Invitation for Redevelopment Proposals:

City block of property owned by the City of Hastings
in Downtown Hastings, Nebraska

May 12, 2014

City of Hastings, Nebraska

City Block Project
INVITATION FOR REDEVELOPMENT PROPOSALS

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I. Introduction

The City of Hastings is seeking redevelopment proposals for an area including but not limited to the City Parking Plaza in Downtown Hastings. The block, located between Hastings and Denver Avenues and W. 3rd and W. 4th Streets (CITY BLOCK), is owned by the City of Hastings. Proposals for redevelopment should include CITY BLOCK and may include adjacent properties controlled by government agencies or private parties. Interested developers or development teams are encouraged to submit proposals for the redevelopment of this area.

This IFRP is the newest opportunity for redevelopment in Downtown Hastings.

A. BACKGROUND

Downtown is the City of Hastings' historic, cultural and civic core. As with most cities of Hastings' size, certain commercial and social functions have, over recent decades, shifted from the city's center to outer developments, leading to the need to initiate revitalization efforts. The downtown area has already seen significant redevelopment, including renovated upper-level housing and main floor retail space, and the development of new cultural institutions and social attractions. Due to active and

engaged downtown organizations and citizens, Downtown Hastings is ahead of the curve on redevelopment, having already renovated a large number of buildings. However, the existing building stock offers few opportunities for larger retailers, and there is little commercial space of the scale and type to host a large office. So, future growth may include infill development that can provide for these larger entities while integrating into and extending the existing urban fabric of downtown.

B. RECENT PLANNING AND STUDIES

In 2013, Hastings undertook two specific planning initiatives to examine opportunities for downtown revitalization and the feasibility of a new community conference center. Independently, both studies outlined the need and the potential impact of such a center.

OVERVIEW OF VENUWORKS CONFERENCE FEASIBILITY STUDY

A COPY OF THE STUDY IS AVAILABLE AT: http://www.cityofhastings.org/residents/document-central.html
CATEGORY: CITY BLOCK PROJECT

In August 2013, VenuWorks Inc. completed a Feasibility Study for a new Conference Center in Hastings. VenuWorks received input from nearly 400 individuals through personal interviews, focus group meetings, electronic surveys and follow up calls to gather insight for the study. The combination of industry experience and extensive research lead to the development of the findings and recommendations which state that there is a "significant demand for wedding reception and banquet space to accommodate 200-400 attendees" and "six smaller breakout rooms sufficient to accommodate 50-70 people banquet style seating, 40-50 people for classroom seating and 80-100 people in theater style seating."

OVERVIEW OF DOWNTOWN REVITALIZATION PLAN

A COPY OF THE STUDY IS AVAILABLE AT: http://www.cityofhastings.org/residents/document-central.html
CATEGORY: CITY BLOCK PROJECT

In 2013, the City of Hastings retained the services of Alley Poyner Macchietto Architecture to facilitate the creation of a Downtown Revitalization Plan. Objectives of the study:

- Analyze the existing downtown area with regard to population, function, infrastructure, capacity, and barriers to development.
- Review previous studies and planning documents.
- Identify opportunities for increased commercial and retail development, occupancy and investment.
- Determine strategies for increasing downtown housing.
- Identify tourism, marketing, cultural and entertainment opportunities.
- Identify additional funding strategies for renovation of existing buildings along with incentives for occupancy.
- Create realistic recommendations that will facilitate future development.

II. Project Objectives

Based on the key findings and recommendations of the Conference Center Feasibility Study, and in conjunction with the opportunities outlined in the Downtown Revitalization Plan, the City of Hastings applied for and received approval for a $750,000 grant from the State of Nebraska's Civic and Community Center Financing Fund. Utilizing these funds along with other public and private funding sources, the City of Hastings intends to select a developer to address code deficiencies and renovations at the City Auditorium and to redevelop CITY BLOCK and potentially its adjacent properties.

The redevelopment of the site should:

- Be compatible with the existing built environment of Downtown Hastings
- Reflect opportunities, suggestions, and key findings outlined in recent planning and studies
- Provide active street-level uses
- Enhance Downtown Hastings through compatible design and uses
- Strengthen Downtown Hastings as the Residential/Employment/Entertainment/Cultural District of the City

The City Block Project is expected to be a catalyst for continued investment and redevelopment in Downtown Hastings.

III. Description of Site

CITY BLOCK is a premier site for a catalyst development in Downtown Hastings.

Current Site Data

The parcel area is approximately 264' by 264'. The height limitation of the site is 120'.

Zoning and Design Standards

City Block is currently located within a R-1, Urban Single Family Residential district, but will be rezoned into a planned district through the redevelopment process.

The project is located in Downtown Hastings. A committee of representatives from the Adams County Historical Society, the Community Redevelopment Authority, at-large community members, and other selected individuals will review the conformity of any proposed project with Downtown Hastings design preferences.

The project is subject to Downtown Hastings design preferences. Primary requirements that specifically impact the project are:

- Durable, high quality, authentic building materials will be required
- Overall compatibility with surrounding buildings and interrelationships within each setting is encouraged. Factors to consider in the compatibility of design include: alignment, setback, spaces between buildings, massing and scale, shade and shadow

patterns, scale and proportion of openings for doors and windows, ornamental and detail, cornice heights, coloring of brick, etc.

Proposed zoning will encourage "build to" development, where the entire lot is built out to the property line. Proposals may include openings for services and "community" space.

IV. Submittal Requirements

Each developer submitting a proposal for the City Block Project must submit documentation as identified in the following material. The documentation submitted will be used to evaluate proposals and select the preferred developer(s) with whom the City of Hastings intends to negotiate a land lease or purchase and negotiate a redevelopment agreement. The documentation should be at a level of detail that provides an opportunity for an accurate evaluation of the proposal.

In assembling the required documentation, reference should be made to the criteria that will be used in the selection process. Those criteria are outlined in Section VI in this IFRP. The selected developer(s) will be required to provide more detailed information during the negotiation process.

A. THE DEVELOPER/DEVELOPMENT TEAM

The developer will be the one with whom the City will negotiate the lease or sale of the land and the redevelopment agreement. The development team may include the developer, architecture firm, engineering firm, financial institution and/or funding entities, etc. The more defined the developer and the development team is before the submittal of the proposal, the greater the City's ability to understand with whom it will negotiate with and from whom it will request information. Identify the developer(s), including all members of a team or teams of developers, role, and background experience of members, including identification of comparable successful projects completed by team members.

B. PROJECT PLANS

- Identification of the intended use of the proposed building(s).
- Quantification of uses (e.g., number of square feet of commercial space, number and size of residential units).
- Narrative description of design proposed and the manner in which the objectives of the IFRP, Downtown Hastings design preferences, reasonable Historic Preservation Standards, and relevant plans and studies will be addressed.
- Preliminary schematic designs of the project, including site plans.

All proposals are subject to Downtown Hastings design preferences, reasonable Historic Preservation Design Standards, applicable City codes and ordinances, and other guidelines. As part of the review process, the developer(s) may be required to submit additional architectural detail. Models are an encouraged component of the plan submittal.

C. PROJECT FINANCIAL PLAN

The following information is necessary for the City to evaluate the viability of the project and to analyze the developer's ability to complete and operate the project:

1. Pro forma statement

The project proposal should include a preliminary financial summary that provides an outline, to the extent possible, of the projected development, potential City financial assistance, and the fiscal impact of the project.

2. Other financial information that will provide the City with a better understanding of the proposed investment, including references.

3. Justification for City's Financial Assistance

Tax Increment Financing may be available if the developer(s) can demonstrate clearly that without the financial assistance from the City, the project would not be feasible. The use of Tax Increment Financing is at the discretion of the City and the Community Redevelopment Authority. The proposal should include a specific explanation of the type of financial assistance the developer(s) is requesting from the City. If the City is being asked to finance construction of public improvements, then the estimated value of that commitment should be stated. For public investment, projects will need to show economic viability that ensures repayment of debt service.

4. Other Actions Requested

If additional financial support or public action is required in order to make the project feasible, the proposal should include a specific explanation of the type and amount of financial assistance requested, a justification for such assistance, and/or a description of the public action required. Following the selection of the developer(s), updated financial projections may be required for the negotiation of a redevelopment agreement and prior to the execution of the agreement.

D. SCHEDULE OF PERFORMANCE

The developer(s) should be prepared to implement the project in an expeditious manner. The City's proposed timeline for this project is to select the developer(s) within 30 days of the date proposals are due. The City and the developer(s) will begin negotiations with the goal of securing an agreement in the Summer of 2014. A proposed schedule of performance should be provided that includes design, securing equity and debt financing, construction, lease-up, and any other critical milestones. This information may be presented in a simple bar chart.

E. AFFIRMATIVE ACTION PLAN

As part of doing business with the City, the developer(s) will be asked to demonstrate a commitment to the equitable use of minority and women-owned businesses. Therefore, as part of this proposal, the developer(s) should provide an affirmative action plan that details the specific steps intended to ensure that contracting opportunities are made available to the MBE/WBE community.

F. CONTINGENCIES OF DEVELOPER

The developer(s) should state explicitly in the proposal any qualifications or limitations of the proposal and any and all known and anticipated contingencies that might affect the ability of the developer(s) to perform under the terms of the proposal.

V. Selection Process

A. PROCEDURE FOR SELECTION OF THE DEVELOPER(S)

In general, the City will use the following selection procedure:

1. Proposal submission

The City will accept proposals at any time up to and including the submittal deadline of noon, June 6, 2014. Ten copies of each proposal must be submitted to Ms. Connie Hartman, City Clerk, City of Hastings, 220 North Hastings Avenue, Hastings, NE 68901.

Proposals and submissions will be considered trade secrets of the developer(s) and will be treated as confidential material.

2. Preliminary Review

Upon receipt of the proposals, the City will conduct a preliminary review of all the materials submitted. If the proposal contains all of the requested information, the City will

A. Perform preliminary due diligence on the developer(s) and submitted financial information; and,
B. Determine if further studies are required in conjunction with the project. If the proposal is incomplete, the City will determine whether to consider the proposal for continued review.

3. Selection Advisory Committee

The Mayor will appoint a Selection Advisory Committee to evaluate the proposals. The committee will examine the proposal's fiscal impact to the private and public sectors, contextual integrity, and other factors as deemed relevant by the Mayor and the City Council.

4. Interviews

The City, through the Selection Advisory Committee, may require that the developer(s) deemed most worthy of consideration participate in on-site interviews prior to recommending a developer for this project. Interview dates are planned for June 17-19.

5. Selection Recommendation

Once the developer(s) has addressed any milestones to be identified with the project and any additional studies, if needed, the Selection Advisory Committee will make comments and a recommendation on the proposals to the City Council for its consideration.

6. Project Selection

The City Council, upon its receipt of the recommendations from the Selection Advisory Committee, may select a developer of record at its discretion.

B. POST-SUBMISSION CHANGES/TRANSFERS

At any time after submission of a proposal for the City Block Project, the developer(s) may make substantial changes in the project or transfer or assign the proposal or any interest therein to another developer(s) with the written consent of the City. The City reserves the right to withhold consent or to impose conditions on such consent unless such change is customary practice or required as part of financing or securing a hospitality vendor. As a condition to any required consent, the original developer(s) of the project and the transferee may be required to demonstrate or certify to the City that, except for the reimbursement of out-of-pocket expenses incurred in connection with the submission of the proposal, no compensation, remuneration, transfer fee or similar payment has been made in conjunction with such transfer or assignment.

C. AGREEMENT

If the City enters into a redevelopment and/or lease or purchase agreement with the selected developer(s), the agreement may include provisions addressing the following:

1. Description of the project and the City's rights regarding design approval and access;

2. The term of the leases, if applicable;

3. Project construction and schedules of performance;

4. The City's and the developer(s)'s financial summary;

5. The City's fees and participating interest in the project;

6. Signage;

7. Easements;

8. Insurance;

9. Indemnification of the City;

10. Anti-discrimination and affirmative action;

11. Default and termination;

12. Restrictions on use;

13. Restrictions on assignment and transfer; and,

14. Other customary and appropriate provisions.

The developer(s) will have exclusive negotiation rights after notification of selection for a period of up to 90 days in order to execute an agreement with the City. During the negotiation period, either the City or the developer(s) may withdraw from negotiations, if either party determines that a satisfactory agreement is not likely to be reached. The City may extend the 90 days at its sole discretion.

D. CRITERIA FOR EVALUATING PROPOSALS

The City has established the following criteria upon which it will evaluate the proposals, and will select the developer(s) and proposal(s) which best meets these criteria. The City's determination of satisfactory compliance with the selection criteria will be conclusive.

1. Relationship to general objectives
    - Manner in which the proposal conforms to the City's goals as described in this Invitation for Redevelopment Proposals.
    - The manner in which the proposal conforms to the objectives in the opportunities, recommendations, and key findings outlined in the Downtown Revitalization Plan and the Conference Center Feasibility Study.
    - Conformity with all applicable building and zoning ordinances and all other applicable City ordinances, and
    - The relationship of developer(s) and/or project team members to the City of Hastings.
2. Background and experience of the developer(s)
    - Experience of the proposed developer who will be responsible for the project.
    - The success of the developer's past projects, especially projects which are similar to the proposed project.
    - The developer's property management experience including other similar projects.
    - The overall architectural and design quality of prior projects of the developer.
    - The developer's experience in working with public entities.
    - The developer's history of timeliness and completion of prior projects;
    - The developer's history of completing projects as originally proposed; and,
    - Status of any litigation regarding the developer's past projects.
3. Financial capability of the developer

- The developer's ability to provide sufficient equity/financial support for the proposed project as evidenced by documentation from lending institutions;
- The developer's ability to secure any necessary debt financing;
- Evidence of the developer's ability to fund the project until its completion, and
- Closing of permanent financing and project stabilization.

4. Project Specific Criteria
    - The overall architectural and design quality of the project;
    - The relationship to the Downtown;
    - The type and extent of public support, investment, and/or involvement required of the project;
    - The manner in which the proposed project responds to existing and future market/community needs;
    - Anticipated success and viability of the proposed project;
    - The extent to which the project will serve as a catalyst for other investment and redevelopment in Downtown Hastings;
    - Projects similar to the proposed development in which the developer(s) was involved and the success of such projects;
    - The extent to which the developer(s) exhibits a commitment to implementing the project in a timely manner;
    - Size/scope of the projected economic impact to Hastings and Adams County;
    - The nature of the project and its potential impact to Downtown Hastings, and
    - Support or involvement of primary employers and potential for job creation.
5. Affirmative Action Criteria
    - The demonstrated willingness, ability, and commitment to involve minority and women-owned businesses at all levels of the development process.

E. REJECTION OF THE PROPOSALS

Any and all proposals may be rejected at any time at the sole discretion of the City, and the City's decision will be final. Automatic rejection will occur if the proposal has not been selected by the City within 120 days of the submission date. In addition, the proposal may be rejected for any of the following reasons:

1. The proposal was submitted past the deadline of 12:00 p.m. on June 6, 2014.
2. The proposal was incomplete upon submission; or
3. The City and the developer(s) fail to execute a redevelopment agreement within 90 days of the date the developer(s) is selected.

F. MISCELLANEOUS INFORMATION

1. NON-REIMBURSEMENT OF COSTS

The purpose of this document is solely to solicit proposals for the City Block Project in Downtown Hastings, Nebraska. The City does not agree to assume, pay or reimburse any cost, expense or fees incurred by the developer(s) in connection with this solicitation. Questions concerning the proposal submittal should be directed to: City of Hastings, 220 North Hastings Avenue Hastings. Questions addressed to Dave Ptak, City Attorney, will be accepted by Mail/Phone: (402) 461-2309/e-mail: dptak@cityofhastings.org

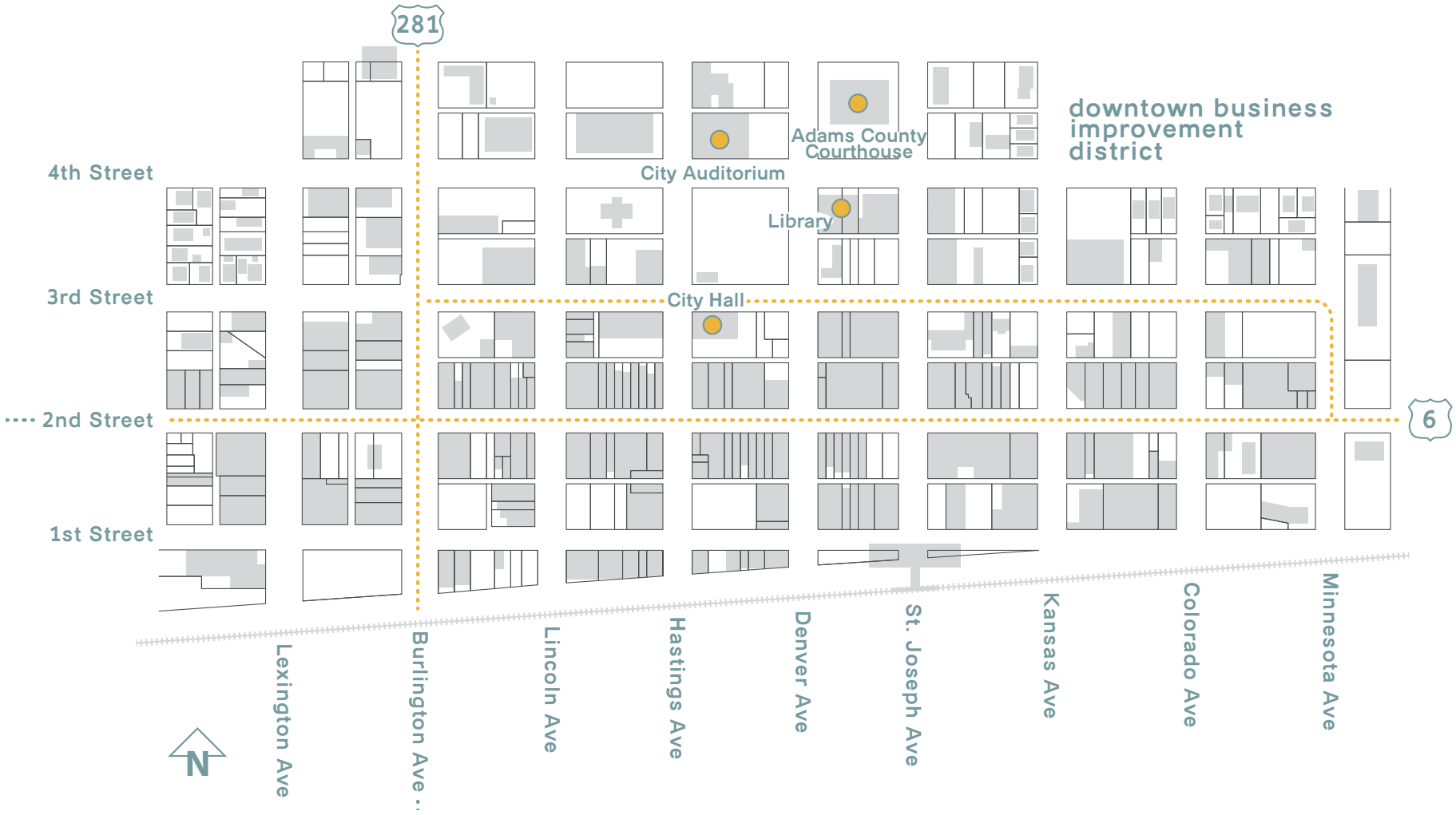
City Block Project
INVITATION FOR REDEVELOPMENT PROPOSALS
Supporting Documentation

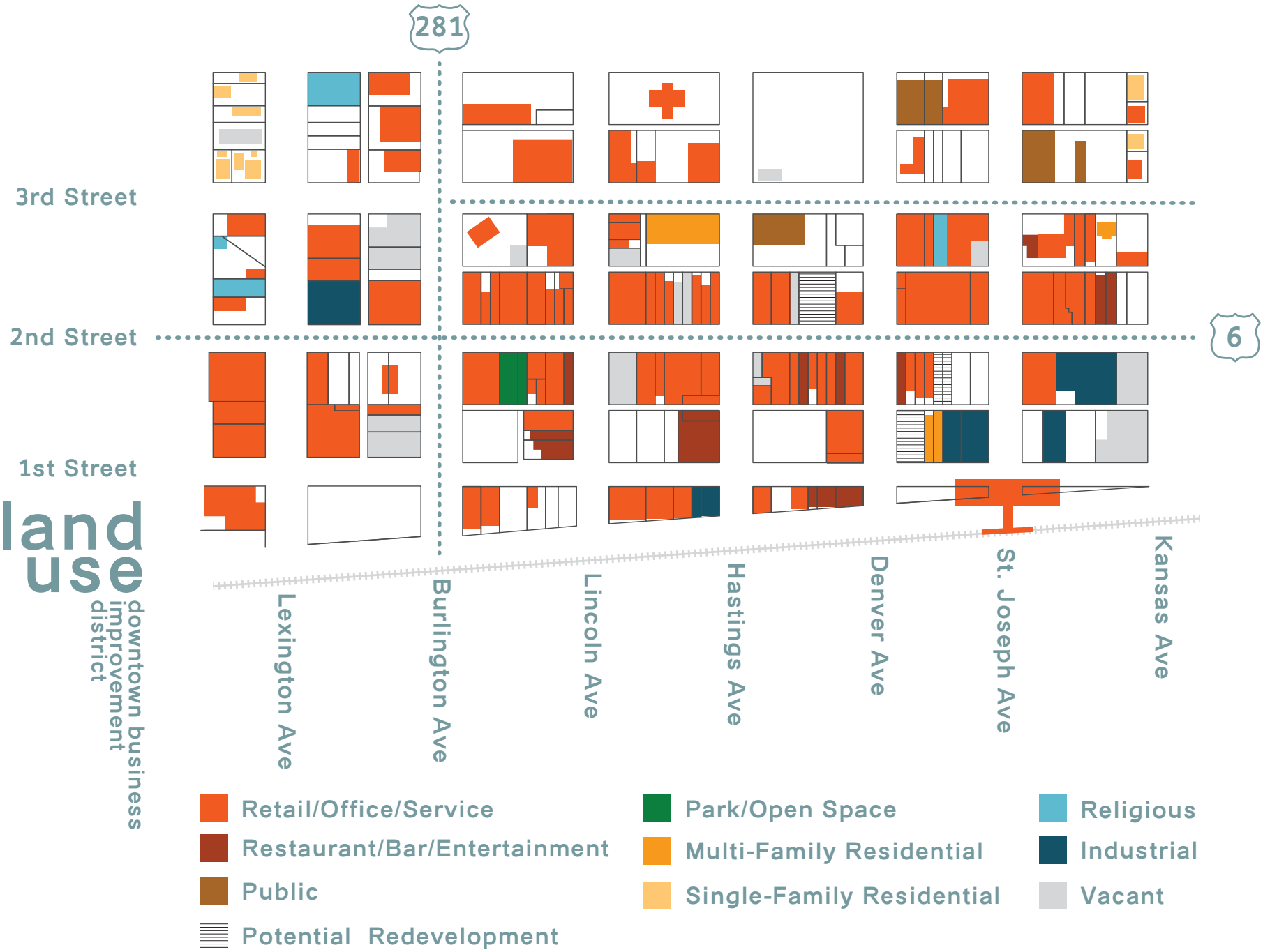
Appendix

a) Project Area Radius
b) Project Area Aerial
c) Business Improvement District Map
d) Business Improvement District Land Use Map

7TH ST W
7TH ST W
N
6TH ST W
6TH ST W
6TH ST W
LINCOLN AVE N
HASTINGS AVE N
DENVER AVE N
CITY BLOCK
SAINT JOSEPH AV
Potential Surrounding Project Area
5TH ST W
BURLINGTON AVE N
4TH ST W
KANSAS AVE N
MINNESOTA AVE N
EASTSIDE BLVD
3RD ST W
KANSAS AVE N
COLORADO AVE N
2ND ST W

b


281
downtown business improvement district
Adams County Courthouse
City Auditorium
Library
City Hall
4th Street
3rd Street
2nd Street
1st Street
6
Lexington Ave
Burlington Ave
Lincoln Ave
Hastings Ave
Denver Ave
St. Joseph Ave
Kansas Ave
Colorado Ave
Minnesota Ave
N

land use

downtown business improvement district