

REQUEST FOR PROPOSALS (RFP)

from

PRIVATE LAND DEVELOPERS

regarding the

HAWK HOLLOW REDEVELOPMENT PROJECT AREA

Date of Issue:

March 1, 2010

Issuer:

City of Moline, Illinois – City Administrator’s Office

Name of Development Project:

Hawk Hollow Bluff

Location:

The Hawk Hollow Bluff Development site is located adjacent to 6th Street in Moline, Illinois between 5th and 11th Avenues along the bluff line overlooking the Mississippi River and just north of the Old Towne commercial neighborhood (formerly known as Phase II and Phase III of One Moline Place).

Project Description:

Hawk Hollow Bluff is a 25.5 acre redevelopment site situated in the Northwest quadrant of Moline on property overlooking downtown Moline, the I-74 Bridge and the Mississippi River. It is prime land for residential development being situated and surrounded by a City Park, wood lands and river bluff views. The City of Moline is interested in soliciting proposals from qualified developers willing to invest private funds alongside new public infrastructure expenditures to improve this property to facilitate new mixed-density residential development. The City is particularly interested in land developers capable of constructing a variety of housing units to reflect a range of density and spacing between living units to take advantage of the location, view and topography of the property, including possible multiple story condominium buildings. Generally, the City would expect the preferred developer to construct about seventy-five (75) new residential units (single-family homes, townhouses and clustered villas/cottages) and seriously consider multiple story condominium buildings along the bluff, on the west side of 6th Street over a nine (9) year period beginning in 2012, and twelve (12) to sixteen (16) townhouses off 8th Street at the foot of the bluff east of 6th Street, over a five (5) year period of time beginning in 2012. Please reference the accompanying map (aerial photo) on the last page of this RFP document, highlighting these residential components of the development site.

Environmental Conditions:

Asbestos from the Old Nurses Dormitory Building was remediated under the approval of the Illinois Environmental Protection Agency (IEPA) and the structure was subsequently demolished. The rubble from the building was buried on site but is not expected to be a impediment to construction. Although the City

makes no warranty or representation about the environmental conditions present on the site and any developer should conduct its own due diligence regarding same, the City is not aware of any known remaining environmental conditions present on the property to delay or add unknown costs to the development of the site.

City Financial-Economic Incentives:

The City of Moline has created a new Tax Increment Finance Redevelopment District on the Hawk Hollow Bluff Project Area for the City to financially contribute towards the cost of the construction of water, sanitary sewer, storm sewer, curb and gutter, roadway and sidewalk improvements on the west side and east side of the development site. Depending on the demonstrated need for direct private financial assistance and exhaustion of all other financial opportunities, the City may negotiate a limited developer's rebate as an economic incentive to attract new private investment in the property. Any such rebate would be performance based and payable only after sufficient incremental property tax revenues have been generated from the sale of new residential units to warrant payment of a rebate. City economic incentives will be considered in accordance with established City economic policies, based on a "but-for" analysis that compels City participation, leveraged by significant developer equity, and in the form of a rebate rather than upfront payment.

Developer Responsibilities:

Private land developers interested in submitting a response to this Request For Proposals will be expected to address the following issues or topics in their written proposals:

- Demonstrate the ability to finance land development costs, both equity and debt financing, to adequately complete the installation of other utility improvements to complement the planned public infrastructure improvements, as well as the construction of new residential units to satisfy the timeliness of said construction.
- Submittal of a projected timetable for the construction and completion of new water, sanitary sewer, storm drainage and street improvements. The City would anticipate that the selected developer initiate design immediately with construction beginning upon completion of the design work.
- Submittal of a projected timetable for construction of new residential units on both the west and east sides of the development project area. The City expects new residential construction to begin in 2012.
- Demonstrate sufficient net worth to document the availability of equity capital into the project.
- Submittal of financial projections for 15 years illustrating the phased build out timetable and the calculation of investor's return on equity capital.
- Construction cost estimates for all public and private utility and roadway improvements based on the developer's proposed preliminary plat or configuration of rights-of-way and individual lots.
- A written narrative describing the developer's long-term vision of the development along with accompanying schematics of the elevations – front, side and back of various types of residential units being envisioned within the development, and explain how this design fits into the site and surrounding neighborhood.

- Submittal of a marketing plan to outline how the developer intends to solicit sales of residential units to perspective buyers, including the number of model units to be constructed and marketed and the use of in-house or listing realtors to manage the sales and promotional campaign.
- A letter from a qualified private lending institution to the developer expressing both the capacity and interest to consider the appropriate level of debt financing to adequately fund the projected private costs associated with the developer's phasing plan and financial projections.
- Obtain any and all necessary zoning changes, variances, special use permits, building permits, certificates of occupancy, or other approvals from the City of Moline to accommodate or facilitate the redevelopment of this property. Acceptance of a development agreement by the Moline City Council does not explicitly ensure approvals from other boards or commissions having appropriate jurisdiction over land regulations, and the City specifically disclaims any such representation or understandings to the contrary.
- Projected absorption rate for the number and type of living units being proposed, supported by documentation of market demand to demonstrate reasonableness of phasing plan.

Developer's Qualifications:

Private developers interested in responding to this Request For Proposals will be required to demonstrate an ability to meet the following criteria:

- Developer's anticipated project team (engineer, designer/architect, legal, builder/contractors, other)
- Portfolio of similar/past development projects with background information including number of units, type of units, project status, etc.
- Experience developing, constructing and completing mixed-density residential projects in the midwest.
- Previous partnerships with local governmental entities to advance community development objectives.
- Current in the payment of real estate taxes to Rock Island County for all tax parcels owned in whole or part by the developer or any related or affiliated entity.
- Current in any amounts or accounts due to the City of Moline.
- No significant code violations (past, present or pending) within the City of Moline and no adjudications for violating an order of the Moline Building Division.
- No bankruptcy, receivership, conservatorship or other type of insolvency in the last seven (7) years for either developer or any related or affiliated entity or equity investor.
- No record of conviction of any felony crime, or any crime that affects property or neighborhood stability, honesty, or moral turpitude.
- No record of lost property through IN REM foreclosure.
- No city judgment in the past seven (7) years.
- Sufficient net worth to provide equity capital in an amount greater than projected on the development project's financial pro forma statement.

Conflict of Interest:

Private developers interested in submitting a response to this Request For Proposals are asked to include a signed statement indicating that no official or employee of the City of Moline has an interest in the

developer's business nor in this development project as it pertains to the purchase of the property or transfer of the ownership thereof.

Purchase Price:

The City of Moline expects to receive fair market value for this property payable in full at closing with an appropriate amount of earnest money deposited when a Development Agreement is approved by the Moline City Council. The fair market value of this development site is estimated to be in excess of \$700,000.00 and the City may consider financing on favorable terms any amount above \$440,000.00 due and payable at closing.

Evaluation Criteria

The City will evaluate proposals submitted in response to this RFP, and make an award based on the following criteria:

- a. Price for real estate;
- b. Type of units proposed;
- c. Number of units proposed;
- d. Past success with similar developments;
- e. Types of infrastructure proposed and compatibility with City infrastructure;
- f. Amount of increment projected from the development;
- g. Amount and type of incentives requested from the City;
- h. Date construction will commence;
- i. Developer's finances;
- j. Developer's Qualifications;
- k. Other evaluative criteria specified in Chapter 27 of the Moline Code of Ordinances.

Submission of Proposals and Deadline:

Interested developers are asked to submit five (5) hard copies and one (1) electronic copy of their proposal by April 22, 2011. Proposals should be submitted to:

Lew Steinbrecher
Moline City Administrator
619 – 16th Street (City Hall)
Moline, Illinois 61265
lsteinbrecher@moline.il.us

Questions/Requests for Information:

Any questions or requests for further information pertaining to this RFP or development project should be submitted in writing to the Moline City Administrator at the contact referenced above. The City Administrator will determine the appropriateness of the question or request and provide a written response to all interested parties receiving this RFP.

Review and Selection Process:

The City is expected to review all proposals submitted from this RFP during the month of May 2011 which may include informal follow-up conversations and/or meetings with individual private developers to seek clarification or better understanding of their respective proposals. The City Administration expects to

make its recommendation on the preferred developer to Moline City Council in June 2011 and to seek authorization to enter into exclusive negotiations with the preferred developer regarding the terms and conditions of the Development Agreement.

City of Moline Disclaimer:

The City of Moline reserves the right to reject without explanation any or all proposals, to alter specifications contained in the RFP, and to waive requirements and technicalities.

Offerors may be eliminated from consideration for failure to fully comply with the requirements within this RFP.

Offerors submitting proposals in response to the RFP will be given written notification of the results of the selection process.

Unauthorized contact regarding this Request For Proposals with any City policy or staff personnel may result in disqualification.

The contents for this packet are for informational purposes only and the statements made herein, though thought to be accurate, are without warranty or representation of accuracy. Offerors should rely exclusively on their own investigations and analyses. The City of Moline will honor confidentiality requests to the extent permitted by law. If portions of your proposal are proprietary, please mark items as such.

The City reserves the right to accept the proposal from the most responsive and responsible offeror which is most advantageous to the City as it, in its sole and exclusive discretion, determines.

Certification In Compliance With 720 ILCS 5/33E-11 Illinois Revised Statute, Chapter 38, Section 33E-11:

Interested developers are asked to prepare and sign such a statement as part of their proposal.

The undersigned individual certifies that he or she is not barred from submitting a response to this Hawk Hollow Bluff Redevelopment Project Request For Proposals (RFP) as a result of a violation or either 720 ILCS 5/33e-3 or 720 ILCS 5/33e-4, bid-rigging or bid-rotating.

Signature of Individual: _____

Type of Business Entity (e.g. Corporation, LLC, etc):

Business Address:

Business Phone Number: _____

SUBSCRIBED AND SWORN to before me on this _____ day of _____, 2010.

(seal) _____

Notary

HAWK HOLLOW BLUFF DEVELOPMENT PROPERTY

Moline, Illinois

