

REQUEST for DEVELOPER QUALIFICATIONS



VANBUREN /MCCAMLY SITE Battle Creek, Michigan

TIMELINE

RFQ released:
04/28/2021

Site Showcase
event: **05/12/2021**

RFQ proposals due:
06/25/2021

Evaluation period:
06/28-07/23/2021

Finalists teams notified:
07/26/2021

Finalist teams
presentation to
evaluation committee:
August 2021

Finalize terms of
a development and
purchase agreement:
September 2021



**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**

RFQ | Battle Creek

VanBuren/McCamly site



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RFQ | Battle Creek

VanBuren/McCamly site



VanBuren/McCamly site, Battle Creek

City of Battle Creek is seeking proposals from accomplished developers able to activate a key 2.25-acre property in the city's downtown. The city is excited about working with a developer to realize this site's full potential.

THE OPPORTUNITY

The property is owned by City of Battle Creek which currently operates a parking lot at the site. The city's vision includes introducing the first newly constructed apartment development downtown in decades, along with a mixed-use component that would anchor the corner of McCamly and VanBuren streets.

This prime property sits at the southwest corner of McCamly and VanBuren streets in downtown Battle Creek.

The 2.25-acre site is situated across from Battle Creek Central High School and diagonally from the Art Deco-style W.K. Kellogg Auditorium. Clara's Restaurant, located in a historic train station, sits across McCamly from the site. The site is just across the McCamly Street bridge, one block from the main intersection of downtown Battle Creek. The site is bordered by and has views of the Battle Creek River, and it straddles the 26-mile Linear Park Trail.

The city developed a vision for the site, which is supported by a market study, but would entertain other similar proposals. The city's vision would:

- Introduce approximately 93 new rental units and 21 residential condominium units to downtown employees, college students and retirees who want to take advantage of downtown Battle Creek's resurgent lifestyle.
- Establish street-level retail along McCamly Street.
- Center the apartments around a pedestrian plaza that leverages the site's location on the Battle Creek River and the Linear Park Trail.
- At least 50 spaces dedicated for public parking, and underground parking is a feature the city would consider.

The property is valued at \$506,500 but is being offered at \$450,000. An array of incentives can be brought in to assist the developer with the development. Interested development teams are invited to submit qualifications by June 25, 2021 please refer to the last page for proposal requirements.

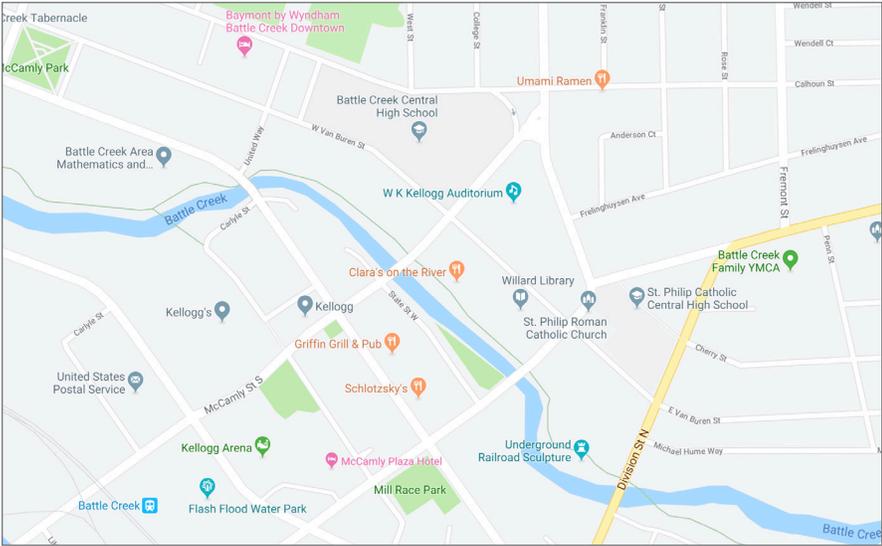


SITE OVERVIEW

The following aerial photographs show the location of the subject site and parcel boundaries.



Subject site in relation to the downtown retail core



Subject site's proximity to downtown attractions and employers



COMMUNITY CONTEXT: BATTLE CREEK

Battle Creek is the largest city in Calhoun County and is located between Jackson and Kalamazoo on I-94. The city has an estimated population of 51,000 and the county has 136,146.

Battle Creek has a diverse economy led by the manufacturing, government, health and education sectors. The four zip codes at and near the subject site, 49014, 49015, 49017 and 49037, are home to 42,000 jobs and a payroll of more than \$2,271,000,000.

Downtown is experiencing a surge of new investment, including the \$32.3 million “The Milton” renovation; a New Holland Brewery and Restaurant; and the renovation at 15 Carlyle Street, the Handmap Brewing and Record Box Loft, both complete and open.

Beyond Battle Creek’s economic features, the area offers a great quality of life with amazing recreational, cultural and educational resources.

Calhoun County contains several lakes including Goguac Lake right in the heart of Battle Creek where the city operates a park and beach. More lakes are found nearby, and the area is known for great mountain biking.

Performances and other events take place indoors at Kellogg Arena and outdoors at the Festival Market Square. Near downtown, Flash Flood Water and Wave Park offers great fun for kids. Binder Park Zoo, just south of the city, is one of largest zoos in the state and features a savanna environment where visitors can feed giraffes.

Kellogg Community College offers post-secondary education to the area including the Regional Manufacturing Technology Center at Fort Custer. Western Michigan University and Spring Arbor University also offer classes in the Battle Creek area.



SITE CONCEPT

To provide an example of the kind of development that City of Battle Creek is seeking, site concepts have been prepared to demonstrate potential site configurations and desired elements.



Concept image of corner building



Concept site plan



SITE CONCEPT



General concept image showing offset building façades



Concept image of interior plaza



SITE CONCEPT



Concept site plan



SITE CONCEPT



Corner of VanBuren and McCamly streets

MIXED-USE DEVELOPMENT WITH CENTRAL PLAZA

- 93 apartments, many with skyline and river views
- 21 residential condominiums
- 22,600 square feet of street-level retail
- 80 below-grade parking spaces
- Central plaza framed by buildings and the river

MARKET CONDITIONS

A market analysis was prepared for the site and is included as an attachment to this RFQ. The market analysis, prepared by Mission North of Traverse City, Michigan, includes these key findings:

- Over 6,500 people work in and near downtown, and payrolls in this area are higher than the national average.
- There is a shortage of quality housing to meet the demand for young renters and buyers working downtown, as well as retirees with connections to Battle Creek, who are looking for an urban lifestyle.
- Recent efforts by the city and Battle Creek Unlimited to strategically support business growth in restaurants and entertainment is better positioning downtown to attract residents and particularly millennials.
- There is a range of retail categories that are underserved in downtown Battle Creek, including home furnishings, specialty foods, office supply/stationary gift store and drinking establishments.

Another relevant study is the target market analysis conducted by Zimmerman/Volk in 2015 for downtown Battle Creek. This study, which is attached, projected housing potential five years forward and included the following findings:

- There is potential for higher income renters to absorb 250 to 300 units per year downtown through 2020, where less than 90 have been built/planned.
- Higher income households could purchase new urban townhouses and row houses priced at \$155,000 to \$200,000 at a rate of 8–10 per year through 2020.

A third study was just completed in May 2019 by Prior Associates for the greater Battle Creek market, and found:

- There is net demand for 160 market-rate rental units over the next two years in the greater Battle Creek market.
- For the next two years, there is a significant undersupply, numbering in the thousands, of LIHTC (Low Income Housing Tax Credit) based units in the greater Battle Creek market.



DEVELOPMENT PROCESS

With the selection of a qualified developer, the city anticipates entering into a letter of intent/predevelopment agreement to allow for due diligence and completion of a final development agreement.

City of Battle Creek utilizes a predevelopment review committee that includes the planning/zoning department, Department of Public Works, inspections and engineering, and the economic development department that developers may consult with to answer initial questions and make contacts for assistance as the process progresses.

Parking

The property is owned by City of Battle Creek, who is offering its sale. The city desires to maintain at least 50 public parking spaces on the property. The city is open to various ways to accomplish this including a long-term lease for these spaces, or simply retaining a portion of the land where parking would remain.

Utilities

The site is served on both street frontages with water and sewer. Contacts for more information on utilities are below:

Water/sewer/streets/right-of-way

Carl Fedders
City Engineer, Public Works Director
269.966.3343 | cefedders@battlecreekmi.gov

Gas

Semco Energy Gas Company
Aaron Pollman | 800.624.2019 ext. 5510

Master Plan and Zoning

Master plan: This property sits in the “Downtown Commercial” classification in the city’s land-use plan. “Downtown Commercial” calls for, among other things, “high-density residential apartments that provide housing options in a more urban setting” and “restaurants, cafés and bars...”

Zoning: The site is zoned T-5, “Core Downtown Commercial”

Redevelopment Ready Community®

Battle Creek has been certified in the Redevelopment Ready Communities program by the Michigan Economic Development Corporation (MEDC).



The RRC certification recognizes that the city’s development regulations and processes are up-to-date, clear and predictable, as determined by rigorous external assessment.

AVAILABLE INCENTIVES

Site Assessment

There is not a current Phase I environmental site assessment on the subject site. Assessing the site may be eligible for reimbursement if made part of an approved brownfield plan.

Additional Incentives

City of Battle Creek and the MEDC are committed to making sure that all available incentives may be leveraged to ensure the selected developer can achieve a quality outcome commensurate with the site vision and goals. Such incentives include:

- **Discounted land purchase price** to ensure support of an excellent development proposal.
 - Battle Creek Brownfield Redevelopment Authority maintains a **Revolving Loan Fund** for environmental remediation activities.
 - **Brownfield TIF** may be available through the Battle Creek Brownfield Redevelopment Authority (BRA) to support remediation, due care and other activities for any environmental conditions found on the site.
- Battle Creek’s designation as a “**Core Community**” gives further flexibility to use existing brownfield incentives for costs that may be associated with the redevelopment of this property.
 - **Michigan Community Revitalization Program** grants or loans may be available to fill financial gaps. MEDC and the city are committed to partnering with the selected developer to ensure this tool is used effectively.
 - The subject site is fully located within Battle Creek’s **Downtown Development Authority (DDA)** district. The DDA is committed to leveraging its resources, including a TIF program, to ensure the success of the selected developer.

SELECTION PROCESS AND CRITERIA

City of Battle Creek will review and evaluate all completed proposals in response to this request for qualifications (RFQ) to identify and engage with qualified developers for the VanBuren and McCamly site. An initial response to this RFQ must include the following information:

- **Letter of interest:** Provide a letter (up to three pages) identifying the development team and providing a brief description of the team's vision for the site.
- **Concept plans or renderings** of a vision for site development.
- **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.
- **Résumés** of firm and lead team members.
- **Proposed timeline** based on the proposed schedule (next column).

City of Battle Creek staff may seek additional information upon receipt of a development proposal. Additionally, the city reserves the right to refuse or reject any or all proposals, or to abstain from selecting any proposal, and may run background reviews of the development team.

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

Proposal Format

All proposals shall be submitted by email in a PDF format to esfeldt@battlecreekmi.gov by 11:59 p.m., Eastern Daylight Time, on June 25, 2021.

Additionally, either a paper copy or digital copy on a CD or USB drive shall be sent to the address below, postmarked no later than June 25, 2021.

City of Battle Creek
ATTN: Community Services Department
10 N. Division St., Battle Creek, MI 49014

Schedule for Review and Selection

The schedule for receipt and evaluation of proposals is anticipated to be as follows:

- **RFQ released:** April 28, 2021
- **Site Showcase event:** May 12, 2021
- **RFQ proposals due:** June 25, 2021
- **Evaluation period:** June 28–July 23, 2021
- **Finalists teams notified:** July 26, 2021
- **Finalist team's presentation** to evaluation committee: August 2021
- **Finalize terms** of a development and purchase agreement: September 2021

Contact/Questions

Questions may be directed to:

Eric Feldt, Planning Coordinator,
City of Battle Creek
10 N. Division St., Battle Creek, MI 49014
esfeldt@battlecreekmi.gov