



NOTICE OF CALL FOR BIDS

**SALE OF A 23-UNIT MULTI-FAMILY APARTMENT COMPLEX LOCATED
AT 1057 'D' AVENUE, DOUGLAS, ARIZONA 85607**

BID DATE: NOVEMBER 4, 2015

BID CLOSING: 4:00 P.M.

425 10th Street, Douglas, AZ 85607
Telephone: (520) 417-7302, Fax: (520) 417-7143 - www.douglasaz.org

"Douglas – the premier southwestern border community."

CALL FOR BIDS FOR SALE OF REAL PROPERTY FOR THE LIMITED REDEVELOPMENT OF A 23-UNIT MULTI-FAMILY APARTMENT COMPLEX

The City of Douglas offers for public sale a 23-unit multi-family apartment complex for the limited purpose of redeveloping this complex into a multi-family housing complex located at 1057 'D' Avenue at the southeast corner of 11th Street and D Avenue in Douglas, Arizona, 85607.

All written sealed bids must be received by and will be opened at 4:00 p.m. on Wednesday, November 4, 2015.

A pre-bid conference and site inspection will be held on Wednesday, October 21, 2015, at 11:00 a.m. at City Hall, 425 Tenth Street.

Sale of this property is subject to approval of the Mayor and Council. The City of Douglas expressly reserves the right to reject any and all offers for any reason.

Submittal Requirements:

Sealed bid: An Offer to Purchase form must be submitted, as well as a bid security deposit in the amount of five percent (5%) of the total bid purchase price, along with business and preliminary site development plans. **A minimum bid of \$100,000 is required.**

All offers must be submitted on the City's Offer to Purchase form: A Request for Proposal packet, which includes the Offer to Purchase form, conditions of sale, bid procedures and other relevant documents, may be obtained from the City of Douglas, Administration, Ms. Alma Andrade, 425 Tenth Street, Douglas, Arizona 85607, Telephone (520) 417-7302 or may be downloaded from the City website at www.douglasaz.org

INSTRUCTION TO BIDDERS

The City of Douglas ("the City") offers at public sale a multi-family apartment complex consisting of 23 units ("the Property") for the limited purpose of redeveloping this site into a multi-family housing complex. The sale of this property is subject to approval by an ordinance of the Mayor and Council

This property is currently zoned Multi-Family Residence. A map of the property is identified in the attached **Exhibit "A"**. **All written sealed bids must be received by and will be opened at 4:00 p.m. on Wednesday, November 4, 2015, by the City Clerk at 425 Tenth Street, Douglas, AZ 85607.**

The City of Douglas expressly reserves the right to reject any or all bids/offers, to waive technicalities and informalities or to advertise for new bids if, in the judgment and in the best interest of the City of Douglas.

A minimum bid of \$100,000 is required.

A. Description of Property:

The property is located in the downtown area within a 5-10 minute walk to the downtown shopping district, banks, governmental offices, churches and parks.

The property has access via 11th Street, D Avenue and the alleyway between 10th & 11th Street(s) between D & C Avenue(s).

The property was known as the "Douglas Apartments". The building was constructed in the 1950's and is of concrete block and wood frame construction. This complex consists of 23 living units:

- 1st Floor: 6-2 Bedroom Units & 5-1 Bedroom Units
- 2nd Floor: 8-2 Bedroom Units & 4-1 Bedroom Units

In February 2013, the Douglas Apartments had a fire limited to two units on the second floor of the north wing. Because there was no fire separation between the units in the attic, some infiltrated the other units on the second and first floors. As a result of the fire, the building was vacated and eventually donated to the City of Douglas.

The Property is offered "AS-IS". Utilities exist on-site or in close proximity to the site. The Bidder will be responsible in all aspects related to the redevelopment of the site.

The following reports and information has been generated by the previous owner and the City of Douglas that may be useful in the assessment of this apartment complex, **see Exhibit D:**

- Physical and Capital Needs Assessment, July 2014
- Fire Report, Douglas Fire Department, Incident No. 13-0000045
- Land Appraisal, Tucson Real Estate Appraisal, June 2014
- Asbestos Report(s)
- Estimate from Emergency Cleanup for Asbestos Removal & Remediation
- As-Built and Preliminary Architectural Drawings, October 2013
- Broker's Opinion of Value

B. Bidding Procedures:

All Bidders must present their bid on the City's Offer to Purchase form, which is attached as **Exhibit "B."** A minimum five percent (5%) deposit of the total purchase price must accompany the bid.

The deposit must be in the form of a cashier's check payable to the City of Douglas. No letters of credit will be allowed. The deposit will be returned to unsuccessful bidders within 30 working days of the bid opening. Bids must also be accompanied by the submittals required in these Instructions for Bidding.

If there are two or more equally high rated bids, the high bidders will be given an opportunity to modify their bids, in a sealed written document, with respect to the purchase price and submit their best and final offers.

The Offer to Purchase form must be signed in ink by the principal or authorized corporate officer. The form, and attachments, shall be submitted in a sealed envelope, with the bidder's name and address clearly shown in the upper left-hand corner of the bid envelope.

Should the City Manager initially approve a bid proposal and forward same as a recommendation to Mayor and Council for consideration, the City can elect to hold any or all bids for a period of sixty (60) days, prior to Mayor and Council formally approving the land sale through Ordinance as dictated by the City Charter.

Acceptance of the highest bid pursuant to rating schedule will be subject to approval by the Mayor and Council. The City reserves the right to reject any and all bids for any reason and to withhold the award for any reason it may determine.

If an Offer to Purchase is accepted by the Mayor and Council and the successful bidder fails to close escrow, the bidder's deposit will be forfeited by the City of Douglas. At its own discretion, the City may offer the property to the succeeding highest bidder or may rebid the sale of the Property.

The front of the envelope shall clearly refer to **City of Douglas, Bid Proposal, 23-Unit Multi-Family Apartment Complex.**

C. Relevant Information:

1. The community is in need of redeveloping this apartment complex in an effort to revitalize this area.
2. The City offers this property for sale with the requirement that the successful bidder shall be responsible to commence the development and construction for the limited purpose of redeveloping this multi-family housing complex within six (6) months of close of escrow.
3. The successful bidder must complete the construction of said development within two (2) years of the Close of Escrow.
4. The Douglas City Council may extend the start of construction with one six (6) month extension upon written request of the successful bidder(s).
5. Start of Construction is defined when construction crews are fully mobilized on the property, construction site is secured, and the first placement of permanent construction materials has begun in accordance with the approved and valid building permits.
6. The Property is presently zoned Multi-Family Residence. Other compatible uses may be allowed pursuant to a re-zoning of the property.
7. Bidders will score higher in the rating criteria if they show on their development plan any façade, architectural and landscaping enhancements to the apartment complex and any other improvements and enhancements immediately adjacent to the property.

D. A minimum bid price of \$100,000 is required:

The bid deposit representing a minimum of five (5%) of the total bid amount shall accompany the bid.

Please note that the price is not the sole basis for awarding a bid.

E. Additional Submittal Requirements:

In addition to the completed and executed Offer to Purchase Form (Exhibit B), the following documents must be submitted and appropriately labeled as part of the sealed bid in order for a bid to be considered:

- 1) Exhibit 1: Bid Security Check in the amount of 5% of the total bid price. In the event that the highest bidder fails to close escrow, that bidder will forfeit their security deposit to the City of Douglas. At its own discretion, the City may then offer the property to the next highest bidders or may rebid the property.
- 2) Exhibit 2: Preliminary Project Development Plan, Business and Execution Plan. Bidders will rank higher if they propose to make any façade, architectural and landscaping enhancements to the apartment complex and any other improvements and enhancements immediately adjacent to the property.
- 3) Exhibit 3: Qualification of Bidders.

F. Qualifications of Bidders:

Bidders must submit with their bid all the evidence that substantiates their demonstrated experience to undergo the development, construction and redevelopment of a multi-family or commercial facility in the last five (5) years.

Project evidence shall include the size and type of development, location, sales and other pertinent information. Bidder must include resumes of professional staff who will be assigned to this project.

G. Pre-Bid Conference

A pre-bid conference and site inspection will be held at Douglas City Hall, 425 10th Street, Douglas, Arizona, 85607 on Wednesday, October 21, 2015 at 11:00 a.m.

H. Award of Bid

An Offer to Purchase Agreement will be entered into with the highest responsible bidder whose bid conforms in all material aspects to the requirements set forth in these instruction to bidders based on the City's rating schedule as outlined in Exhibit C.

All proposals will be evaluated pursuant to the rating criteria noted herein, and a determination will be made by the City Manager within thirty (30) days from the date of bid opening as to which proposal, if any, will be forwarded to the Douglas City Council for consideration.

The Douglas City Council shall consider the Property Sale Ordinance on its first reading within 60 days of the bid opening.

The City reserves the right to reject any and all proposals, advertise for proposals, and meet and conduct interviews with bidders if deemed necessary.

I. Investigation of Conditions

Bidders shall examine the property and all documents provided by the City. Any failure by a Bidder to examine all available information shall not relieve that Bidder from any responsibility under the proposed Offer to Purchase form and any other related agreements.

By submitting a bid, each Bidder represents that its bid is based solely on the materials in the Bid packet and on Bidder's own investigations, and not on any oral or written representations by the City or its agents.

J. Commissions

No real estate sales, brokerage, or other commissions or finder's fees are or may become due and payable by the City, to any third party, in connection with the sale of the subject property or this bid offering.

The bidder is solely responsible for payment to any third parties for any work contracted by bidder.

K. Bidding Documents

1. The following documents shall be included in this Request for Proposal Packet:

- 1) Notice of Call for Bids
- 2) Instruction to Bidders
- 3) Map of Property, Exhibit A
- 4) Offer to Purchase Form, Exhibit B
- 5) Rating Criteria, Exhibit C
- 6) Site Information, Exhibit D

L. Contact Information

For further information, please contact Carlos A. De La Torre, P.E., City Manager, City of Douglas, 425 10th Street, Douglas, Arizona, 85607, 520.417.7302 or by e-mail: carlos.delatorre@douglasaz.gov