

REQUEST FOR PROPOSALS

Former Longworth Plating Site

**110 Jackson Street
Chelsea, MI 48118**

**Downtown Development Authority
City of Chelsea, MI**



RFP DDA-#1-2012

January 30, 2012

TABLE OF CONTENTS

<u>EXECUTIVE SUMMARY</u>	<u>3</u>
<u>SITE HISTORY</u>	<u>3</u>
<u>PROJECT SCOPE AND INTENT</u>	<u>4</u>
<u>INCENTIVES AVAILABLE</u>	<u>5</u>
<u>PROCESS</u>	<u>6</u>
<u>FORMAL PROPOSAL REQUIREMENTS</u>	<u>8</u>
<u>EVALUATION CRITERIA</u>	<u>10</u>
<u>SCHEDULE</u>	<u>11</u>
 <u>EXHIBITS</u>	
<u> ABOUT OUR CITY</u>	<u>A</u>
<u> DEVELOPMENT PLAN DESIGN CONCEPTS</u>	<u>B</u>
<u> JACKSON STREET HISTORICAL INFO</u>	<u>C</u>
<u> FLOOR PLAN/FUNCTIONAL SPACE SCALED MAP</u>	<u>D</u>
<u> Zoning District: Central Business (C-5)</u>	<u>E</u>

EXECUTIVE SUMMARY

The City of City of Chelsea, Michigan (City) invites interested qualified parties to submit Proposals for the acquisition and development of property generally known as the "Longworth Plating Building", located in Downtown City of Chelsea, Washtenaw County, Michigan. The property address is 110 Jackson Street, but the building has Main Street/M52 Frontage.

The property is another centerpiece of an area targeted for redevelopment in Downtown; it is currently owned by the City of Chelsea, and is being made available for redevelopment purposes. The Property is in the DDA district and is zoned C-5.

The proposed redevelopment of the Site ideally fits in the City's vision of connecting the "clocktown" and downtown. Furthermore, the City recognizes that the redevelopment of the Site will contribute to the enhancement of Chelsea as a destination. It will have a positive economic impact on the City and its residents. The City further recognizes that as a result of this redevelopment, the Downtown Development Authority (DDA), the City of Chelsea, and its taxpayers are expected to have reduced liability, increased property tax income, and local job growth. The adaptive reuse and redevelopment of the Site would offer positive, stabilizing contributions to the social and economic fabric of the City.

SITE HISTORY

The site was reportedly first developed for commercial use in the mid-1800s. The eastern portion of the two story, industrial building was reportedly constructed in mid 1800s. Occupants of the eastern portion of the building reportedly included the Chelsea House – Livery Feed and Barn (established 1863). The exact ages of central and western portion of the building are unknown although it has been reported that the western portion of the Property was industrially developed since at least 1940. Occupants of the western portion of the building reportedly included an automobile dealership and an automobile repair facility. Longworth Plating Service reportedly operated at the site from 1955 until 2003. The City acquired the Site in January 2009.

Phase I Environmental Assessment and Baseline Environmental Assessments were completed in 2008. These documents are available for review at City offices.

The entire downtown district is listed on the National Register of Historic Places.

PROJECT SCOPE AND INTENT

In recent years, there have been significant investments in the downtown and neighboring areas of the City of Chelsea. This Request for Proposals reflects the City's commitment to encourage the continuation of such investments in the downtown in a structured and dynamic way.

GOALS OF THE RFP INCLUDE: Select an interested private party to

- 1) Purchase the property and return it to the tax rolls
- 2) Offer to purchase must be accompanied by a firm commitment from a financial institution or equivalent source for a minimum of \$1 Million for investment in the property and improvements
- 3) A time line for the project and a business plan acceptable to the DDA

The project should contain, but will not be limited to, a combination of such uses as:

Mixed Use Development

- (1) Retail;
- (2) Housing;
- (3) Restaurant;
- (4) Parking.

Redevelopment Goals: In addition to the general list of uses for the development of the "Former Longworth Plating building," a series of goals for the redevelopment of the property were established through a planning process. Those goals include:

- **Continuation for Revitalization of the Downtown:** The development of the Longworth Plating site shall serve as a continuing development effort and redevelopment of the entire Downtown.
- **Linkages and Connections.** The site should be designed so that the development forms physical and visual linkages and connections with the Downtown and the McKinley Clocktower Complex.
- **Design Quality.** The development should be designed with "landmark" visual qualities befitting the strategic location of the site. The architecture should follow local historic examples and redevelopment guidelines.
- **Fiscal Benefit to the City.** The development of the site should be fiscally beneficial to the City of Chelsea by enhancing economic growth in the City, increasing the tax base, attracting new businesses and promoting job growth.

INCENTIVES AVAILABLE

The DDA by resolution stated that the purchase price of \$1 would be acceptable if other project goals are met.

The DDA has an Residential Equivalency Unit (REU) program that is available for properties in the DDA district. (details attached). The program would fund 100% of REU fees based on the criteria established.

The City secured a Hazard Mitigation Grant of up to \$200,000 which is in review by the State Historic Preservation Office (SHPO). These funds would be used to abate asbestos containing material and to abate lead based paint.

Since the site is part of the downtown on the National Register of Historic Places, a 20% federal tax credit could apply to cost of renovation.

PROCESS

Requests for additional information in regard to the RFP for this Property must be submitted in writing to:

Mr. John Hanifan, City Manager
City of Chelsea
305 S. Main Street
City of Chelsea, MI 48118
Phone (734) 475-1771

For the interested parties, the City of City of Chelsea will hold a pre-submission conference at the City of Chelsea City Offices located at 305 S. Main Street, City of Chelsea, MI on Wednesday February 29, 2012 at 1pm. Interested parties will be given the opportunity to ask questions of City representatives concerning the project, the City's goals with respect to the development of the project, submission requirements, and the selection procedure. (*Appointments to meet with Staff or view the property will be accepted on Fridays throughout the schedule.*)

Each submittal shall be marked on the outside in bold letters as follows: **City of Chelsea DDA "Former Longworth Plating Site Project"** No facsimile copies will be accepted.

GENERAL TERMS and CONDITIONS

This Request for Proposals does not commit the City/DDA to enter into an agreement, to pay any cost incurred in the preparation of the proposal in response to this request or in subsequent exclusive negotiations, or to procure a contract for the project.

At any time prior to the specified time and date set for the proposals submission, an applicant, or the applicants designated representative may withdraw a proposal.

RESERVATION OF RIGHTS BY THE CITY

The City reserves the right to accept any proposals deemed to be in the best interest of the City, to waive any irregularities in any proposals, or to reject any and/or all proposals and to re-advertise for new proposals. In evaluating each proposal, City Staff will consider, but not be limited to, the proposer's experience, and capabilities, the proposer's financial strength, the terms and conditions offered for acquisition of the property, the market and economic viability of the proposed project concept and the appropriateness of the proposed uses and design relative to the immediate area and the City of Chelsea.

UNDER NO CIRCUMSTANCES SHOULD ANY PROSPECTIVE PROPOSER OR ANYONE ACTING FOR OR ON BEHALF OF A PROSPECTIVE PROPOSER, SEEK TO INFLUENCE OR GAIN THE SUPPORT OF ANY MEMBER OF THE CITY COUNCIL/DDA BOARD OF DIRECTORS OR THE CITY STAFF FAVORABLE TO THE INTEREST OF ANY PROSPECTIVE PROPOSER. LIKEWISE, CONTACT WITH THE CITY COUNCIL/DDA BOARD OR DIRECTORS OR CITY STAFF AGAINST THE INTERESTS OF OTHER PROSPECTIVE PROPOSERS IS PROHIBITED.

PROPOSALS AS PUBLIC RECORDS

The confidentiality of the proposals submitted will be maintained until the submission deadline. Thereafter, each proposal submitted shall not be considered confidential and no information contained therein shall be treated by the City as either confidential, proprietary, or trade secret information.

RIGHT TO DISQUALIFY

The City/DDA reserves the right to disqualify any applicant who fails to provide information or data requested herein, or who provides materially inaccurate or misleading information or data. The City/DDA reserves the right to disqualify any applicant on the basis of any real or apparent conflict of interest that is disclosed by the proposals submitted or any other data available to the City/DDA. By submission of a proposal hereunder, the applicant waives any right to object now or at any future time, before any body or agency, including but not limited to the Chelsea City Council, or any court, as to the exercise by the City/DDA of such right to disqualify, or as to any disqualification by reason of real or apparent conflict of interest determined by the City.

CONTRACT NEGOTIATION

The submission of a proposal in response to this RFP constitutes the agreement of the development team that any contract resulting from this RFP will be prepared by the City of Chelsea. The submission of a proposal shall further constitute the agreement of the applicant that it will not insist on the use of standard contract agreements, documents or forms, and that it waives any demand for use of its standard agreements. The language of the contract to be executed will be drafted under the supervision of City Legal Council and shall be the controlling document. The City does not agree to accept all of the terms of the selected proposal.

FORMAL PROPOSAL REQUIREMENTS

Respondents will be asked to submit a formal development proposal for the property. The proposal will be evaluated on the basis of the written information plus history of other successful projects provided by the developer. The proposal package should include at a minimum, the following components:

1. Conceptual Site Plan, in the form of colored drawings and exhibits suitable for study. Should include, at a minimum, conceptual site plan and elevations.
2. Conceptual Building Plan, including project design and construction budget.
3. Time-line for Development, including project benchmarks
4. Financial Information including recent financial statements (past three years).
5. Detailed Financial Plan and pro forma, including a listing of the proposed tenants of the renovated/redeveloped complex. Description of the projected annual income from operations as well as projected expenses for the first 10 years.
6. Overview of Firm/Team Organization: Provide an organizational chart identifying all individuals who would participate in the proposed project. Provide resumes and references for all proposed/ development team members. Provide a statement of the relationship between the Proposer and any parent company or subsidiary that might also take part in the project. Please also provide the names and descriptions of any other persons, firms, or organizations that will be included by the Proposer as team member participants in the development of the project.

To include, at a minimum, the following components:

Proposer (Firm) Information:

Firm name, address, telephone and fax numbers;

Ownership/organization structure;

Parent company (if applicable);

Officers and principals;

Firm size;

The name of the representatives authorized to negotiate with the City or its representative;

In-house capabilities and services; and

If this assignment is to be performed by joint venture participation, include the percentage breakdown of each firm's participation.

Previous Relevant Development Experience: Providing Information on the projects of similar scope and complexity. This should include specific experience with: Public sector projects; Public/private joint venture projects; Mixed-use projects; The various uses proposed for this project.

Felony Indictments/Convictions: Provide a statement relative to whether any of the "principals" referred to above have ever been indicted for, or convicted of, a felony.

Litigation History: List any litigation matter in the past five (5) years.

7. The City will require that the selected developer present a "Letter of Intent" from a lender as to its interest in financing the development prior to final negotiations. The City considers a reputable lender as an institution which has, in the opinion of the City, the financial capacity and experience to commit, fund and monitor the funding of loans necessary to complete this specific project.

8. Additional Considerations: Identify any additional or unique resources, capabilities or assets which the developer would bring to this project outside the scope of the project.

Proposals will consist of one (1) bound and signed original and ten (10) complete copies of the required information. One (1) of which shall be unbound and ten (10) of which shall be bound including any additional supporting materials. All proposals will be presented as 8 1/2 inch x 11 inch documents.

The information will be tabbed according to each requested section. Each page will be numbered consecutively including the Letter of Transmittal, brochures, licenses, resumes, supplemental information, etc. Please package the work product samples separately from the proposal, labeling each sample clearly. If Proposers are submitting as a joint venture, the information requested herein shall be submitted for all firms.

EVALUATION CRITERIA

Each proposal will be evaluated individually and in the context of all other proposals. Proposals must be fully responsive to the requirements described in this RFP, and to any subsequent requests for clarification or additional information made by the City through written addenda to this RFP. Proposals failing to comply with the submission requirements, or those unresponsive to any part of this RFP, may be disqualified.

The City has identified evaluative criteria against which each Proposal will be considered, including:

- 1) Project approach including property acquisition;
- 2) Proposed development process and land use components;
- 3) Proposed role of the City and extent of public investment;
- 4) Financial capability to complete the project;
- 5) Description of the gross square footage, anticipated uses.
- 6) Managerial capability including business plan;
- 7) Prospective tenants
- 8) Technical expertise in similar projects;
- 9) Performance record of past development projects;
- 10) Market experience;
- 11) Staff, organization and industry reputation;
- 12) Compatibility with, and responsiveness to, the City objectives and goals;
- 13) Project benefit, compatibility, impact to historic downtown and citizens.

REJECTION OR DISQUALIFICATION OF PROPOSALS

The City may reject or disqualify a proposal under any of the following circumstances:

- The Proposer misstates or conceals any material fact in the proposal
- The proposal does not strictly conform to applicable laws or any requirements of this RFP.
- The proposal does not include documents, certificates, affidavits, acknowledgments or other information required by this RFP.
- The Proposer fails to acknowledge receipt of any formal addenda.
- The Proposal has not been executed by the Proposer through, or by an authorized officer or representative of the Proposer or Proposer team.
- The Proposer fails to comply with all provisions, requirements and a prohibition binding on all Proposers as herein set forth or fails to comply with applicable law.
- The City reserves the right to reject all proposals and/or re-advertise all or any part of this RFP when it is deemed in the best interest of the City to do so.
- If the Proposer attempts to lobby or influence any member of the City Council/DDA Board of Directors or Staff.

SCHEDULE

1. Release of RFP 1st week of Feb, 2012
2. Pre-Submission Conference Feb 29, 2012
City Conference Room @ 1:00 p.m.
City of Chelsea City Hall
305. S. Main Street
City of Chelsea, MI 48118

Appointments (call 734-475-1771) to meet with Staff or view the property will be accepted on Fridays.

3. Final Proposal Submission Deadline April 27, 2012 @ 3pm
4. Presentations to DDA TBD
(if necessary)

EXHIBIT A



About

Chelsea, Michigan

Chelsea, Michigan is a thriving small city in southeastern Michigan with an abundance of shopping, dining, entertainment, and local activities. Over the years, Chelsea has evolved into a diverse community, embracing its agricultural heritage, maintaining an active manufacturing base, and cultivating a vibrant art scene.

Nature and Recreation

The beautiful 25,000-acre Waterloo Recreation Area is literally at Chelsea's doorstep. You can experience the beauty of Michigan's unique wilderness, wildlife and geological wonders in this protected area. There nature enthusiasts can hike, ski, or bike miles of trails, spend a sunny afternoon fishing on one of many lakes, or experience the spectacle of the migrating sandhill cranes. Golfers can choose from more than 20 lush golf courses, all within a 20-minute drive. Families can enjoy a picnic and playgrounds and Timbertown, Pierce Park or Veteran's Park.

Arts and Culture

A commitment to the arts is an essential part of Chelsea's vitality. Actor Jeff Daniels, an inaugural inductee in the Michigan Walk of Fame, is a founder of The Purple Rose Theater which showcases the work of nationally known playwrights, as well as the talents of equity-card actors. Chelsea Center for the Arts welcomes students of all ages to discover and nourish a love of art and music and features a yearly community art project.

History and Architecture

The unique and lovely architecture that defines Chelsea is a treasure to be experienced. Streets, buildings, parks and businesses serve as reminders of Chelsea's long history. Recently honored as a National Register of Historic Places designation, the downtown area abounds with history wherever you turn. Whether you are looking to stroll quaint Victorian neighborhoods, view historical Main Street architecture at its best, or delve deeper into the history of small town America, Chelsea has all that and more to offer. Historical organizations such as the Chelsea Area Historical Society, Preservation Chelsea, and Chelsea Depot Association are preserving the past to educate generations and guide the future.

Business and Shopping

Chelsea's thriving shopping district offers both residents and visitors alike the pleasant ambiance of tree-lined streets and cheerful storefronts. Shoppers can stroll down historic Main Street, the home of specialty shops, gift boutiques, markets, restaurants and cafes. Chelsea Milling, home of Jiffy Mix, offers tours to visitors as does Chelsea Teddy Bear Company.

Health and Wellness

Chelsea counts outstanding educational and health care among its many valuable resources. The Chelsea School District's excellent staff and high level of parental involvement prepare students of all ages for a bright future. The Chelsea Community Hospital, nestled in a beautiful, wooded setting, provides quality healthcare, including a Health and Wellness Center, a Head Pain Program, a Woman's Health Center and ER services.

Senior Living

For more than 100 years, Chelsea has been an ideal place for seniors to enjoy their lives. A diverse range of opportunities exist for seniors to experience art and music, volunteer, and join social groups all within a friendly small town atmosphere. Chelsea proudly offers several residential communities for seniors including the Chelsea Retirement Community and Silver Maples of Chelsea, which both offer beautiful campuses and a range of living options. With many organizations dedicated to providing senior services including the Chelsea Senior Center and the Chelsea Community Hospital, seniors can stay active and feel comfortable knowing that the full spectrum of resources are available within their community.

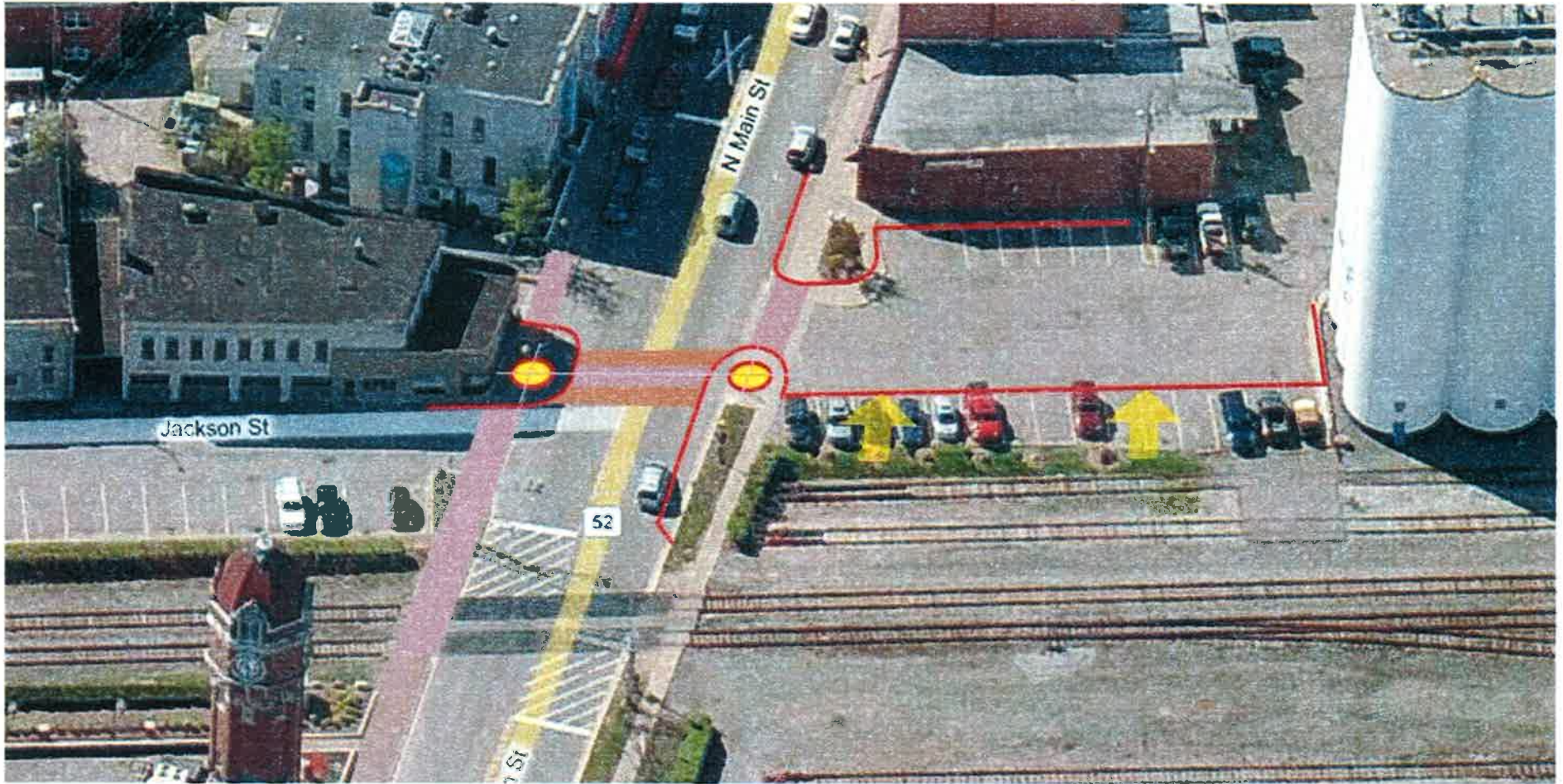
EXHIBIT B



LONGWORTH OPPORTUNITY



LONGWORTH / CLOCKTOWER OPPORTUNITY



North Gateway @ Longworth Conceptual Treatment

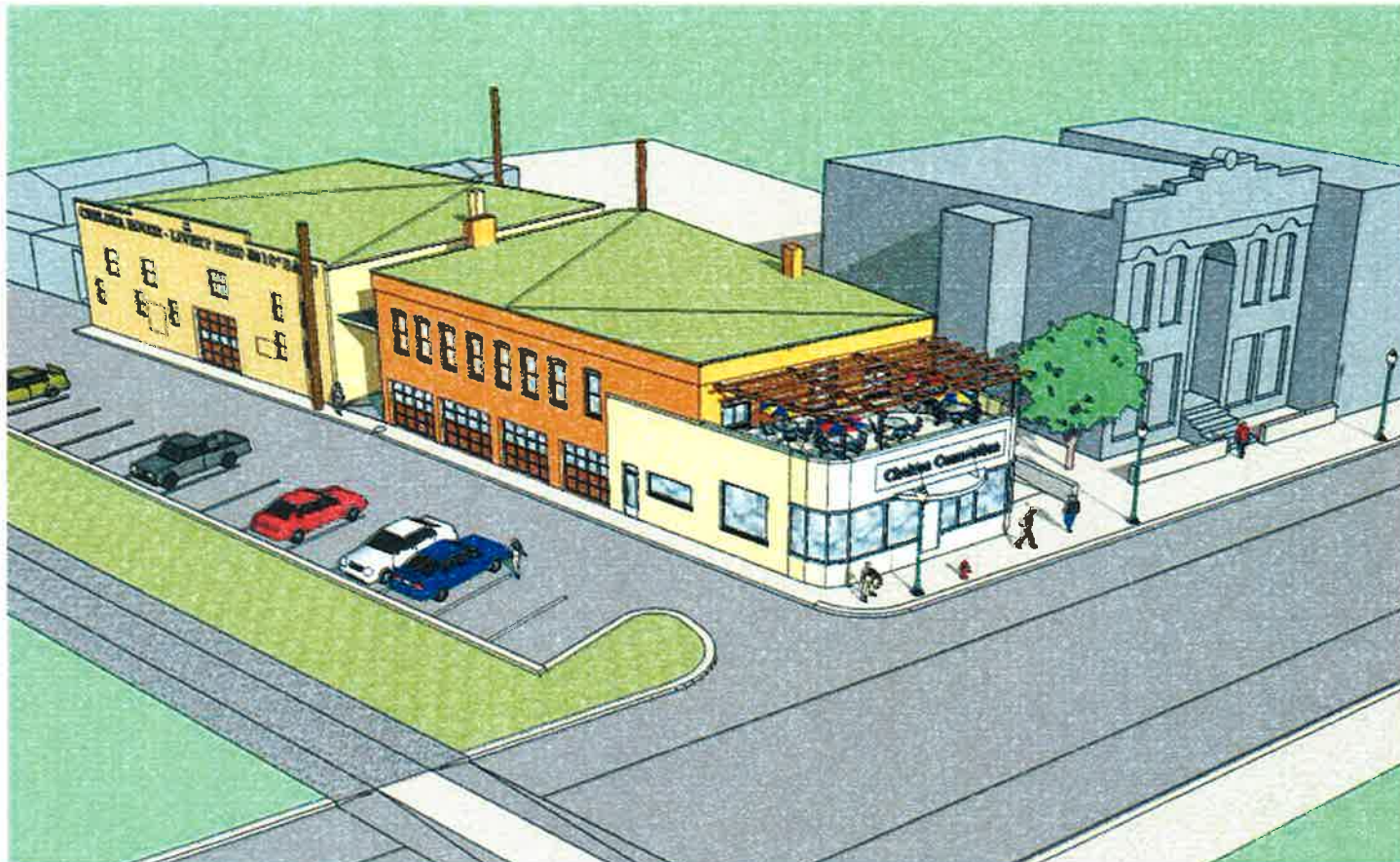
4-4-11



09/23/2011 10:51







Perspective from the north west - Chelsea Connection

Dangerous Architects PC Feb. 2010

LONGWORTH RE-USE/PRESERVATION OPPORTUNITY

DEARDORFF DESIGN RESOURCES w/ Lincoln Poley Architect, Midwestern Consulting, and Colliers International.

EXHIBIT C

around parapet on the front elevation, capped with roofing tiles. Center of the parapet is stepped up over a recessed marquee panel. Aluminum and plate glass front covers the recessed theater entry with flanking, box office window and display window at the south and north respectively. The theater, then the Chelsea Theater, closed in 1967. The UAW has used the facility since the early 1970s as an office and meeting hall.



The livery barn (vernacular industrial) is a two-story rock-faced concrete block structure with a plain block string course and parapet. The main floor is pierced by an off-center garage bay opening flanked by asymmetrical window openings, all but one of which have been infilled with glass block.

JACKSON STREET

110 JACKSON (c. 1947, showroom; c. 1907, Chelsea Tribune Bldg. and c. 1900, livery barn) (Longworth Plating). Showroom is a one-story streamlined building of brick with wrap-around



display windows and a central entry protected by a curved metal overhang. A side entry at the northeast corner is flanked by a Chicago style window. Windows are set on plain stone sills.

The Chelsea Tribune Building is a two-story brick vernacular industrial building with a simple projecting brick cornice set on corbelled dentils, carrying four garage bays; space where a fifth bay may have been located has been subsumed by the rear of the showroom building. Upper story windows are wood six-over-six sash on plain stone sills and segmental arch tops capped with rowlock lintels.

122 JACKSON (c. 1855) (Chelsea House Dining Room / Farmers Supply) This two-story frame vernacular temple-front Greek Revival building served the Chelsea House hotel as a dining room, and was moved to this location in 1888. On the west is a one-story wing added in c. 1925. The gable front roof is clad with asphalt shingles, the wing is capped with a flat, corrugated steel, roof. This steel roof projects west to the east wall

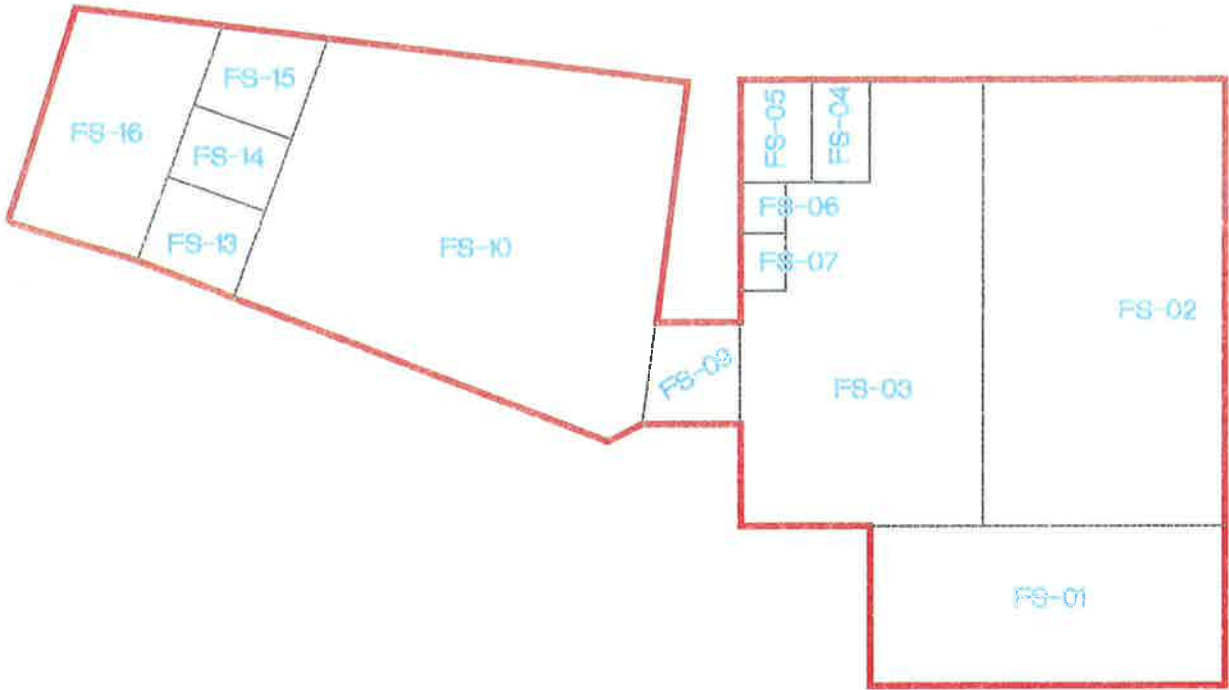


of Chelsea Livery / Longworth Plating forming an open vehicle/storage bay, and projects north to form a sheltered gallery for product storage and display. A two story open shed with steel roof projects from the east side of the main building.

- EXCEPT FROM
Chelsea's Commercial



Historic District June 1999
Lloyd Baldwin

EXHIBIT D



FIRST FLOOR

LEGEND

-  = FLOOR AREA
-  = BUILDING FOOTPRINT
-  = FUNCTIONAL SPACE DESIGNATION

AKTPEERLESS
environmental services
FARMINGTON DETROIT SAGINAW LANSING
WWW.AKTPEERLESS.COM

FUNCTIONAL SPACE MAP
CITY OF CHELSEA
FORMER LONGWORTH PLATING
110 JACKSON STREET
CHELSEA, MICHIGAN
PROJECT NUMBER : 4186F3

DRAWN BY: JEB
DATE: 05-14-08


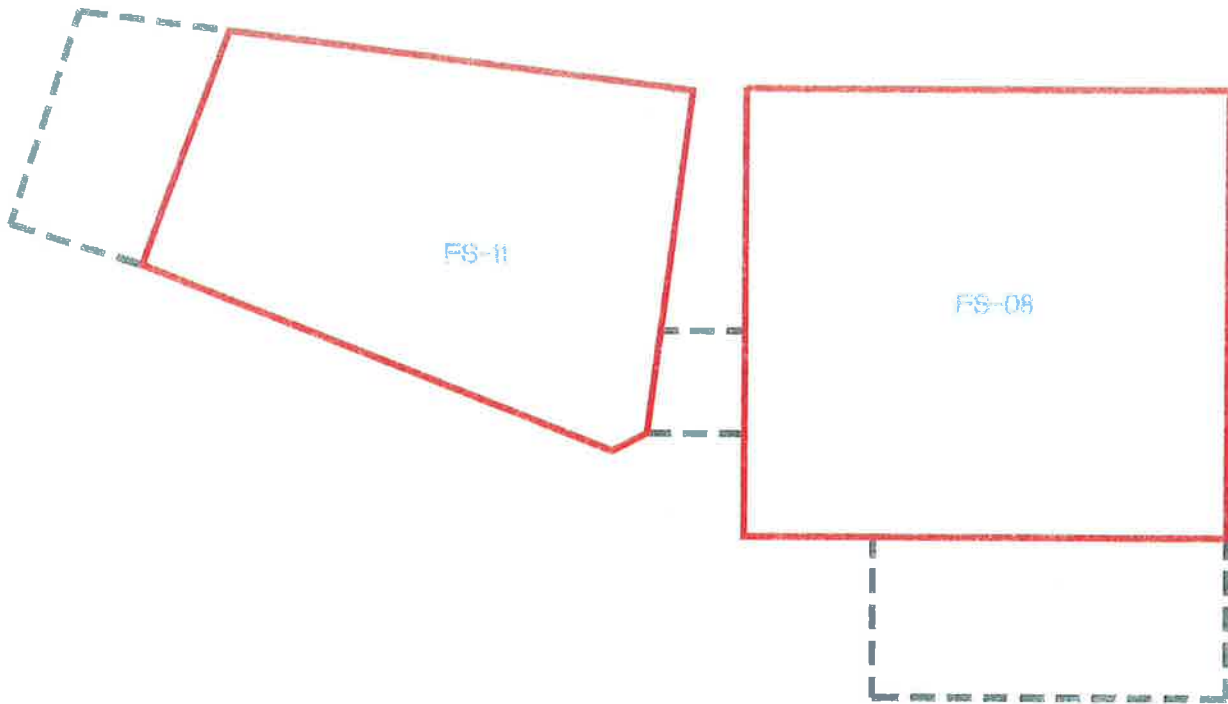

SCALE: 1" = 30'±

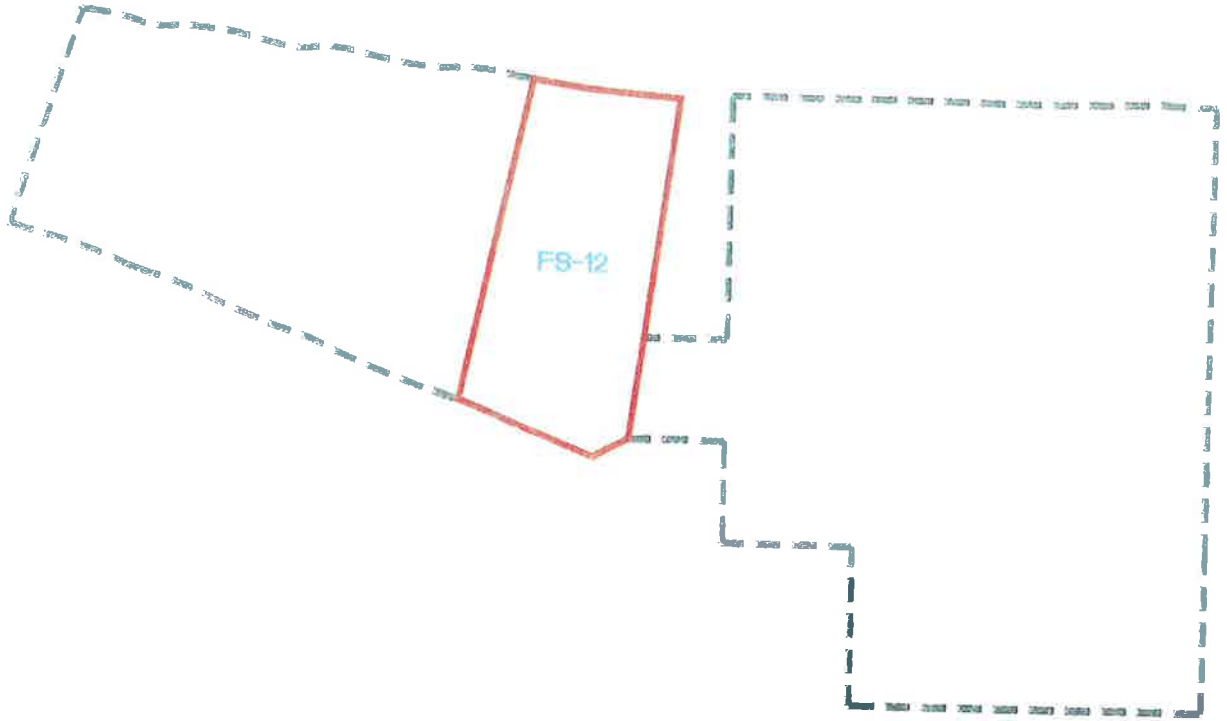
FIGURE 2-B



SECOND FLOOR

LEGEND

-  = FLOOR AREA
-  = BUILDING FOOTPRINT
-  = FUNCTIONAL SPACE DESIGNATION



BASEMENT

LEGEND

-  = FLOOR AREA
-  = BUILDING FOOTPRINT
-  = FUNCTIONAL SPACE DESIGNATION

AKTPEERLESS
environmental services
FARMINGTON DETROIT SAGINAW LANSING
WWW.AKTPEERLESS.COM

FUNCTIONAL SPACE MAP
CITY OF CHELSEA
FORMER LONGWORTH PLATING
110 JACKSON STREET
CHELSEA, MICHIGAN
PROJECT NUMBER : 4186F3

DRAWN BY: JEB
DATE: 05-14-08



SCALE: 1" = 30'±

FIGURE 2-A

EXHIBIT E

ZONING DISTRICT

SECTION 4.17 CENTRAL BUSINESS DISTRICT (C-5)

This district is intended to be used in that area of the City which has been designated as the Central Business District in the City's adopted Comprehensive plan where municipal parking facilities are available within reasonable walking distances.

The C-5 Central Business District is intended to provide for a traditional mixture of small office buildings, specialty retail stores, entertainment, public spaces and related activities that are mutually supporting and serve the needs of the City and surrounding communities. The districts regulations are designed to encourage a lively social environment and economically viable downtown with a wide variety of uses, including residences in upper floors, in a pedestrian oriented setting, with common parking.

A. PERMITTED USES

1. Any use permitted in the Neighborhood Commercial District.
2. Business schools; including dance schools, music schools, and art schools.
3. Indoor retail sales establishments.
4. Establishments serving food and/or alcoholic beverages, but not including drive-in types or drive-up windows.
5. Clubs and lodges.
6. Photography studios.
7. Banquet, dance, lodge, and union halls private clubs, and other similar places of assembly.
8. On-site signs in accordance with the regulations in Article 6.
9. Accessory uses or structures, including seasonal outdoor displays and sales subject to section 5.13.
10. Essential services and structures of a non-industrial character.

B. SPECIAL USES

1. Retail sales in which both a workshop and a retail outlet or showroom are required such as plumbing, electrician, interior decorating, dressmaking, tailoring, upholstering, home appliance and similar establishments of similar

ZONING DISTRICT

4.17 Cont.

CENTRAL BUSINESS DISTRICT (C-5)

character subject to the provision that not more than 50 percent of the total useable floor area of the establishment shall be used for servicing, repairing, or processing activities.

2. Hotels.
3. Drive-up windows for financial institutions when said use does not create any traffic or safety problems. ATM's (automatic teller machines) and twenty-four-hour ready tellers which are separate from a financial institution are permitted.
4. Churches and other buildings for religious worship.
5. Automobile service stations, subject to the following:
 - a. The curb cuts for ingress and egress may not be permitted at such location that will tend to create traffic hazards in the streets immediately adjacent thereto. Such curb cuts shall be no less than 25 feet from a street intersection (measured from the right-of-way).
 - b. There shall be provided, on those sides abutting a residential district, a completely obscuring wall.
6. Showroom and sales of new automobiles and the display and sale of used cars when in conjunction with a showroom and sales of new units thereof; and repair of same when in conjunction with a showroom and sales of new units thereof.
7. Funeral homes and mortuary establishments not including crematoriums.
8. Theaters.
9. Printing establishments.
10. Residences above the ground floor.
11. Child care centers, subject to the conditions of Section 5.11.
12. Parks.
13. Manufacturing of beverages when accessory to a bar, restaurant or lounge.

ZONING DISTRICT

4.17 Cont.

**CENTRAL BUSINESS DISTRICT
(C-5)**

C. REGULATIONS AND STANDARDS

1. No minimum lot size or front, side, or rear yards are required in this district provided Section 7.10, Off-Street Loading and Unloading Requirements is complied with.
2. Uses in this district shall be exempt from the provisions of Section 7.01 Off-Street Parking Requirements, if said use is located within 500 feet of municipal parking facilities. The distance shall be measured in a straight line from the center of a municipal parking lot to the nearest building line of said use.
3. Off-street loading and unloading facilities shall be provided in accordance with Section 7.10, Off-Street Loading and Unloading Requirements.