



OFFICE OF COMMUNITY DEVELOPMENT

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REQUEST FOR QUALIFICATIONS
DEXTER DOWNTOWN DEVELOPMENT AUTHORITY
DOWNTOWN REDEVELOPMENT OPPORTUNITY
CITY OF DEXTER, MICHIGAN

Sealed proposals for a **“Dexter Downtown Redevelopment Opportunity”** will be received by the Dexter Downtown Development Authority (DDA) up to **2:00 P.M. on July 1, 2015**, at which time they will be **publicly opened at the City of Dexter offices at 8123 N. Main Street, 2nd floor, Dexter, MI 48130.**

Please mark sealed envelopes: “Dexter Downtown Redevelopment Opportunity” 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 proposals will not be considered or accepted.

The Dexter DDA reserves 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 Dexter DDA and City of Dexter.

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The Dexter Downtown Development Authority (DDA), together with the City of Dexter is seeking experienced development entities that have demonstrated success in executing highly complex redevelopment projects. The selected entity will be the DDA/City's redevelopment partner for the project. The selected developer will be responsible for coordinating all development activities, including, but not limited to: holding community charrettes, conceptual and final site plans, project pro formas, property acquisition, market and feasibility studies, securing private sector equity and financing, and partnering with the Dexter DDA and City of Dexter 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 DDA/City and developer, as well as the City's development review process.

BACKGROUND

Nestled along the banks of the Huron River and Mill Creek, the City of Dexter is a vibrant community, located in Southeast Michigan. Dexter is a bedroom community approximately 8 miles west of Ann Arbor, the home of the University of Michigan. Dexter has a historic, picturesque downtown, existing client base, and strong traffic flow generated by northern Washtenaw County and southern Livingston County residents accessing I-94 via downtown Dexter.

Dexter has a growing population; experiencing a 74% increase in population between 2000 and 2010, growing from 2,338 to 4,067. The population increased another 16% by July 2014, growing to 4,731. The city boundaries encompass a total area of approximately two (2) square miles. Dexter's community profile can be accessed by clicking the following link:

<http://semcog.org/Data-and-Maps/Community-Profiles/Custom/view/Default/Communities=4030>

For a small town, Dexter's economy is diverse, with professional services, retail, and automotive parts and medical devices manufacturing, and value-added agricultural establishments, such as Northern United Brewing Company, home of Jolly Pumpkins Artisanal Ales and North Peak Handcrafted Brews, Dexter Cider Mill, the oldest cider mill in Michigan, the Dexter Bakery, and Hackney Hardware among others.

In recent years, Dexter has emerged as a regional entertainment, cultural and recreational destination; a dynamic place to live, work and play. The downtown features an assortment of restaurants, retail shops and galleries that, together with streetscape improvements, contribute to a pedestrian friendly environment and enhance the shopping experience. The downtown also hosts a successful Farmers' Market and well attended seasonal festivals. The Market is a source of community pride, offering shoppers an array of goods, from fresh fruits and vegetables to farm fresh eggs and maple syrup. Dexter Daze and Civil War Days are but two of the seasonal festivals that draw hundreds of visitors to the downtown every year.

Dexter's award winning Mill Creek Park is a 2.15-acre park located beside the Mill Creek, which flows into the Huron River. One of the Parks' most coveted and utilized amenities is the ¼-mile pedestrian path that leads visitors across the Mill Creek and through wetland habitat, before connecting them to the West Ridge neighborhood or an additional 5 miles of trail, which leads to Hudson Mills Park, a Huron Clinton Metroparks Authority (HCMA).

Over the last 30 years or so, the City and DDA have worked hand-in-hand to improve the downtown business district aesthetically and functionally. A beautiful streetscape with plenty of on-street parking and wide sidewalk compliment the historic architecture in the downtown. One of the goals of the City and DDA has been to move existing manufacturing businesses out of the downtown and redevelop those properties to increase residential living and retail opportunities in the downtown.

DETAILED DESCRIPTION OF SITE AND OPPORTUNITY

The Dexter DDA and City of Dexter are pleased to offer a premier redevelopment opportunity in downtown Dexter, with direct frontage that overlooks Mill Creek and the City's award winning Mill Creek Park.

The Dexter DDA and City of Dexter collectively own four parcels equaling approximately 3 acres, northwest of Main Street, between Grand and Forest Streets, and directly fronting onto the City's award winning Mill Creek Park, in downtown Dexter (Attachment A). These parcels include 3045 Broad Street, three vacant lots (8077-8087 Forest Street and 8090 Grant Street), and Broad Street, which may be relocated. The 3045 Broad Street property surrounds a DTE substation on 3 sides (Attachment B). The DDA/City has a verbal commitment from DTE to decommission the sub-station in late 2015. Negotiations are currently underway regarding transfer of ownership. Hence, this property will be included in the redevelopment project area. The entire development project area is shown in.

This project area has great residential, retail and office potential due to its location overlooking Mill Creek and Mill Creek Park, as well as its close proximity to downtown Dexter.

Consideration of community goals is an important aspect of the redevelopment opportunity. Community conversations have been taken place. Notes from which have been compiled and are attached to this document (see Attachment B) in order to give interested developers current community input. This community input was a response to the following discussion topics, context (elements to consider surrounding the site itself), uses, density and design. The selected developer will be expected to engage the community in additional meetings, including a requirement to undertake a public charrette process.

DEVELOPMENT OBJECTIVE

The Dexter DDA and City of Dexter have set the following parameters for developer consideration, as general guidelines for the eventual preparation of a site development concept. The Dexter DDA and City are seeking a vision that will maximize land values, urban design and community integration:

1. Developer, through a collaborative process, will present concept or vision for the entire site. The concept can be phased in stages.
2. Mixed land use and mixed income residential is preferred.
3. High density, multi-story buildings with zero setbacks presenting an urban street wall are preferred.
4. Projects that benefit the local tax base of the community will be preferred.
5. Mill Creek Park should remain open with pedestrian access, a trailhead at the end of Grand Street.
6. Limit surface parking; promote use of shared parking, public parking and parking structures.
7. Design-enhanced streetscape, infrastructure, lighting.
8. Consideration to public art will be favorable.
9. Developer will negotiate with the Dexter DDA/City on sales prices.
10. The Dexter DDA and City will assist developer with public and private financing options with a number of local, state, and federal tools.

ADDITIONAL INFORMATION

- **Market Demand** - An important aspect of any project is an understanding and quantifying, to the degree possible, market demand. It is expected that the appropriate market analysis work be completed to justify the proposed uses. The Dexter DDA and City of Dexter are working with the Michigan State Housing Development Authority (MSHDA) on a residential target market analysis to encourage and promote greater opportunities for downtown living, coupled with the need to have a solid understanding of the housing market potential. The DDA/City is also exploring undertaking a retail market study to quantify that demand. As soon as these resources are available, they will be posted on the City's web site. The developer may need to conduct additional market studies.
- **Charrette Process.** The National Charrette Institute (NCI) provides a number of excellent resources for undertaking charrettes. While the project may not lend itself to the full NCI specifications, a number of the techniques and approaches will be useful to this project. The City and the selected developer will collaboratively define this process.

DEVELOPMENT TOOLS

- **Tax Increment Financing (TIF).** The use of Downtown Development Authority TIF and Brownfield Redevelopment Authority TIF may be used to cover public infrastructure costs.
- **Land.** The land controlled by the DDA and City is available to the selected developer to purchase, as deemed appropriate based upon the project needs.
- **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 specifically geared for projects of this nature, and Community Development Block Grant (CDBG) through MSHDA.
- **Decommissioning of DTE Electrical Sub-Station.** The DDA/City has a verbal commitment from DTE to decommission the sub-station.

RFQ CRITERIA

The Dexter DDA and City of Dexter 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 Memorandum of Understanding with the DDA/City, 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.
- **Project History.** Provide evidence of a substantial mixed-use project(s) that the development entity is currently undertaking or has completed. A substantial project is defined as having a minimum private sector investment of \$10 million and includes one or more of the following uses: retail, residential, office, entertainment, and parking. Please provide at least one reference for the DDA/City 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

The selection of the RFQ short list developers will be based upon the following criteria.

- a. Years of experience in the field of large scale master development projects, including experience in urban mixed use redevelopment (i.e. residential, office, retail, institutional (20 points)
- b. Qualifications, financial capacity and track record of key personnel and development entity (15 points)
- 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 (15 points)
- d. Experience with brownfield redevelopment and with low-impact development, including innovative storm water management systems. (15 points)

- e. Proven experience conducting community input/visioning sessions and/or design charrettes (15 points)
- f. Provide sample reports, plans, schedules, financing strategies and photos of completed projects (10 points)
- g. Provide awards and recognition of successful project and partnerships (10).

The proposed scoring is 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 team made up of representatives from the City, DDA, professional consultants, and representatives from related City Boards and Commissions will evaluate the qualifications based upon the point system above. Proposals will only be scored if the entity is deemed qualified under the qualifications criteria. The review team will determine if there are one or more development entities/teams and conceptual proposals to consider further. If more than one submittal scores well when evaluated, 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 DDA and City would enter into a Pre-development 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 conduct public charrettes as previously discussed and further define the project scope, design and program. They would also be advancing the financial evaluation of the site and conducting appropriate feasibility studies.

During the pre-development phase the Dexter DDA/City 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 Dexter DDA/City 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 Dexter DDA and City of Dexter reserves the right to reject or accept any and all proposals received. 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

- **Inquiries**

Any and all questions related to this RFQ must be submitted in writing by 5:00 pm, June 8, 2015. No questions will be accepted after that time. Answers to questions will be provided on the City's website (<http://www.dextermi.gov/doing-business-village-2>) on, or before June 17, 2015. All inquiries related to this RFQ must be directed, in writing to:

Michelle Aniol
Community Development Manager
City of Dexter
8123 Main Street
2nd Floor
Dexter, MI 48130
734-426-8303 ext. 15, maniol@dextermi.gov

- **Acceptance of Responses**

The RFQ is not a binding agreement. Responses to the RFQ will be assessed in light of the qualifications criteria, and will be notified whether they have been chosen to proceed in the process by July 23, 2015. Submissions will be kept confidential, as permitted by law.

- **CONFLICT OF INTEREST**

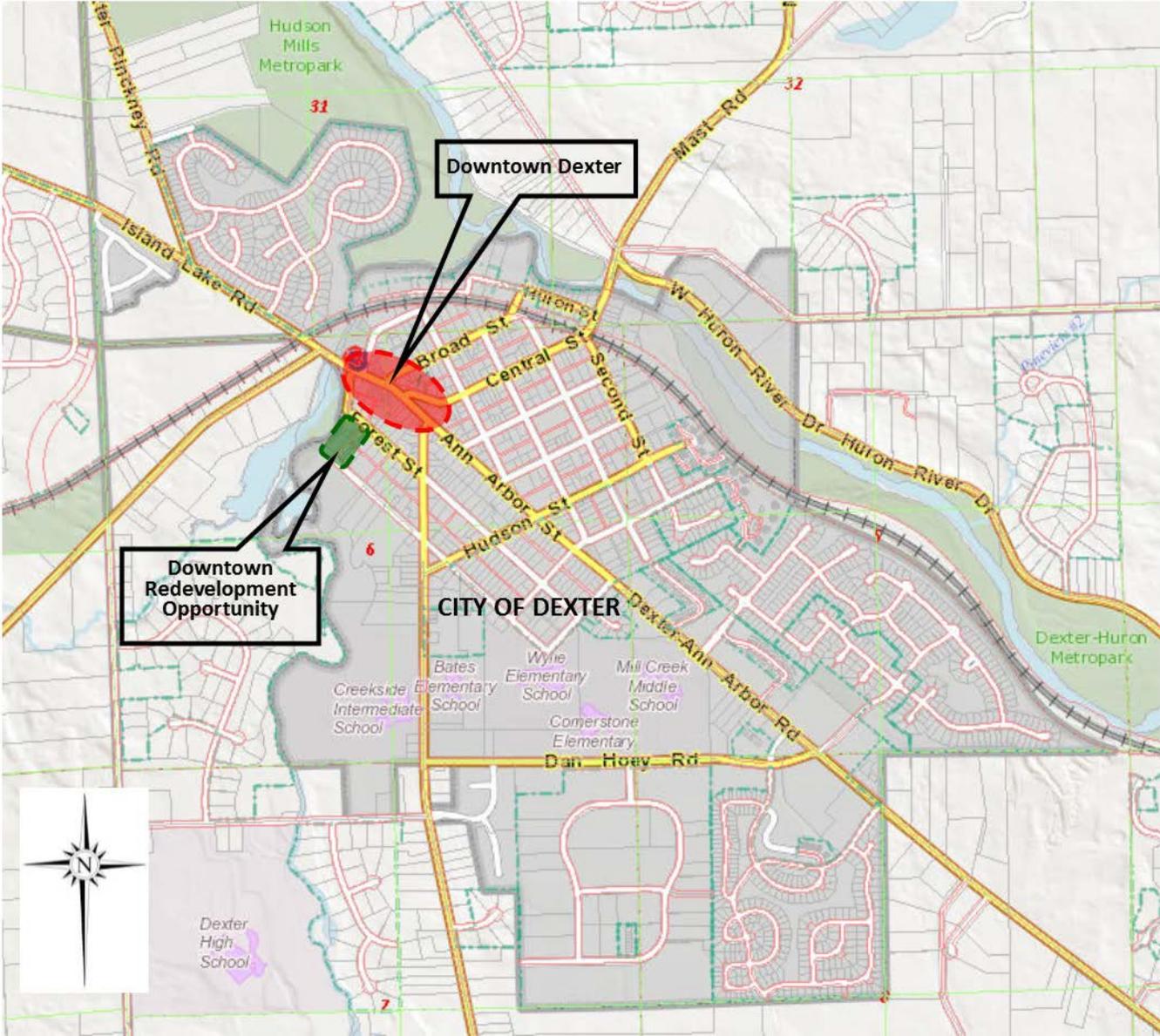
The respondent should disclose any conflicts of interest, in writing, to the Dexter DDA/City of Dexter. The Dexter DDA/City of Dexter will consider the nature of the respondent's responsibilities and the degree of potential or apparent conflict in deciding the course of action that the respondent needs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

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 A



Attachment B

