

CITY OF
MONROE
Michigan

REQUEST FOR PROPOSALS
Redevelopment of 212 E. Front





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Redevelopment of 212 E. Front St.
October 27, 2023

Purpose and Overview

The City of Monroe is accepting proposals for the acquisition of the city-owned property at 212 E. Front St. in downtown Monroe, and its renovation and redevelopment for commercial or mixed-use. The basis of this Request for Proposals (RFP) is to provide potential developers with information regarding the facility, the City's goals for redevelopment, as well as outline the format for proposals and process for reviewing and selecting a successful developer.

The overall intention is to select a qualified, experienced and capitalized developer that the City will negotiate with in defining the overall project and redevelopment of the property that best addresses the needs of the community and is consistent with the overall goals of the City as described in the next section of this document.

Specifically, this property is being marketed for potential reuse as a commercial or mixed-use development that contributes to the vibrant economic growth and vitality of Downtown Monroe and the City as a whole. Identified uses include, but are not limited to, restaurant, retail, event center, residential, entertainment and office uses. The property is located within the Downtown Monroe Historic District on the shores of the River Raisin and is prominently located within the Downtown Monroe Social District with walkable distance to regional amenities and destinations in Downtown Monroe, including the Riverwalk, Soldiers & Sailors Park, Altrusa Park, Government Plaza, the River Raisin Centre for the Arts, Sawyer House and others. The finished square footage of the building is 11,832 sq. ft. with the original single-story building constructed in 1928 consisting of approximately 6,180 square feet and a two-story addition completed in 2000 totaling approximately 5,652 square feet. The building also has two dedicated parking lots with a total of 52 parking spaces, as well as nearby on-street parking and two adjacent or nearby city-owned public parking lots.

RESPONSE DATE

Proposals will be accepted until 10:00 a.m. (EDT), on December 11, 2023 to the office of the Clerk-Treasurer via the Michigan Intergovernmental Trade Network (MITN)/BidNet Direct at <https://www.bidnetdirect.com/mitn>. Proposals may also be submitted via email, mail or hand delivery to:

City of Monroe
ATTN: Clerk/Treasurer
120 E. First St.
Monroe, MI 48161
michelle.lavoy@monroemi.gov

QUESTIONS

Questions regarding this RFP and project should be directed to:

Amy Zarend
Economic Development & Authorities Coordinator
City of Monroe
120 E. First St.
Monroe, MI 4861
(734) 384-9172
amy.zarend@monroemi.gov



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BIDDER RESPONSIBILITY

Each bidder shall have the responsibility to fully acquaint themselves with all aspects of the conditions surrounding this redevelopment project and any or all of the other requirements as set forth in this document.

Tours of the building interior and site are available by appointment on Thursday, November 9, 2023 between 10:00 a.m. and 5:00 p.m. Prospective developers are welcome to bring contractors or other professionals to evaluate the building and City staff will be available to answer questions. Please contact Amy Zarend, Economic Development & Authorities Coordinator, at amy.zarend@monroemi.gov or (734) 384-9172 to set your appointment time. Developers may inspect the building and its infrastructure, as long as such investigations do not disturb or destroy the building. Follow up inspections may also be scheduled with City staff.

ALTERNATES OR ADDENDUMS

Explanations desired by a prospective bidder shall be requested of the City in writing prior to Tuesday, November 21, 2023 at 4:30 p.m. If explanations are necessary, a reply shall be made in the form of an Addendum, a copy of which will be forwarded to each bidder. No inquiry or request received after this date will be given consideration. Every request for such explanation shall be in writing and addressed to Ms. Zarend at the contact information listed above.

INCURRING COSTS

The City is not liable for any costs incurred by the interested development team prior to entering into a development agreement with the selected development team.

MATERIALS SUBMITTED

All materials submitted as part of the proposal will become property of the City. The City reserves the right to use any or all of the ideas presented.

CITY'S RIGHT TO MODIFY TERMS

The City of Monroe reserves the right to negotiate with the successful bidder for a change in terms of the proposal and to make adjustments relative to the implementation of a change that reduces or modifies the need for the services as called for in this document. If the City and successful bidder are unable to agree on a revised proposal, the City may seek new proposals.

RFP EVALUATION & SELECTION PROCESS

Proposals received will be reviewed for completeness by City Administrative Staff. A Proposal Review Committee will review applications with finalists being selected to present their proposal to the Review Committee at a time and date mutually agreed upon by the potential developer and the Review Committee. Virtual meetings may be considered. Proposals received will be reviewed against the criteria defined in this RFP. Following the review and presentations, the Committee will prepare a recommendation to City Council who will be the final decision makers regarding the selection of any development team. The City reserves the right to reject any or all submittals, to terminate negotiations at any time, or to redistribute the Request for Proposals with different criteria or different submittal dates.

DEVELOPMENT AGREEMENT EXECUTION

The successful bidder shall, within sixty (60) calendar days after the notice to award, enter into a written development agreement with the City. Failure to execute such an agreement will be considered cause for an annulment of the award.

Property Description

The property is located within the City's Historic Downtown at 212 E. Front St. along the banks of the River Raisin. The Property also includes the vacant, city-owned parcel at 26 Scott Street which the City would require the lots be combined into a single parcel. The total size of the two properties is 2.12 acres with approximately 137 feet of frontage along South Macomb Street and 257 feet of frontage facing the River Raisin on East Front Street. The original single-story portion of the 11,832 total square feet building was constructed in 1928 with a two-story addition constructed in 2000. Past use included most recently the operations center of Monroe Bank & Trust, later First Merchants Bank (commercial office). Other previous uses include residential and commercial including a Sears & Roebuck, offices, bank, battery shop and radio repair. The property is located within Monroe's Downtown Development Authority's ("DDA") Development Area and is located within the Old Village Historic District. Initial architectural investigations have indicated the Property could feasibly be divided into two separate buildings.

There is a parking lot included in the Property on the west side of the building with a total of 34 parking spaces. An additional parking lot is on the east side of the building with a total of 18 parking spaces. The parcel currently includes the parking lot on the south side of the Property which the City intends to split off and remain property of the City for public parking and County employee parking.





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The property is zone MU-2: Corridor Mixed Use with permitted uses including, but not limited to:

- Restaurants/Bar/Breweries/Wineries/Cideries
- Retail
- Commercial/Residential Mixed-Use
- Office
- Hotel (Special Use)
- Music/Dance/Martial Arts Studios (Special Use)

The property is also included in the Downtown Monroe Social District and nearby amenities within walking distance include the Downtown Central Business District, Government Plaza, the city-owned Sawyer House event center, Downtown Riverwalk, several riverfront parks including Soldiers & Sailors Park, Altrusa Park and St. Mary's Park. Downtown Monroe is also located just a mile from the River Raisin National Battlefield Park, a unit of the National Park Service, and five miles from Sterling State Park. Combined these two sites attract nearly 1.5 million visitors annually. The Property is also located within the Downtown Monroe Social District.

The building is completely built out with an operational elevator, fire suppression system and partial basement. Total first floor space of the entire building totals approximately 9,175 sq. ft. and second floor square footage totals 2,657 sq. ft.

HISTORY OF THE SITE

The original building was constructed in 1928 and operated as a Sear & Roebuck commercial and auto repair center, as well as other past uses including a battery shop, radio repair business, offices and bank. Most recently the property was used as the operations center (commercial office) for Monroe Bank & Trust, later First Merchants Bank. In 2000, Monroe Bank & Trust constructed the two-story addition on the east side of the building. The City of Monroe purchased the property from First Merchants Bank in 2022 as potential use for a new Police Headquarters and to acquire the large parking lot on the south area of the Property. The City decided to instead proceed with plans to construct a new Public Safety Headquarters addition to its recently constructed fire station just outside the downtown. Since then, the property has remained vacant, though the City has continued to maintain the property.

Environmental Conditions:

The City of Monroe completed the Phase I and Phase II Environmental Site Assessments and the reports are available upon request. While there was some concern regarding underground soil gas, the City completed additional soil gas borings and they did not exceed allowable levels. The City has conducted two quarters of indoor air sampling with no concerns being found. An additional two quarters are recommended to ensure conditions have not changed with the seasons.

The City of Monroe will assist in obtaining grants or loans to fund continued sampling or other environmental mitigation (if necessary).

Redevelopment Objectives

The proposed redevelopment should meet the goals of the City's master plans, including the Downtown Development Authority's (DDA) Master Plan. Additionally, the City has completed several retail market analyses that have identified a need for additional downtown housing, restaurants and breweries/wineries/cideries that provide a positive experience, specialty markets and grocery, and unique retailers offering home goods, clothing and gifts.



Project goals include:

- Have a catalytic impact on the surrounding area and thus creating a more dynamic downtown environment.
- Increase pedestrian population that contribute to the walkable environment of Downtown Monroe,
- Utilize the exterior space of the Property to add to the public realm through either sidewalk shopping, outdoor patio space, usable greenspace, etc..
- Attracting diverse businesses that will fill an identified market as described in the DDA Master Plan's Recommended Business Mix,
- Expand the City's tax base for the benefit of the DDA TIF (Tax Increment Financing) District,

Purchase Price & Redevelopment Incentives

The purchase price of the building is negotiable based on the selected proposal and potential for other economic development and quality of life benefits to the City. The City is requesting that respondents provide a purchase price range they believe would be applicable based on their initial review of the building, estimated redevelopment costs, and financial pro-forms. The agreed upon purchase price will be negotiated and incorporated into a written Purchase Agreement after the City selects the preferred proposal.

The City enjoys a positive relationship with the Michigan Economic Development Corporation (MEDC) and is committed to working with a developer to explore economic development incentives available at the local and state levels.

As the Property is located within the DDA District, the City would prefer not to offer local property tax abatements, although if such abatements would be fiscally required to facilitate to the Property's redevelopment for a highest and best use that strategically meet the City's redevelopment master plans, property tax abatements may be considered. Respondents should indicate in their proposal whether or not such abatements would be requested.

It is unlikely given the environmental assessments completed by the City thus far that environmental due care or response could reach a significant portion of project costs, but in the event the costs



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are significant, the City is willing to assist a developer through the City's Brownfield Redevelopment Authority (BRA). The City of Monroe is a member of the Downriver Community Conference Brownfield Consortium with resources available for assessments and response activities.

Redevelopment teams are urged to suggest other innovative approaches for financial incentives that may be requested.

Proposal Format & Evaluation

FORMAT & CONTENT

Proposals are to be written using the following format and describing the specific components in sufficient detail to enable evaluation of the proposal. Additional information can supplement the proposal that may best demonstrate the capacity of the developer to complete the project. Proposals cannot exceed 20 pages (excluding financials).

1. **Developer:** Name, address, email address, phone number and contact names and titles of project point of contacts.
2. **Background & Experience:** Provide a resume and bio for each of the principals involved in the project including examples of projects completed that are similar in scope to the project being proposed.
3. **Overview:** Narrative statement that explains in detail the proposal for the redevelopment of the Property. Be specific as to the uses being proposed. If a mixed-use or multi-use redevelopment is proposed, list the names or types of potential tenants and which portion of the Property they would occupy. Describe the project's compatibility and consistency with the goals of the City and its commitment to historic preservation.
4. **Financial Plan/Pro-Forma:** Outline the proposed financial plan for the project including how the project is to be financed and an estimated breakout of the anticipated project costs. Include any information that shows how financing will be secured and evidence of capacity to obtain project financing.
5. **Purchase Price Range:** Provide a purchase price range that the respondent believes is achievable based on initial review of the building, estimated redevelopment costs, and financial pro-forma. The range provided will be non-binding and final agreed upon purchase price will be negotiated as part of a written Purchase Agreement.
6. **Anticipated Time Frame:** Prepare a detailed time line that indicates the proposed timeline for completing major components of the project, including project phasing, with the anticipated completion target for occupancy of the building.
7. **Economic Impact:** Describe the anticipated economic impact of the proposed project in terms of the benefits including job creation or retention, property and sales tax generation, etc...



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- 8. Planned Building Improvements/Exterior Uses:** Provide a description of the improvements and any alterations or modifications that will be initiated to the interior and exterior of the building. Provide a draft rendering of the floor plan of the proposed improvements.
- 9. Historic Preservation:** As the Property is located within the Old Village Historic District, exterior renovations will require review and approval of the Historic District Commission. It is the desire of the City to maintain the historic and classic features of the original structure's façade, including restoration of previously covered exterior elevations. Please describe how you will address this within your project plans.

PROPOSAL EVALUATIONS:

A Proposal Review Committee will be comprised of City Personnel, a representative of both the Downtown Development Authority (DDA) and Monroe County Business Alliance and will review the proposals received in response to this RFP. The Review Committee will select the top three proposals to present their proposal to the Review Committee at a date and time mutually agreeable between the redevelopment team and the Committee. Virtual meetings may be considered. Following the presentations, the Review Committee will make a final recommendation to the City Council of the proposal that best addresses the objectives set forth and meets the needs of the community, specifically the Downtown.

The following factors and criteria will be considered in evaluating proposals submitted by developers for this project:

1. Experience of the developer and capacity to carry forth the project to successful completion.
2. The overall scope of the project and full utilization of the Property.
3. Project compatibility and consistency with the goals of the City and its commitment to downtown redevelopment and historic preservation.
4. Potential the project may have on facilitating additional investments and the economic impact the project will have on the community, including increased tax base, job creation, filling an identified market gap and overall investment.
5. Ability of the developer to complete the project in a timely manner. Evidence has been provided in the proposal regarding the capacity and resources of the developer to ensure feasibility of the project.
6. Financial plan of the project is sound and commensurate with the proposed improvements. The developer has the adequate equity in the project as well as the ability to secure necessary financing to complete the project.



Below are select photos to give the reader an example of the condition of the space, however, there is much more to the building than what is shown. Reviewers are encouraged to attend or schedule a walk-through to see the complete space.



Front View #1 - West



Front View #2 - East



East Elevation



West Elevation



West Parking Lot



First Floor - Front/West (Original Structure)



First Floor - Southwest Interior (Original Structure)



First Floor - Interior West (Addition)



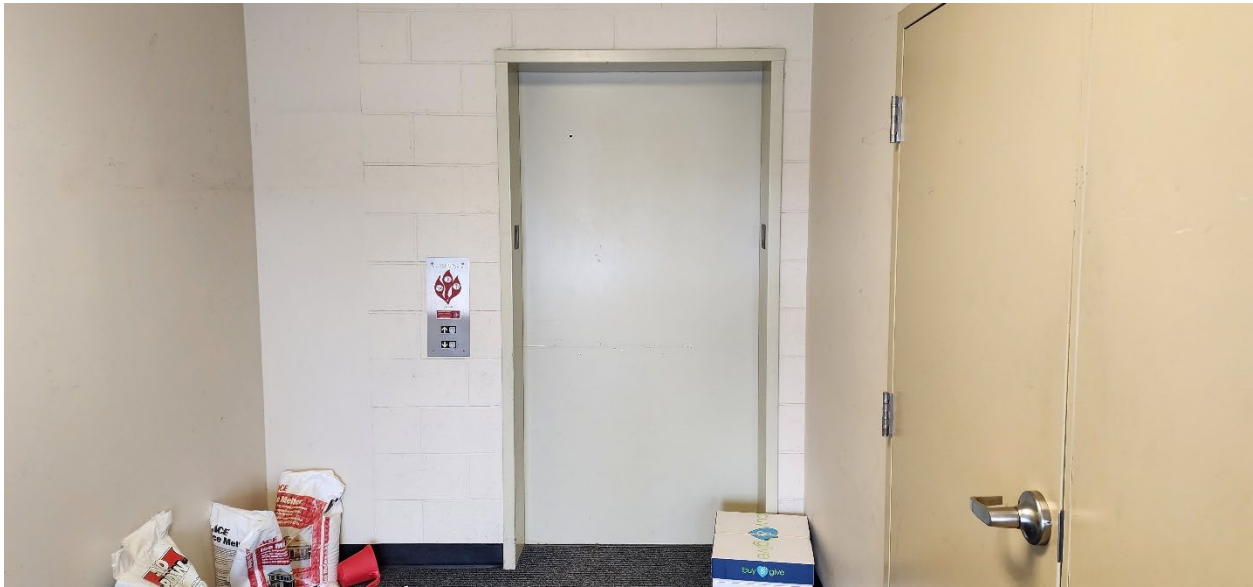
Second Floor - East (Addition)



Second Floor - East (Addition)



Basement of East Addition



Elevator in East Addition



Open Area between Original Structure & Addition