

# REQUEST FOR PROPOSALS

Oregon Department of Administrative Services  
Oregon State Hospital North Campus – Salem, Oregon

The State of Oregon’s Department of Administrative Services (DAS) is requesting proposals for the purchase and redevelopment of the Oregon State Hospital North Campus property in Salem, Oregon.

## Property

- 37.8-40.5 acres available
- Located on high-frequency transit route
- Central Salem location
- Within 1 mile of 2 full-service grocers
- Within 1.5 miles of major employers
- Flat land with no floodplain or wetland considerations
- Full property information available at: <http://northcampus.oregon.gov>.

## Entitlements

- Currently zoned Public and Private Health; DAS will cooperate in rezoning to suit Buyer’s requirements
- DAS is working with City of Salem to streamline entitlements, including:
  - Phased subdivision application and trip generation analysis
  - Development District—City SDCs to apply to this property, not entire system
  - City SDC credits (water, sewer, transportation, stormwater) available for pre-existing development

## Buildings

- Seven buildings currently on property, connected with tunnel system/connected basements.
- Full hazardous material abatement is scheduled for six of the seven buildings (all except Dome Building—basement only) and all tunnels/connected basements.
- Demolition presently planned for all buildings east of 25<sup>th</sup> Street beginning fall 2016. Demolition will include structural fill of basements and tunnels.
- Dome Building and Yaquina Hall will remain.

## Proposal Parameters

DAS wishes to sell the entire North Campus property, except for the Dome Building and its grounds (approximately 7.0 acres). **DAS is currently in negotiations with a third party for sale of Yaquina Hall and grounds (approximately 2.7 acres).** Considerations for proposals:

- Demolition of the buildings east of 25<sup>th</sup> Street is funded and scheduled, but not yet contracted. DAS will consider not demolishing one or several of the buildings east of 25<sup>th</sup> Street.
- Hazardous materials abatement of buildings to remain may include VCT flooring removal or not, as Buyer desires. VCT flooring removal constitutes half of the total expected abatement cost.
- DAS is willing to remain engaged in the transaction until final entitlement (comprehensive plan amendment and zoning change) decisions are made. DAS will cooperate with Buyer in signing applications as owner until closing.
- **Proposals may, but need not, include backup offers for Yaquina Hall.**
- DAS will consider a phased sale of the property.

## Submittal Requirements

Submittals may be in electronic or hard copy format, and should include the following:

- Price proposal
- Proposed development team bio/CVs
- Project timeline, including any proposed phased takedowns
- Proposed land development, including uses and approximate square footages per use, development densities, entitlement requirements
- Evidence of ability to perform; past projects, letters of credit, team references, etc.
- Confidential financial information is not required as part of this submittal.

## Process

- Due diligence information, including appraisal, is available at <http://northcampus.oregon.gov>.
- A tour of buildings may be scheduled by contacting Darrin Brightman at DAS. The grounds are generally open and accessible for self-guided outdoor tours.
- Proposals are due by 3:00 PM, September 30, 2016. Hard copy, e-mail, or fax accepted.
- All proposals will be reviewed by DAS in consultation with City of Salem staff and other stakeholders.
- Following consultation, DAS will select the proposal that best meets the State's interest. Selection will be based upon a combination of price, ability to perform, development team references, community considerations, and stakeholder input.
- DAS will negotiate terms with the proposer. If DAS is unable to agree to terms with the proposer, DAS reserves the right to rescind selection of that proposer and engage other proposers in DAS's sole discretion.

## Considerations

Please take these community interests into account when exploring uses for the property.

- **Relationship to context.** Development to the north and east of the site is primarily single-family residential. To the west and south are large scale, densely-developed medical uses.
- **Multifamily.** The City of Salem lacks multifamily land, has historically-low vacancy, and is experiencing rising rents (15% year-over-year increase).
- **Need for open space.** Appraiser recommends approximately 5 acres of contiguous park space, fronting on D Street. Others have suggested more.
- **Impact to D Street.** Neighbors like the low-traffic nature of D Street; directing most traffic to Center, Park, and 23<sup>rd</sup> will be better received than driveways on D Street.
- **Employment.** Jobs are always welcome.
- **Neighborhood-Scale Retail.** Despite the major employer across the street, the vicinity is essentially devoid of restaurant/retail options and lacks commercial-use land.

## Contact Information

Please direct questions and submit proposals to:

Oregon Department of Administrative Services  
Darrin Brightman, Real Estate Project Manager  
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Salem, OR 97301

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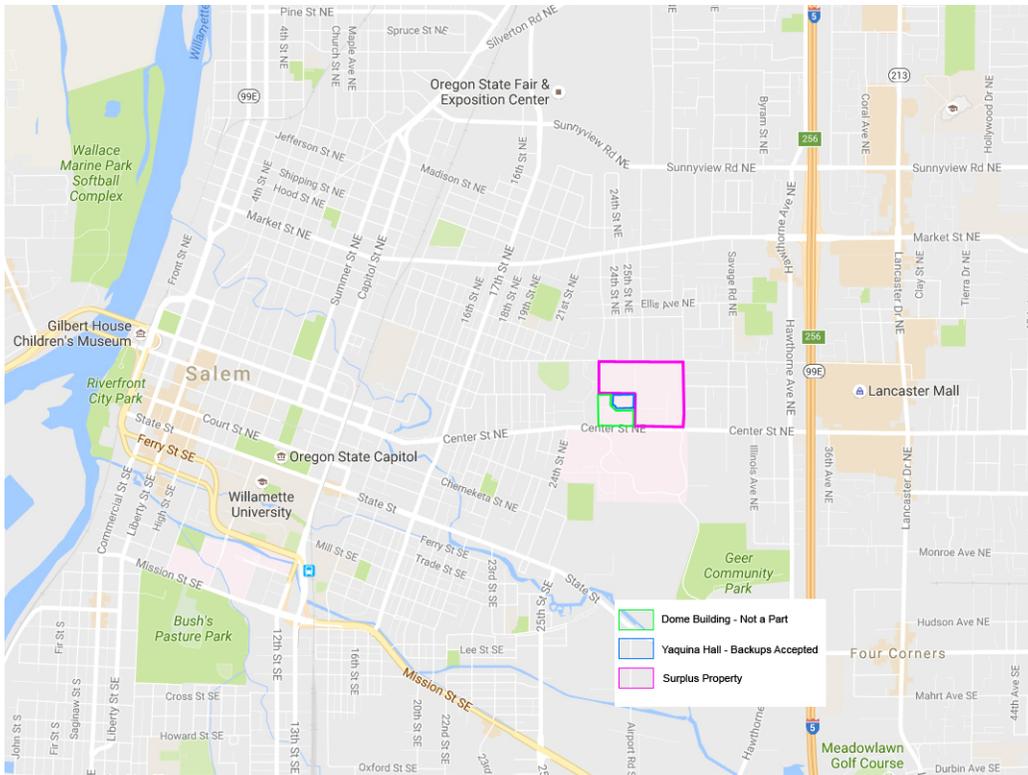


Figure 1: Location



Figure 2: Aerial View



Figure 3: Highest and Best Uses per Appraisal – NOT a proposed development plan