

# REQUEST for DEVELOPER QUALIFICATIONS



201  
JEFFERSON  
STREET  
Lapeer,  
Michigan

## TIMELINE

RFQ released:  
**08/24/2022**

Site Showcase  
event: **09/07/2022**

RFQ proposals due:  
**10/21/2022**

Evaluation period:  
**10/24/22 – 11/30/22**

Finalists teams  
notified: **12/01/2022**

Finalist teams  
presentation to  
evaluation committee:  
**December 2022**

Finalize terms of a  
development and  
purchase agreement:  
**January 2023**



**MICHIGAN ECONOMIC  
DEVELOPMENT CORPORATION**

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## 201 JEFFERSON STREET

### Lapeer, Michigan

Near the prominent corner of M-24 and Genesee Street and the gateway to historic downtown Lapeer, is a 7.12 acre redevelopment site. With commercial frontage and proximity to parks, Farmer’s Creek, City Hall, and the community library, the site presents a prime opportunity to celebrate the vibrancy of the city and be a part of the growth happening in Lapeer.

As a county seat, Lapeer has high employment and ample business opportunity in and around the charming downtown historic district. The Chamber of Commerce and DDA host monthly mixers and community events at which businesses come together and create a level of activation that many communities are vying for. Lapeer is a destination for families and entrepreneurs looking for access, safe neighborhoods, and convenience to larger cities as well as the nearby Detroit International Airport. On summer weekends, food trucks and concerts in the park are just a 5-minute walk from this redevelopment site.

Lapeer schools offer many choices. Of note are the high graduation rates and the STEM program at the Center for Innovation. Athletics are a strong component of the school system, which offers opportunities for young and old. The local and regional parks system includes mountain biking, family-friendly trails, and playgrounds. Residents are proud of all that Lapeer has to offer.

The development site is 7.12 acres in area and is located at the terminus of Nepessing Street (Main Street), six blocks west of the Central Business District. The former James E. White Junior High School was located on the site, which was demolished in 2019. The site has cleared Phase 1 and Phase 2 environmental assessments and is prime for redevelopment.

The City of Lapeer would like to partner with a visionary developer to infill the site with active ground-level uses, micro-industry or maker spaces, parking, housing, entertainment, and retail uses. The City, with community input, has developed a concept showing the site’s viability for a project featuring mixed-use commercial buildings, with live/work, townhouses, retail, upper floor residential, and surface parking. The vision includes a festival streetspace, with active uses spilling onto the sidewalks and pedestrian-scale streets for outdoor dining, shopping, and celebrating.

Certainly, the City is open to other concepts. This request includes several potential arrangements of streets, uses, and open space. The purpose of the concept plan included in this Request for Qualifications is to pique interest and let entrepreneurs know there is flexibility and support in welcoming development.

Interested development teams are invited to submit qualifications by the **SUBMISSION DEADLINE**; please refer to **page 16** for submittal details.

# DEVELOPMENT OPPORTUNITY

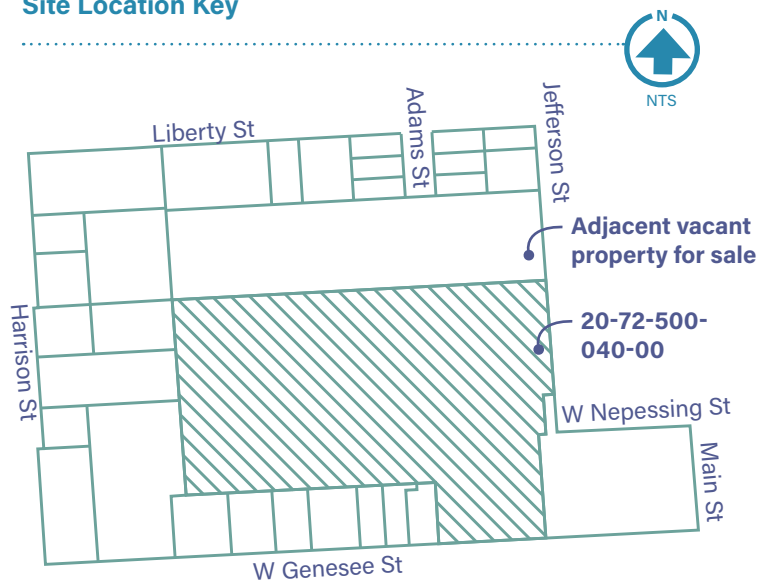


The 7.12 acre development parcel is vacant and owned by the City of Lapeer. The site address and parcel numbers follow. Please see also the recently completed ALTA survey for the properties and market assessment, available as appendices to this RFQ:

- 201 Jefferson Street, 20-72-500-040-00

Main Street, M-24, which is near the eastern boundary of the site is a highly traveled state trunk line with 24,900 average daily trips. Genesee Street, immediately adjacent to the south boundary of the site, experiences slightly less daily vehicle trips. The site has a walk score of 76 out of 100 and is very walkable, where most errands can happen on foot.

## Site Location Key





## CITY OF LAPEER COMMUNITY OVERVIEW

Lapeer is located along the Flint River and is named for the French word for stone, “la pierre”, like those found on the bottom of the river. The county courthouse is the oldest continuously running courthouse in the State of Michigan and one of ten of the oldest in the United States.

Lapeer is well served by highways, with I-69 and Michigan Highways M-21 and M-24. Amtrak’s Blue Water line connects Lapeer to Port Huron and Chicago by rail and the Greater Lapeer Transportation Authority provides bus service. Flint’s Bishop International Airport is only 28 miles away and offers commercial service on Allegiant, American, Delta, and United Airlines. Dupont-Lapeer Airport in neighboring Mayfield Township provides private air facilities including a 3,800-foot paved runway.

Lapeer is comprised of single-family detached homes and some multi-format residential housing, and there is a growing opportunity for more attached or missing middle housing types. The local government is stable, with a Downtown Development Authority, Parks and Recreation Commission, Brownfield Authority, and active appointed and elected officials supportive of new

development. Contractors and developers speak to the ease of doing business in Lapeer.

“I can honestly say, the City of Lapeer Building Department is one of the best in the area to work with. Staff always makes time to sit down when requested and discuss projects with us, whether it’s in the preliminary planning stages, review, or construction phases of the project.”

- Jeffrey VanCamp

The city and surrounding communities have been stable over the last decade. Lapeer is a city of over 9,000 people and is projected to continue to grow. Lapeer is only 22 miles from downtown Flint and is within a one-hour commute from northern Detroit suburbs, such as Pontiac, Auburn Hills, Rochester, and Sterling Heights. The nearest emergency and critical care are offered at McLaren Lapeer Regional Hospital just a few blocks north of the site.

The city's high rates of educational attainment, coupled with high household income and low rates of poverty speak to the stability of the community and availability of a skilled workforce with disposable income. The percentage of residents within the Primary Market Area with a high school diploma is 93.2%, 5% higher than the national average.

Lapeer hosts a weekly farmer's market, and annually, 4th of July fireworks and the August Lapeer Days draw locals to enjoy the warm weather and strong community spirit. Nearby, Flint is home to several attractions including the Children's Museum, theaters, and performing arts centers.

Residents boast about the Lapeer park system. It contains a wide variety of well-maintained public parks and recreation facilities, encompassing roughly 240 acres available for use by residents of the Lapeer area.

There are many miles of paved trails in the City Limits that connect to city sidewalks, making it an extremely walkable community. The Oakdale Trails is known as a premier location for mountain bikers, consisting of 9.5 miles of natural surface singletrack. The City of Lapeer is proud to offer some impressive canoeing and kayaking opportunities for paddling enthusiasts. The 72-mile-long Flint River National Water Trail begins in Lapeer: the first three access/launch sites are in Lapeer City Parks, with a fourth currently being completed just outside the city limits. The Lapeer State Game Area, just north of the city, offers over 8,000 acres of multi-use recreational opportunities including hunting, fishing, hiking, and biking. Other nearby inland lakes offer swimming, kayaking, and outdoor dining opportunities with sunset views. The City of Lapeer has been awarded Tree City U.S.A by the National Arbor Day foundation for each of the past 32 years.



Image Credit: [www.ci.lapeer.mi.us](http://www.ci.lapeer.mi.us)



Image Credit: George Sharick



Image Credit: City of Lapeer



### Population

- 32,914 in the Primary Market Area with a median income of \$59,901
- 93.2% of residents have a high school diploma
- The largest population gains in the next 5-years will be for those under 15, 25 to 44, and 65+



### Retail Leakage

- Furniture, grocery, health & personal care, clothing, and shoe stores are all underrepresented within a 5-mile radius



### Housing

- The project can absorb 30 rental and 23 for-sale housing units per year
- A shortage of urban housing types in Lapeer indicates opportunity for these types of dwellings for the project

## MARKET CONDITIONS & OPPORTUNITIES

### Retail/Commercial/Office Market Potential

Lapeer’s retail offerings are a draw for shoppers within the primary market area and the other parts of Lapeer County. Downtown has over 50 shops and 18 eateries. Even more shopping is centered on M-24 between I-69 and West Genesee Street. Regional and national chains such as Leo’s Coney Island, Starbuck’s, Applebee’s, Home Depot, and Kohl’s can be found here.

Retail rents downtown vary but are generally close to \$15 per square foot. Asking rents for space south on M-24 are as high as \$18 per square foot triple-net. Developments advertising space for lease in the M-24 area report vacancies ranging from 3.2% to 13.6%. Given that retail is still recovering from the COVID-19 pandemic, these vacancy rates, we believe, indicate a strong retail market.

Retail gap analysis for the half-mile, 2-mile, and 5-mile radius indicate opportunities for the 201 Jefferson site to meet local needs. Below is a summary of opportunities within the half-mile radius and supportable square footages. Note that gaps increase as the radius increases and a full summary is included in the June 2022 Market Study report for 201 Jefferson by Mission North, LLC:

Notable Retail Gaps		
Industry	Half-Mile Radius (Sales)	5-Mile Radius (Area)
Furniture	\$563,131	8,226 sf
Grocery	\$4,918,517	92,177 sf
Beer, wine, liquor	\$501,079	13,036 sf
Health and personal care	\$413,233 (\$1,805,437 within the 2-mile radius)	28,816 sf
Clothing	\$926,650	59,071 sf
Shoes	\$28,171	1,978 sf

While the office market is fluctuating due to the COVID-19 pandemic, the Downtown Development Authority in Lapeer reports that smaller office spaces, in proximity to retail and mixed-use spaces on vibrant commercial streets, are in demand. These single-user spaces often have little vacancy and are fetching \$12 or more per square foot.

## Residential Market Potential

Predominantly single-family homes, the Lapeer primary market area includes 87% of homes built before 2000 and 58% before 1980. Eighty-one percent of occupied housing stock is owner-occupied. With strong increases in average home prices, the housing market is stable and growing in demand. From 2020 to 2021, the average home price increased \$15,000 to \$216,434, and local real estate experts have observed that much of the recent sales have been buyers from nearby Oakland County. The most abundant sales category includes three-bedroom homes with 1,500 square feet of area.

**For sale, owner-occupied market:** For any new development scenario that includes housing, the capture rate becomes an important metric. Capture rate is the percentage of qualified buyer households in the primary market area that the property must capture to fill the units. Using best practice analysis and an industry standard of 14% capture rate, any development project could anticipate 23 for sale units absorbed within the first year and another 23 for sale units absorbed in the second year. These 46 units could include either attached or detached residential products (including townhouse or row house), or a combination.

**Rental market:** For rental housing in multi-family buildings, there is a 98% occupancy rate, with rents ranging from \$1,000 for one-bedroom units and \$1,450 for two-bedroom units. Per square foot, rents range from \$1.29 to \$1.52. Using a 14% capture rate, approximately 39 units annually for two years (78 units total) could be absorbed in a new development project. Rental units could be in the form of multi-family units in mid-scale, mixed use, or live work units.

Sources: Population and housing data from the 2020 ACS unless otherwise noted. Retail leakage from Data Axle and Mission North, LLC



## SITE OVERVIEW

The development site is vacant and level, with a gentle slope to the north. The property includes direct access from Nepessing (Main Street/M-24) as well as access to Genesee. The site has water and sewer, and is served with electric and natural gas.

M-24 is a four-lane state trunk line, while Genesee is also a major local arterial, also with 4 lanes of traffic and sidewalks. Center turn lanes provide direct access to the site.

The property is within a 2-minute walk of several community and regional park spaces including Farmer's Creek and downtown Lapeer. The city hall, library, and adjacent Rite Aid provide convenience for daily needs and services.





## SITE UTILITIES

The site is surrounded by city-maintained streets and on-street parking is available.

### Water & Sewer

Site is fully served. The City of Lapeer Public Works Department oversees all utilities and has ample capacity to serve the property. Jeff Graham, the Director of Public Works, can be reached at (810) 667-7172

### Gas/Electric

Site is fully served. Contact Consumers Energy. Consumers Energy: (800) 477-5050

### Planning/Zoning/Economic Development

The City contracts with Rowe Professional Services and can be reached at [planning@ci.lapeer.mi.us](mailto:planning@ci.lapeer.mi.us) or (810) 667-7164.

## ADDITIONAL SITE INFORMATION

### Master Plan and Zoning

The City has recently updated their Master Plan and Zoning Ordinance and has included language in each that anticipates the redevelopment of 201 Jefferson following a planned unit development process.

The 2021 Master Plan, which was developed through broad community outreach and with local support after public meetings, designates the site as Planned Unit Development. The Master Plan states that the site could support uses that include “a mix of senior housing, live-work units, and clustered single-family units. Residents in this location would enjoy convenient access to downtown Lapeer.”

The benefit of the planned unit development process is its flexibility in use mix, density, dimensional standards, and phasing. The City has a long history of supporting new development that fits the vision of the Master Plan.

The guidance from the Master Plan for redevelopment of the site includes the following:

**West Genesee Area (p. 4-11):** The former junior high school property as well as the adjacent Perkins Nursery property should be considered for redevelopment as a mixed-use PUD.

Redevelopment of this area must consider traffic impacts on M-24 and must be designed so it is compatible with nearby single-family residences.

**Applicable Master Plan Goals (p. 2-14):** Consider the reuse of the former school property and Perkins Nursery at the northwest corner of Genesee Street and M-24 for residential, office, and commercial purposes. Uses might include a mix of senior housing, live-work units, and clustered single-family units. Residents in this location would enjoy convenient access to downtown Lapeer.

# SITE DEVELOPMENT POTENTIAL

The City of Lapeer is certified as a Redevelopment Ready Community by the Michigan Economic Development Corporation. The RRC certification recognizes the City's development regulations and processes as up-to-date, clear, and predictable, as determined by a rigorous external assessment.

The City is open to developer concepts for the site, and has conducted a community survey and public open house to gather insights from residents about the future of the property. The survey was completed by 317 respondents and indicated strong insights into the following:



- Eighty-eight percent of respondents felt that people will access the site via a combination of driving, walking, and biking.
- There was strong support for entertainment uses (77%), recreation uses (58%), shopping uses (45%), and residential (30%). Educational and office uses were less favored.

- Development patterns with mixed uses near streets and a connected grid was preferred, versus cul-de-sacs or passive uses.
- Respondents preferred the following for living arrangements: mixed use (49%), townhouse (30%), and apartment (28%). Retirement and duplex received less support.



- Respondents felt that this site should interface with downtown Lapeer by providing gathering space, housing, and shops, similar to a smaller-scale downtown, but different enough to not compete with the core city.

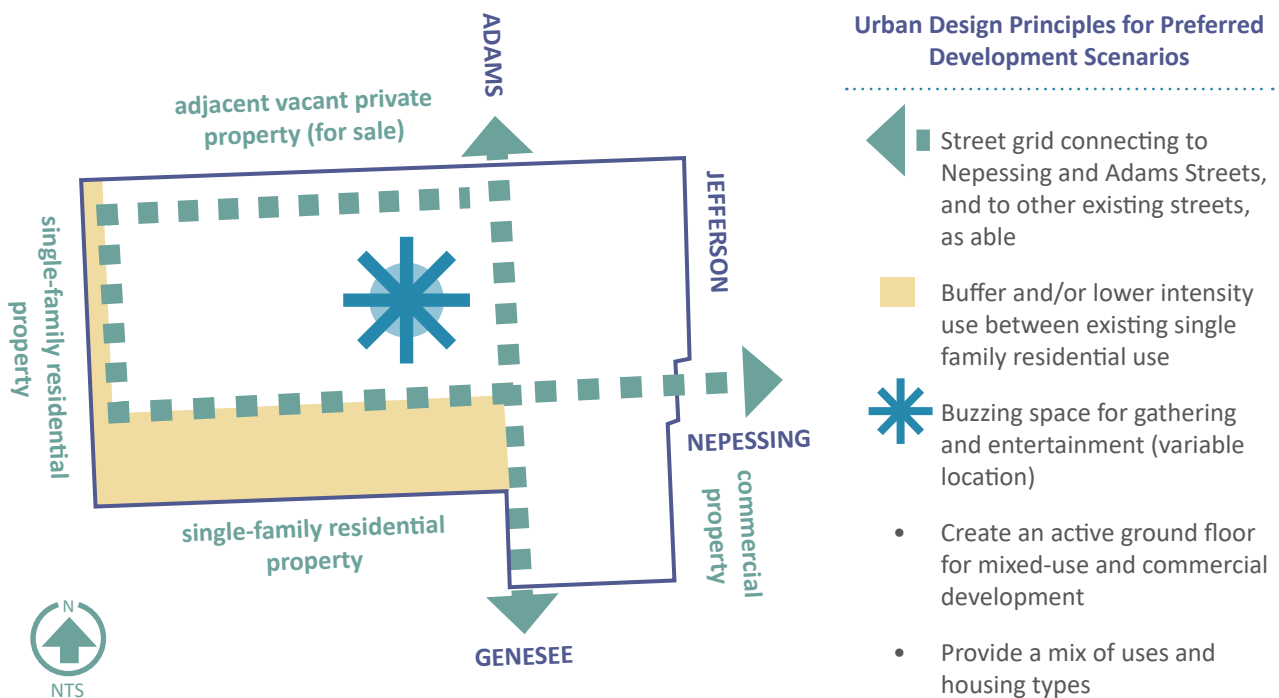
# URBAN DESIGN PRINCIPLES

As evidenced by the survey results, this large site can be developed in many ways, over multiple phases. Given the willingness of the City’s leadership, as well as public sentiment, a few “best practices” are desired for any new development concept.

In addition to the best practices, the design team prepared one illustrative concept to elicit interest and demonstrate site build-out potential. Accompanying the illustrative concept are diagrams depicting other potential scenarios for the site. The desired “best practices” for any future concepts include:

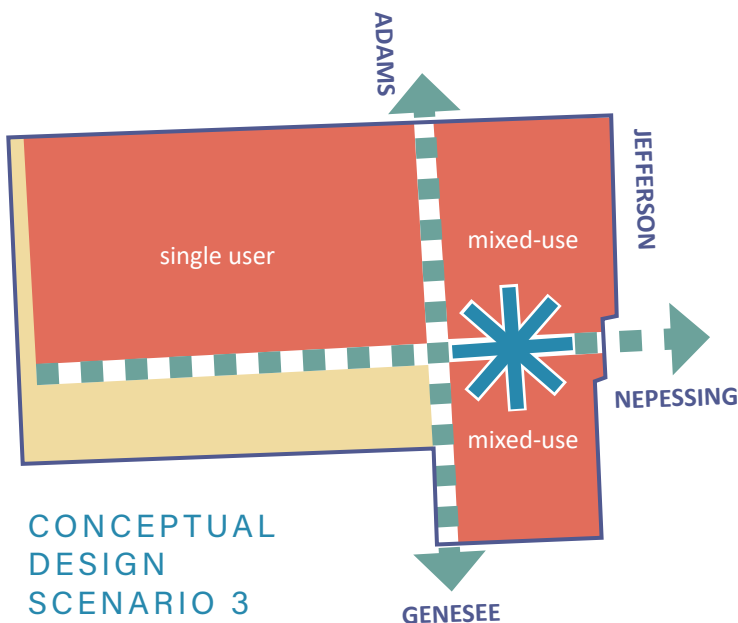
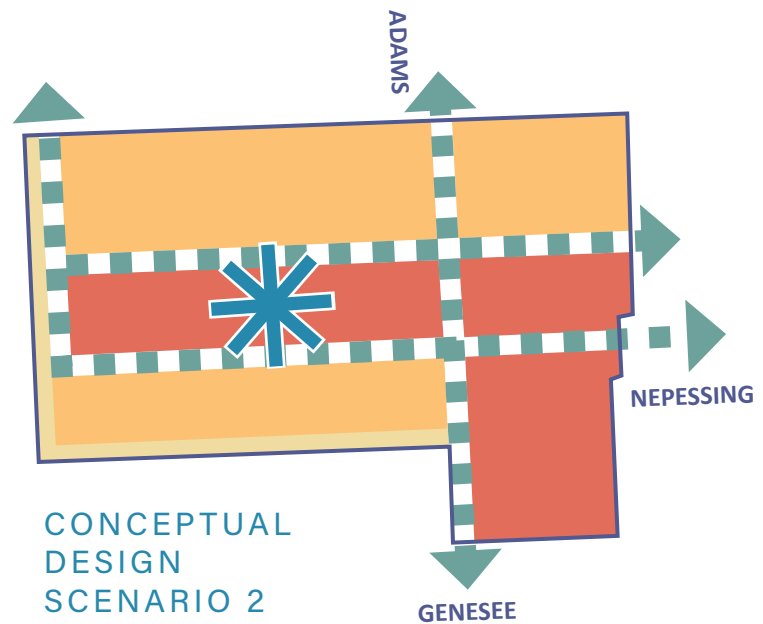
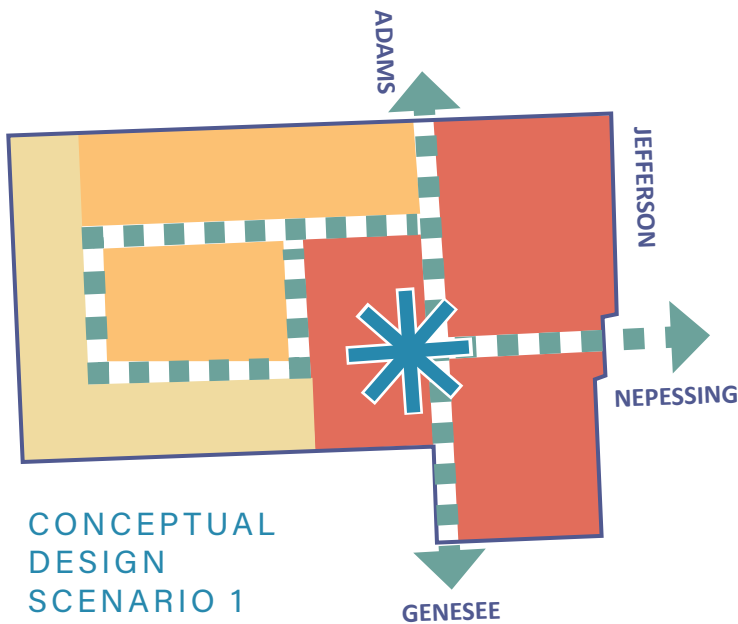
- **Street grid pattern, which connects to Nepessing and Adams Streets, and to other existing street rights-of-way, as able.**
- **Buffer and/or lower intensity use between existing single-family residential**
- **Buzzing space for gathering (location can be stand alone or a festival street space able to be programmed for events)**
- **Active ground floor uses fronting the Nepessing Street extension**
- **Provide a mix of uses and house types (or single-use that may adhere to the previous urban design principles)**

The conceptual site plan scenarios show one of many examples of how a mixed-use development could incorporate a street grid, dynamic festival street space, mixed uses, parking, and a variety of housing types. Other configurations may include commercial uses only. Buffering non-residential uses and parking from the existing detached single-family would be anticipated for any development scenario.








# CONCEPTUAL DESIGN SCENARIOS USING PREFERRED URBAN DESIGN PRINCIPLES

The City recognizes that the conceptual site plan scenario on the following page is not the only possible design that could fit this property and are open to developer ideas for use and layout. Urban Design Principles that are preferred for alternative development scenarios are illustrated on the previous page. Additional diagrammatic conceptual design scenarios are shown below to demonstrate a sample of alternative possibilities for site design on this property.



## Urban Design Principles for Preferred Development Scenarios

-  Street grid connecting to Nepepping and Adams Streets, and to other existing streets, as able
-  Buffer and/or lower intensity use between existing single-family residential use
-  Buzzing space for gathering and entertainment (variable location)
  - Create an active ground floor for mixed-use and commercial development
  - Provide a mix of uses and housing types:
    -  Commercial/Mixed-Use/Live-Work
    -  Moderate Density Attached Housing



## CONCEPTUAL DESIGN SCENARIO 4

This conceptual site plan was prepared using available survey data and aerial imagery. It shows one example of a mixed-use development for this property. Ideas for alternative developer designs that incorporate the preferred Urban Design Principles are welcomed.

### Conceptual Site Plan Legend

- |  |                                     |
|--|-------------------------------------|
| <b>A</b> Nepepping gateway boulevard     | <b>E</b> Multi-plex apartment home  |
| <b>B</b> Festival street/gathering space | <b>F</b> Single-family homes        |
| <b>C</b> Mixed-use building              | <b>G</b> Live/work units            |
| <b>D</b> Townhomes typ.                  | <b>H</b> Potential road connections |





## YEAR ROUND ENTERTAINMENT

The creation of an entertainment hub is an important element to include on this site. The manifestation of a space for entertainment could vary in use, location, and exposure (indoor entertainment business versus an outdoor gathering area), but the key for this space is that it is buzzing, publicly accessible, and provides a place that supports family-friendly activities. Illustrated on this page are conceptual renderings of a festival street that provides year round entertainment, such as that depicted in Conceptual Design Scenario 4.



# AVAILABLE INCENTIVES

The following incentives may be leveraged by the developer:

- MEDC Community Revitalization Grants & Loans – Up to 20% of site improvement and construction costs.
- Brownfield Tax Increment Financing – Reimbursement through paid taxes of up to 100% of demolition, site preparation, public infrastructure and lead and asbestos abatement, as well as environmental remediation.
- Neighborhood Enterprise Zone – For new home construction, instead of the full millage rate, the new home is taxed at half of the statewide average for up to 15 years.
- Downtown Development Authority development assistance support.
- Negotiable property sale price.



View from the west of the conceptual festival street



## SELECTION PROCESS AND CRITERIA

The City of Lapeer will review and evaluate all complete proposals in response to this Request for Qualifications (RFQ) to identify and engage with qualified developers. An initial response to this RFQ must include the following information:

- **Letter of Interest:** Provide a letter (up to 3 pages) identifying the development team and providing a brief description of the team's vision for the site and timeline.
- **Concept plans or renderings.**
- **Development Experience / Portfolio:** Provide a short description of past projects of a similar nature completed by the development team (up to 10 pages). Include a description of the projects, cost, completion date, and references.
- **Evidence of development team's fiscal capacity** to undertake the proposed project.
- **Resume** of firm and lead team members.

City of Lapeer staff may seek additional information upon receipt of a development proposal.

The RFQ and responses should not be considered a legally binding agreement. Upon selection of a qualified development team, City of Lapeer will enter into a pre-development agreement including purchase price, due diligence period, and other terms.

## PROPOSAL FORMAT

Six (6) printed proposals and a PDF version shall be submitted by the deadline specified in the attached schedule, to:

Dale Kerbyson,  
City Manager  
576 Liberty Park  
Lapeer, MI 48446

(810) 664-2902  
dkerbyson@ci.lapeer.mi.us



# CONTACT / QUESTIONS

Questions may be directed to:

Dale Kerbyson, City Manager

(810) 664-2902

[dkerbyson@ci.lapeer.mi.us](mailto:dkerbyson@ci.lapeer.mi.us)





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