

REQUEST FOR PROPOSALS

DOWNTOWN JONESVILLE DEVELOPMENT OPPORTUNITY CHICAGO STREET RIVERFRONT REDEVELOPMENT

CITY OF JONESVILLE, MICHIGAN JONESVILLE DOWNTOWN DEVELOPMENT AUTHORITY

The City of Jonesville (City) and the Jonesville Downtown Development Authority (DDA) are accepting sealed proposals for the **"Chicago Street Riverfront Redevelopment."** Proposals will be accepted until such time as the City and DDA have received a proposal that they deem to be most favorable to the interests of the City and DDA. Proposals will be reviewed beginning on Monday, October 25, 2021. Proposals will be considered until the City/DDA has entered into a Pre-Development Agreement with a potential developer, or December 31, 2021, whichever occurs sooner.

Please mark sealed envelopes: "Chicago Street Riverfront Redevelopment" on the lower left-hand corner. In addition, if the proposal is to be express mailed, "Proposal Documents Enclosed DO NOT OPEN" must be conspicuously marked on the package. Faxed and emailed proposals will not be considered or accepted.

Proposals shall be submitted to:

Jeff Gray, City Manager City of Jonesville 116 W. Chicago Street Jonesville, MI 49250 jgray@jonesville.org

The City and DDA reserve the right to reject any or all proposals, to waive any informality in the proposal received, and to accept any proposal or part thereof, which it shall deem to be most favorable to the interests of the City and DDA.

REQUEST FOR PROPOSALS DOWNTOWN JONESVILLE DEVELOPMENT OPPORTUNITY CHICAGO STREET RIVERFRONT REDEVELOPMENT

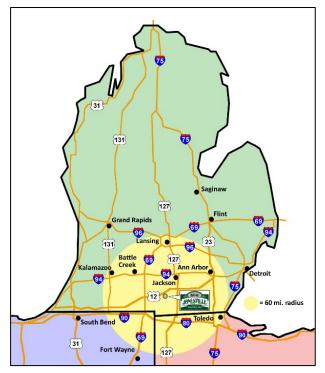
The City of Jonesville (City) and the Jonesville Downtown Development Authority (DDA) are seeking experienced development entities that have demonstrated success in executing highly complex redevelopment projects. The selected entity will be the City/DDA's redevelopment partner for the project. The selected developer will be responsible for coordinating all development activities, including, but not limited to: conceptual and final site plans, project pro formas, property acquisition, market and feasibility studies, securing private sector equity and financing, and partnering with the City of Jonesville and Jonesville DDA to facilitate all project components, including the potential use of public financing and other incentives. Should the City select a developer, it will require that the developer enter into a Pre-Development Agreement regarding their due diligence responsibilities. Any final development plans will be subject to negotiation of a complete development agreement between the City/DDA and developer, as well as the City's development review process.

BACKGROUND

Jonesville is located in southern Michigan at the intersection of US-12 and M-99. The City is approximately 30 minutes south of Jackson and approximately 20 miles north of the point where the Michigan, Indiana and Ohio borders meet. The City is well-positioned within an hour drive to several cities in the three states, with good access to area interstates.

Jonesville is about 2.9 square miles and has a population of 2,258 residents (2010 Census). Despite its small size, the City boasts a diverse economy that includes professional services, retail and manufacturing. Industry includes a large international fabrication company, as well as several smaller shops and manufacturers, including several locally- and family-owned businesses.

Downtown Jonesville has established a reputation as a destination for food and arts. Our restaurants



are widely known, with Jonesville often recognized as a top small town for food. We boast an active and vibrant community theater. There are many service and retail offerings, as well. Andrew Mack and Sons Brush Company, Jonesville Lumber, and Powers Clothing – the nation's oldest Carhartt retailer – are all centennial businesses in the Downtown.

The DDA is active in Downtown maintenance, having upgraded the streetscape and investing in several public parking improvements. The City takes great pride in its efforts to maintain and improve its streets and other public infrastructure.

DETAILED DESCRIPTION OF SITE AND OPPORTUNITY

The City of Jonesville and the Jonesville DDA collectively own three parcels in the Downtown. The primary parcel includes a vacant 68,500 square foot former manufacturing building, depicted as Parcel I on Attachment A. Parcel II is a small parcel, formerly used for parking. It is separated from Parcel I by a Consumers Energy substation; there is an access easement across the rear of the substation property that connects Parcel I and II. Parcel IV was acquired by the City and DDA in anticipation that additional parking would be needed to accommodate the redevelopment.

The property provides a unique redevelopment opportunity, overlooking the St. Joseph River, and with frontage on US-12/Chicago Street. Traffic counts taken in 2020 put the Average Daily Traffic (ADT) on US-12/Chicago Street in the vicinity of the site at 11,866 vehicles per day.

The property was acquired by the City and DDA in 2010. Previously, the structure on Parcel I was operated from 1945 until 1986 by Vaco Products, a manufacturer of metal hand tools. Klein Tools purchased the building in 1986 and continued to manufacture metal hand tools until approximately 2008. The historic development of the existing building is illustrated in Attachment 2.

Known historical uses of Parcel I date back to 1884 and include Jonesville Woolen Mill building, as well as a restaurant, an engineering business, a steam printing business, a meat market, a fire house, hardware store, tin shop, photo shop, shed, icehouse, agricultural implements store, wagon shop, bowling alley, paint shop, dwelling, machine shop, laundry cleaning and pressing business, carpenter shop, auto garage, hardware store, auto repair facility, hay rack factory, auto sales business, and a lodge/hall.

ENVIRONMENTAL CONSIDERATIONS

The property has existing subsurface contaminants typical of a manufacturing site of its age. A baseline environmental assessment (BEA) conducted on behalf of the City in 2011 found known areas of volatile organic compounds (VOCs), polycyclic aromatic hydrocarbons (PAHs), metals, and trichloroethylene (TCE). The BEA includes both a Phase I and two Phase II Environmental Assessments, as well as soil and groundwater test results.

A Due Care Compliance Plan was completed in 2019 through a grant from the Michigan Department of Environment, Great Lakes and Energy (EGLE). The Plan includes additional subsurface tests, as well as indoor air sample results.

These environmental reports can be viewed on the City's website at: <u>http://www.jonesville.org/redevelopment.aspx</u>.

DEVELOPMENT TOOLS - The City and DDA will assist the developer with public financing options with a number of local, state and federal tools.

- **Tax Increment Financing (TIF).** The use of Downtown Development Authority TIF may be used to cover eligible public infrastructure costs.
- State and Federal Incentives. The City will work with the developer to secure any available State and Federal incentives, including the Michigan Economic Development Corporation (MEDC) Community Revitalization Program and/or Community Development Block Grant (CDBG); remediation grants and loans from the Michigan Department of Environment, Great Lakes and

Energy (EGLE) or Environmental Protection Agency (EPA); and the Michigan Natural Resources Trust Fund (MNRTF) grant through the Michigan Department of Natural Resources (MDNR), if applicable. The City has previously worked closely with EGLE staff for environmental evaluations; EGLE has advised that they will consider grant and loan proposals for qualifying developments.

• **Property.** The building and land controlled by the City and DDA is available to the selected developer to purchase, as deemed appropriate based upon the project needs. The developer will negotiate with the Jonesville DDA/City on the sales price of the property. The City and DDA may consider a below market sale price to assist with a development that expands tax base and/or job creation in the Downtown. The DDA and City may consider partnering in the development of aspects of the project, particularly if public parking and/or public utilization of the riverfront are necessary to the redevelopment.

RFP CONCEPT GUIDELINES

The City and DDA are seeking a proposal that will maximize land values, and result in a design and use that compatible with existing uses in the Downtown. The purpose of this RFP **is not** to require prospective developers to fully design the project. On the contrary, the intent is to generate a design concept that the developer, City, and DDA feel has market potential and will be an improvement to Downtown Jonesville. The following guidelines are provided to assist in the development of a design concept for the redevelopment site:

- The DDA and City prefer that the property be redeveloped for a "Downtown compatible" use. The preferred building use or uses would include retail, office, food service, residential, or other uses similar to existing businesses Downtown.
- However, the DDA and City will entertain proposals for any viable re-use or redevelopment of the building that will result in the creation of new jobs and/or tax base in the Downtown.
- The building design would be consistent with the appearance and site design that exists Downtown, as stated in the form-based regulations for Downtown buildings. The City's formbased regulations are included on the City's website at: http://www.jonesville.org/redevelopment.aspx.

RFP CRITERIA

Along with a concept plan, the City of Jonesville and Jonesville DDA are requesting that interested developers submit qualifications. The amount of information submitted is not limited to a set number of pages, but we ask that you be concise and mindful of the review team. The proposal must include a Letter of Interest, as well as the following content:

- **Development Entity.** Identify the development entity that would enter into a Pre-Development Agreement with the City/DDA, including all intended partners to the extent known at this time. Please indicate complete listing of names, titles, addresses, and phone numbers, as well as the primary contact person.
- **Relevant Experience**. Provide evidence of a substantial development project(s) that the development entity is currently undertaking or has completed. Please provide at least one reference for the City/DDA to contact in relation to each applicable project. Allow proprietary information related to prior development to be reviewed by select members of the review team if requested.

• **Financial Capacity**. Provide evidence of developing and financing similar projects. A sworn statement certifying that the submitting entity is not delinquent to any local, County, State or Federal taxing jurisdiction in any property, income, or business taxes must also be provided.

EVALUATION CRITERIA

Respondents shall provide sample reports, plans, schedules, financing strategies and photos of completed projects, as well as awards, recognition of successful project and partnerships The best candidate will demonstrate the following:

- a. Years of experience in the field of large-scale development projects, including experience in Downtown redevelopment.
- b. Qualifications, financial capacity and track record of key personnel and the development entity.
- c. Ability to seek and secure multi-layer financing tools, coordinate complex construction schedules and lead a public/private partnership team and the capacity to deliver the overall project, as well as reasonable estimates of project costs and sources and uses of funds.
- d. Experience with brownfield redevelopment, including contaminated sites.
- e. Compatibility of the conceptual design and proposed use(s) with the Downtown.
- f. The evaluation criteria are intended to assist the review committee in comparing and assessing the qualifications; however, the determination of the most qualified entity or the most appropriate proposal may incorporate additional criteria or considerations.

SELECTION PROCESS

A Review Committee made up of representatives from the City, DDA, and representatives from related City Boards and Commissions will evaluate the qualifications based upon the criteria above. Proposals will only be accepted if the entity is deemed qualified under the qualifications criteria. The Review Committee will determine if there are one or more development entities/teams and conceptual proposals to consider further. If the evaluation results in more than one proposal being considered, then there will be an interview process to further evaluate the experience and qualifications of the key personnel. The review team will take their recommendation to the DDA and the City Council. City Council will make the final decision.

Upon selection of one development entity or team, the City and DDA would enter into a Predevelopment Agreement that would include a defined timeline in which the developer will conduct additional due diligence in partnership with the City, and the City would commit not to sell the properties to anyone else during that defined term. During that due diligence phase the developer would be expected to further define the project scope, design and program, as well as to advance the financial evaluation of the site and conduct appropriate feasibility studies.

During the pre-development phase the City/DDA will perform a detailed review of the developer's financial capacity to complete the proposed project, among other considerations, which will also be reviewed. At the end of the time defined in the pre-development agreement the City/DDA and Developer would evaluate the results of the due diligence and determine if there is a feasible and mutually beneficial redevelopment project for the site that would justify moving toward negotiation of a development agreement.

The City and DDA reserve the right to reject any or all proposals, to waive any informality in the proposal received, and to accept any proposal or part thereof, which it shall deem to be most favorable to the interests of the City and DDA. The public entities are not liable for any costs incurred by any developer prior to the negotiation, approval and execution of a development agreement.

ADDITIONAL INFORMATION

Questions and Inquiries

Any and all questions related to this RFP must be submitted in writing by 12:00 pm, Friday, October 15, 2021. No questions will be accepted after that time. Answers to questions will be provided on the City's project webpage (<u>http://www.jonesville.org/redevelopment.aspx</u>) on, or before 4:30 p.m. on Wednesday, October 20, 2021. All inquiries related to this RFP must be directed, in writing to:

Jeff Gray, City Manager City of Jonesville 116 W. Chicago Street Jonesville, MI 49250 jgray@jonesville.org

Acceptance of Responses

The RFP is not a binding agreement. Responses to the RFP will be evaluated, as cited herein, and respondents will be notified whether they have been chosen to proceed in the process. Submissions will be kept confidential, as permitted by law. The anticipated timeline for the selection process is outlined, as follows:

- September 17, 2021 RFP Issued
- October 6, 2021 Building open house, 4:00 p.m. to 6:00 p.m., 121 Water Street
- October 15, 2021 Written questions/requests for clarification due by 12:00 p.m.: email to jgray@jonesville.org
- October, 20, 2021 Responses to written inquires posted to city's website <u>http://www.jonesville.org/redevelopment.aspx</u>
- October 25, 2021 Review Committee will begin reviewing proposals, as they are received.
 Written Proposals shall include: Nine (9) copies of the Proposal, along with one electronic copy (on CD or thumb drive) of proposal shall be submitted, as follows:

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- Following review of proposals, finalist firms will be selected for further consideration. If deemed warranted, interviews of a firm or firms will take place prior to recommending a firm to the City and DDA.
- Execution of a pre-development agreement would allow the selected firm to conduct due diligence and develop a project design and scope for consideration by the City and DDA.

Conflict of Interest

The respondent should disclose any conflicts of interest, in writing, to the City of Jonesville/Jonesville DDA. The City of Jonesville/Jonesville DDA will consider the nature of the respondent's responsibilities and the degree of potential or apparent conflict in deciding the course of action that the respondent needs to take to remedy the conflict of interest.

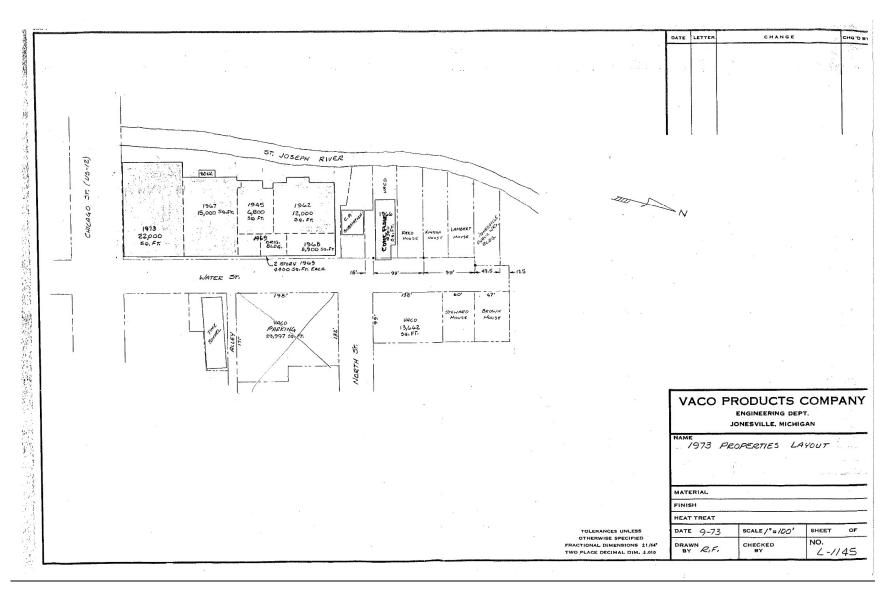
A conflict of interest exists wherever an individual could benefit directly or indirectly from access to information or from a decision over which they may have influence and also includes a perceived conflict where someone might reasonably perceive there to be such benefit and influence.

A conflict of interest occurs when a staff member or consultant attempts to promote a private or personal interest that results in an interference with the objective exercise of their job responsibilities, or gains any advantage by virtue of his/her position and working relationship with the City of Jonesville and Jonesville DDA.

Conflicts of interest may be real, potential or perceived. Failure by the respondent to disclose a conflict of interest, be it real, potential, or perceived, will result in disqualification.

Attachment 1





Attachment 2