



REQUESTS FOR PROPOSALS (RFP)

Development Partner for the Upper Floors
at the Montpelier Multi Modal Transit Center
1 Taylor Street
January 2014

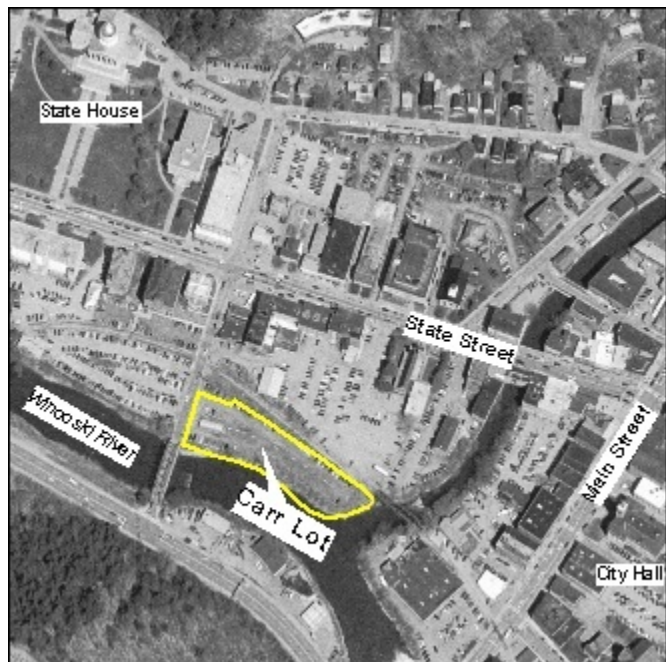
The City of Montpelier, VT seeks to utilize its investment in 1 Taylor Street to its full potential. The site represents a unique opportunity for the City to realize the redevelopment of a prime downtown site which will fulfill our vision for a 21st century multi-use facility that will serve the occupants and our downtown community well.

As indicated in the City's Request for Qualifications (RFQ) dated October 2013, the City intends to select a Developer to partner with the City in developing, constructing and operating the upper floors of the proposed building to be constructed at 1 Taylor Street. The City anticipates the Development Partner will retain ownership (or long-term lease) of the upper floors in a condominium-style Agreement with the City. The details of this Agreement will be negotiated with the selected Development Partner.

This Request for Proposals (RFP) is issued to the two qualified Developers resulting from the responses to the previous Request for Qualifications (issued in October 2013.) Using the enclosed conceptual plan as a guide, please provide us with the information outlined below. While we understand some of the information was submitted with the RFQ response, we ask you to re-submit any requested information.

Background

Since the late 1990s, the City of Montpelier has explored the possibility of acquiring the property known as the "Carr Lot" (so named by the family that owned the property) with the goal of transforming it into a higher use parcel in the City's vibrant downtown. The "Carr Lot" property is located on the east side of Taylor Street in the City of Montpelier at the confluence of the North Branch and Winooski Rivers. It is approximately one acre in size. In recent history the property has been used for public parking or State of Vermont parking. In the mid-2000s environmental mitigation was done to allow it to be used for parking.



In September 2013, the City entered into a Purchase & Sale with the property owner and will take possession of the property early in 2014. Centrally located in the downtown business district at the confluence of two rivers and adjacent to the State's Capitol Complex, the City plans

to transform what was once a scrap yard and train depot into a state-of-the-art transportation and commercial center and public park.

The City has bundled local and federal funding to acquire the property, build the Multi Modal Transit Center, and construct a bike path and related park features along the river. The City secured a \$1.9M Federal Transit Agency (FTA) and \$5.1M in Federal Highway Agency (FHWA) funds to execute this project. In addition, the voters of the City approved an \$800,000 bond as the local match for this project.

It is the City's intention to leverage these local and federal dollars with a Development Partner to develop this project, which is generally defined as the construction of a state-of-the-art Multi Modal Transit Center with upper floor development that will serve as a gateway to the City of Montpelier and a cornerstone of our vibrant downtown. It is expected that the footprint of such a building would be between 3,600 ft² and 6,000 ft². Adjacent site improvements in support of the building and Multi-Modal operations are included in the project. The adjacent bike path and associated improvements are not part of this project.

- 1. GENERAL PROJECT GOALS & OBJECTIVES:** When developing the response to this RFP, the Developer should consider the City's Goals and Objectives for this project.
 - a. A primary objective for this project is to maximize the long-term benefits for the City by redeveloping this property. These benefits are measured several ways, including (but not limited to): 1) development of a "gateway" level project that supports multiple functions, including a multimodal facility, welcome center and upper floor development, 2) construction of a high quality, attractive, highly energy efficient and sustainable building, 3) the recovery of the financial investment made by the City over a defined period of time and 4) the creation of a high quality and accessible public space.
 - b. The City is looking for a long-term partner in the development process, not just an entity who will construct a project and move on.
 - c. The City is looking to create an inviting, public gathering place. The Developer must understand that this project is not just to develop a building but, more importantly, creating a "place."
 - d. The City is interested in designing a high quality, green-based stormwater management system for the building and adjoining site that minimizes and treats runoff. Designs should utilize, as practical, permeable materials to increase infiltration, as long as materials are of high quality, durable, long lasting and cost effective.
 - e. While a final determination has not been made, the City believes the building height should range between 2 and 6 stories. Two stories are required under the current City zoning.
 - f. The building design should engage and integrate with the bike path, green space and the river.
 - g. The City intends the site to accommodate weekend public gatherings, such as the local Farmer's Market.

- h. The building architecture and function should be innovative and look forward but respect the past and engage with the rest of downtown.
 - i. The building should represent Montpelier’s commitment to energy conservation and innovation. Refer to Section 3 below for building energy efficiency.
 - j. LEED Certification: The City may elect to seek Leadership in Energy and Environmental Design (LEED) certification for the overall project (Multi-Modal building, bike path and overall site redevelopment) and as a minimum expects the building and the immediate supporting site to be designed and constructed to achieve as high a LEED certification level as practical. The selected Development Partner should demonstrate in the proposal the commitment to developing a building that will achieve LEED for Core and Shell certification.
 - k. The City intends to incorporate public art into the project, both into the building (perhaps the 1st floor public spaces) and outside and along the bike path. The Development Partner is encouraged to include in the proposal ideas on how to incorporate art into the project.
- 2. PARKING OBJECTIVES:** A very important City objective is to minimize (if not eliminate) the need for on-site parking and utilize the space for green, public gatherings and maximizing bicycle and pedestrian access and amenities. While the Multi-modal Center and CCTA is expected to require 6 to 8 on-site parking spaces, the Developer is encouraged to identify, as part of the proposal, ways to reduce parking requirements, such as with off-site parking arrangements.
- 3. BUILDING ENERGY GOALS & OBJECTIVES:** A City requirement is to develop a highly energy efficient building and maximize to the extent practical, on-site renewable energy generation. The City expects that sustainable practices will be incorporated into the design as well maximizing the implementation so-called green building elements, from design through construction and occupancy.
- a. Energy Design & Performance – The City and Development Partner will jointly explore the feasibility of a constructing a Net Zero Energy Building, as defined by the Living Building Challenge certification program. The building would incorporate high energy efficient technology and construction materials and design techniques, such as passive solar and on-site renewable energy production technology (solar photovoltaic, geothermal heat pumps, etc). Connection with the new City biomass district heat distribution piping is possible.
 - b. Energy Efficiency – The City and Development Partner will explore the feasibility of the building using no more than 50% of the site energy of the 2011 Vermont Commercial Building Energy Standards (VT CBES), before the impact of site-produced renewable energy is accounted for.
 - c. Enroll project in Efficiency Vermont Net Zero Pilot: The City is interested in exploring enrollment in this Pilot program that will provide enhanced incentives and technical assistance to achieve the energy goals.

- 4. PROJECT REQUIREMENTS.** When developing the proposal, the Developer needs to consider and address the following requirements, which include, but are not limited to the following:
- a. The City will have control of the design of the building's entire core and shell, the Multi-Modal (first floor) portion of the building, and the site. The selected Developer's Architect will contract directly with the City, and the City will negotiate the Architect's scope of work and associated fees with Developer input. The Developer will have direct access to the Architect and input to the design of the building core and shell and associated construction costs. The Developer will control the design of the upper floor interior layout and fit-up with the City's input and concurrence. The City will be responsible for paying Architect fees for the design of the building and site that relates to the Multi-Modal Transit and Welcome Center portions. The Developer will be responsible paying the Architect fees for the design of the upper floor core, shell and fit-up and interior design. The details of these arrangements will be determined in the City/Developer partnership agreement to be negotiated upon Development Partner selection.
 - b. The City intends to conduct one to two design charrettes as the project advances. The selected Architect will be expected to lead each charrette, working closely with the City Design Review Committee and the Developer. The Architect will also be responsible for leading the DRB permit review process.
 - c. Due to the amount of work already completed and the coordination requirements between the building, adjacent bike path project and funding requirements, the City will provide the Civil / Site engineering for this project through its Project Manager / Engineer. The selected Architect will coordinate closely with the City's Project Manager / Engineer for full integration of the civil / site work with the building design.
 - d. The first floor of the building is to house (as a minimum) a Multimodal facility, and the space (estimated to be approx. 1,800 sf) must be consistent with the stated General Space Requirements identified by the Chittenden County Transit Authority (CCTA). The Developer and Architect shall coordinate with the with the City's Project Manager / Engineer to incorporate federal funding and programming requirements into the design.
 - e. The building design shall include a sub-slab depressurization system. The Developer shall work with the City's Project Manager / Engineer on this issue.
 - f. The finished grades of the building and immediate site are subject to constraints of the floodplain zoning and the floodway, which is marked on the conceptual plans. The first floor is to be placed a minimum of 1-ft (and ideally more) above the regulated base flood elevation. The Developer shall coordinate and work with the City's Project Manager / Engineer on this issue.
 - g. Construction cannot be any closer than 15 feet from the center of the railroad tracks and additional buffer may be required. The City will provide additional specifics as information becomes available.
 - h. The City is required to implement an approved Corrective Action Plan (CAP) associated with the remediation of this parcel. This CAP requires adherence to a soils management

plan, installation of permanent landscaping to prevent soil erosion and future contact with disposed soil. Site contractors will need to be aware of the CAP requirements and qualified to perform this earth work.

5. ITEMS PROVIDED BY THE CITY: The City is making a significant, long-term investment into the redevelopment of this property. The total approximate value is \$8M, and the City's share is expected to exceed \$1.7M. This investment goes directly to the purchase and environmental remediation of property and the design and construction of numerous site improvements as part of the Multi-Modal Development project and the adjacent Bike Path project. These improvements include (but not limited to):

- a. Purchase of the Carr Lot property and environmental remediation to allow the site to support a new building.
- b. Site improvements to support the new building, such as a new entrance, landscaping, exterior lighting, signage, site grading, parking, subbase and pavement and other incidental work for the Multi-Modal portion for the project.
- c. A new bike path connecting Taylor Street with Main Street, reconstruction of the historic block retaining wall that fronts the river next to the bridge, a new crossing of the railroad and a new pedestrian bridge over the North Branch. All aspects of the adjacent bike path construction will be funded by the City.
- d. First Floor construction for the Multi-Modal and Welcome Center portion of the project.
- e. Prorated portions of the new building's slab and foundation and roof systems.
- f. Electrical, water and wastewater utility lines, including possible connection to the new District Heat piping distribution system.
- g. Civil / site engineering and plan development for the overall Carr Lot redevelopment project, including the building portion and the bike path portion of the project.
- h. All permitting. Note the upper floor prorated Architects fees to advance the building through the City's DRB permitting will be paid for by the City, who will in turn be reimbursed by the Developer.
- i. All coordination with CCTA regarding design requirements.

6. DEVELOPER'S ORGANIZATIONAL STRUCTURE: Provide a description of your development team's organizational structure and principal member qualifications, to include:

- a. A resume for all individuals and/or companies who will hold an ownership position in the project. If any of your current or prospective team members have been the developer and /or held an ownership interest in a similar property or development, please provide a listing of those projects. If the team members were not the lead developer on the project, please identify the lead developer.
- b. A resume of your lead Architect, including experience with projects that include elements of the above stated project goals, objectives and requirements.

- c. If you anticipate or will require additional equity partners, please include a complete list of your potential partners.
- d. Provide a detailed description of your proposed development strategy regarding ownership (i.e. develop / exit, develop / short term ownership or develop / long term ownership).
- e. If you anticipate engaging a third party or related property management company to oversee management of the facility, please provide us with that information.
- f. A letter of interest from at least one financial institution who has expressed an interest in extending your team the credit facility necessary to complete the project. If the anticipated credit facility requires a capital or equity injection, include with your proposal an estimate of the required equity requirement and a brief statement, signed by all team members who will hold an ownership interest, that the development team possesses the financial ability to adequately capitalize the project.

7. PROJECT COST / CONSTRUCTION BUDGET: With consideration to the above goals, objectives, and requirements provide an itemized, detailed cost estimate of the project, including all key assumptions. While many details required to provide an exact project cost have yet to be determined, the following may be used in your assumptions:

- a. Site Ownership. The City intends to maintain ownership of the entire Carr Lot parcel and the first floor of the building. Ownership of the upper floors will be conveyed to the Development Partner through an Agreement to be negotiated upon selection of the Development Partner.
- b. Energy Efficiency: As indicated in Section 3 above, the City requires a high standard in energy efficiency for the building. Please carefully review this section when developing your cost estimate.
- c. Contact with prospective tenants is encouraged as you develop your proposal. A confidential list of contacts for potential tenants may be submitted in a separate, sealed envelope to the City Manager for consideration by the City Council as the proposals are reviewed and evaluated.
- d. Clearly identify and detail base building costs for each floor, as well as fit up costs.
- e. With regard to the first floor space, assume a typical build out for a multi-modal transit and visitor center as outlined by the programmatic needs outlined by the City's Project Manager / Engineer, Jeffrey Tucker, P.E., of Dubois and King.
- f. Development Costs/Rights. The City seeks to leverage the anticipated \$1,700,000 investment it has made over the past several years in order to advance the project to the point where it is awarded to a developer. The City's investments are outlined in Section 5. The City is looking to the Development Partner to propose a method(s) for the City to recoup its investment, such as direct payment of development rights, long-term financing, or building improvements. Include your proposed model (and associated basis) of financial or other compensation in your proposal.

8. OPERATING COST PROFORMA / BUDGET: With consideration to the above goals, objectives, and requirements please provide a detailed ten year operating proforma, consisting of revenue projections and operating costs. Include in the proforma ten year statement of cash flows (to include debt service assumptions, distributions to members or shareholders and capital replacements) and detailed plans for each upper floor. The following are several assumptions the City would like incorporated into the cost budget. The proforma should also include the Developer's proposed method of financial compensation to the City as discussed in Section 7.

- a. First Floor: Upper floor owners will be required to pay prorated portions of first floor Common Area and Maintenance (CAM). The City will pay all other utilities (such as water, electricity, and internet), the anticipated pro rata share of heating and cooling costs, and for day to day maintenance items (such as janitorial and light bulbs).
- b. Upper Floors: The City is looking for the Developer to propose creative or alternative lease or ownership options for the upper floors. Maintenance and utility costs for the upper floors will be borne by the Developer, floor owners, or tenants.
- c. Property Taxes. The City of Montpelier will entertain property tax stabilization requests.
- d. Inflation. Assume a 3% inflation rate for occupancy costs.
- e. Assume lease start dates of July 1, 2015.

9. CONSTRUCTION TIME-LINE: Assuming a clear site (i.e., 1 Taylor Street is construction ready) please provide a detailed construction time line, completion date and occupancy start date. Include in the time line any specific milestones and associated dates to be completed by the City

10. DEADLINE FOR PROPOSAL SUBMITTAL: All submittals are due by 4:00 pm on February 3, 2014 to the Office of the City Manager, City of Montpelier, 39 Main Street, Montpelier, VT. Provide fourteen copies of your proposal as well as one CD electronic version in PDF format. Proposals should be sealed and addressed to the City Manager, William J. Fraser.

11. SELECTION PROCESS: All responses to this RFP will be reviewed by the Carr Lot Design Review Committee. Committee members include: Mayor John Hollar, Councilor Jessica Edgerly-Walsh, John Snell, Elizabeth Robeck, Dan Dickerson, and Don Marsh, P.E. City Staff assigned to assist the Committee in their work are: William Fraser, City Manager, Jessie Baker, Assistant City Manager, Kevin Casey, Community Development Specialist, and Project Manager / Engineer Jeffrey Tucker. The Design Review Committee will provide its recommendation for selection of a Development Partner to the City Council. The selection of the Developer will be made by the City Council. The City reserves the right to reject any and all proposals. Proposals will be evaluated based primarily upon the following criteria.

- a. Responsiveness to the information provided herein and the overall quality of proposed project.

- b. Developer’s documented financial ability to build, operate and manage the project.
- c. Competitiveness of development rights.
- d. Developer’s ability to secure currently identified and/or additional tenants.
- e. Quality, creativity and thoroughness of 1) building design concepts by 1) architectural, 2) footprint layout, 3) occupancy use and 4) energy and other. Convey the Developer's vision of achieving the City's stated goals and objectives for this project through renderings and narrative.

The following schedule is anticipated for the submission of the proposals and selection of a Developer.

Issue RFP	January 3, 2014
Mandatory General Informational Meeting	January 14, 2014
Confidential, one-on-one meeting	January 22, 2014
Last day for questions from proposing Developers	January 24, 2014
Proposal Submission due	February 3, 2014
Recommendation to City Council.....	February 12, 2014

12. MANDATORY GENERAL INFORMATIONAL MEETING: The City will hold a mandatory general informational meeting to present this RFP and address initial questions Developers may have. This meeting will be open to the public and all discussions will be public. The meeting will be held at City Hall, 39 Main Street, Montpelier, VT at 10:00 am on January 14, 2014 and will last approximately 1-hour.

13. CONFIDENTIAL, ONE-ON-ONE MEETING: Each Development Team will be allowed one confidential presentation and interview meeting regarding their respective proposal to the Carr Lot Design Review Committee, those City Council members who may choose to attend and City staff. Each confidential meeting will last a maximum of 2-hours and the format is expected to include an approximate 1-hour presentation followed by a question and answer session. Please reserve the afternoon of January 22, 2014 for your meeting. The City will advise each Developer the specific time for each team no later than January 14, 2014.

14. QUESTIONS AND COMMUNICATION: During the pre-submittal period, questions about the RFP and / or project must be forwarded in writing via e-mail to: William J. Fraser, City Manager (wfraser@montpelier-vt.org) with a copy to Assistant City Manager Jessie Baker at jbaker@montpelier-vt.org. In an effort to keep this process fair and transparent, no other communications with any other person is allowed for any reason. Written questions and responses will be shared with all parties. The final date for questions is 4:00 pm January 24, 2014. Questions received after this date and time will not be answered.