representation made by DFI during the solicitation and vetting process shall be binding on the City. Notwithstanding any provision herein, this solicitation shall not constitute an offer to contract on the part of the City. It shall not be construed to impose any legal obligations on the City.

This solicitation does not create any obligation or relationship such as a partnership, joint venture, or other similar legal relationship between the City and any potential party. Any references to “partner,” “partners,” or other similar terms will not be deemed to create a legal relationship or otherwise alter, amend, or change the relationship between any parties in the absence of a formal written agreement specifically detailing the rights, liabilities, and obligations of the parties as to a new, specifically defined legal relationship.

APPENDIX A: CONTINGENT FEE PAYMENT

The performance by the City or the conveyance or lease of any portion of the property described herein (the “Property”) to the selected development entity and its successors and assigns (the “Developer”) shall be conditioned upon the execution of an agreement (the “Development Services Agreement”) between the City and the Developer pertaining to the responsibilities of either the City or the Developer, or both, regarding any aspect of the development of the Property or any portion thereof (the “Project”).

As part of the Development Services Agreement, the Developer shall agree to pay a fee to the City’s consultant (“DFI”) and its successors and assigns for pre-development services provided to the City, and the Development Services Agreement shall provide that DFI is an intended third-party beneficiary of the Development Services Agreement. The fee shall be an amount equal to 1.0% (one percent) of the total projected costs of development (including horizontal and vertical development) of the Project as calculated by the Developer in the most recent version(s) of pro forma and other financial projections (the “Developer Financials”) prepared by the Developer and delivered to City or other parties prior to or contemporaneously with the execution of the Development Services Agreement (and in the event that projected costs are not available at time of execution, then Developer shall provide such costs as soon as possible thereafter), and in the event of any inconsistencies in the projected total costs among different versions of the Developer Financials, the version of the Developer Financials showing the greatest total costs of development of the Project shall be used to calculate the Development Services Fee. The total development cost shall not include costs related to development of structures that meet all of the following criteria following completion of the development: (i) the entire structure and the entire parcel of land on which the structure is located are owned in fee simple solely by the City; (ii) any financing associated with the structure is an obligation of the City alone; and (iii) the entire structure will be operated either (a) by the City directly or (b) by a contractor on behalf of the City pursuant to a contract executed by the City.

The Development Services Fee shall be due and payable in full to DFI no later than 30 days following execution of the Development Services Agreement. An alternative payment schedule for payment of the Development Services Fee to DFI may be developed as mutually agreed in writing by Developer and DFI; by way of illustration only, such schedule of payments could include deferring payment of the fee until closing on construction financing for the Project. Developer’s obligation to pay Development Services Fee shall not be assignable by Developer to any other entity, nor shall any assignment relieve Developer of its obligation to pay Development Services Fee, except upon written consent of DFI.