

REQUEST FOR QUALIFICATIONS (RFQ) AND DETAILED LETTER OF APPROACH (LOA): REDEVELOPMENT AND OPERATION OF THE MORAN PLANT & ASSOCIATED LANDS



The Community & Economic Development Office (CEDO)

This Request for Qualifications and Detailed Letter of Approach invites responses from qualified, experienced professionals interested in submitting proposals for the redevelopment and operation of the Moran Plant building and associated lands located on the northern Waterfront in the City of Burlington, Vermont. Proposals will be reviewed and advanced by the City of Burlington's Community and Economic Development Office (CEDO).

Submittal Deadline:

December 22, 2016, 2:00 PM

Request Qualifications Package:

E-mail primary contact to:

Gillian Nanton, Assistant Director,
Sustainability, Housing & Economic
Development
CEDO, City Hall, 149 Church Street
Burlington, VT 05401
gnanton@burlingtonvt.gov
(802) 865-7144

Direct questions to:

Gillian Nanton, Assistant Director,
Sustainability, Housing & Economic
Development
CEDO, City Hall, 149 Church Street
Burlington, VT 05401
gnanton@burlingtonvt.gov
(802) 865-7144

Questions due:

October 22, 2016, by noon, in writing

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I MORAN PLANT BACKGROUND

Located northwest of what is now Burlington’s Waterfront Park, the Moran Plant was constructed in 1954 for the Burlington Electric Department. The building operated as a coal powered electric generating station until 1986. Despite many attempts at redevelopment, the building has remained vacant since. Over the past twenty years, citizens have demonstrated support for the public use (consistent with public trust requirements, which apply to these lands (<https://www.burlingtonvt.gov/CEDO/Site-Data>) of the waterfront surrounding the Moran property, resulting in a dramatic transformation of the area into a major recreation and cultural resource.

Due to its waterfront setting and significance in Burlington’s industrial history, the Moran property has long been identified for future redevelopment. The site is an important element to the emerging northern waterfront. Recent redevelopment and revitalization along the northern Waterfront includes approval of a 160-slip marina and new home of the Lake Champlain Community Sailing Center, and recently completed public skatepark. The Moran site is now serviced by the newly constructed Waterfront Access North (WAN) project that includes newly constructed roads, on-street parking, and utilities.

As part of an open public process initiated by the Mayor of Burlington, New Moran, Inc. (a Vermont 501(c) 3 organization) was created to facilitate the redevelopment of the Moran Plant as a publicly accessible, financially sustainable, waterfront, and cultural landmark. In March 2014, New Moran Inc.(NMI), led by Charles Tipper, President; Erick Crockenberg, Vice-President; and Tad Cooke, Treasurer, were selected by the City as project developers and operators entering into a Memorandum of Understanding (MOU) on August 19, 2014. This plan called for an allocation of up to \$6.3 million in TIF funds intended to provide public infrastructure within the project’s original development budget of approximately \$25 million. Recently, under mutual consent, the City and New Moran have terminated the MOU (ending a period of exclusivity – between the City and NMI) with the hope of attracting a developer/operator with the experience and capacity to execute the core-vision that was advanced by Burlington voters in March 2014 (included in the Exhibits).

2 PROJECT VISION & BUILDING IMPROVEMENTS

2.1 Project Vision

The City's vision for this project (hereafter referred to as 'the Project') revolves around the creation of a dynamic community events space, convention and performance venue, both inside the building in the former 2nd floor Turbine Hall, and outdoors on the surrounding waterfront grounds (See Exhibits for site plan information). Any other uses must comply with public trust requirements, for example, ancillary uses that would be supported by the City include food and beverage space, artist or community studios, education space, and recreational opportunities.

The City of Burlington is seeking development and operational proposals from qualified developers and venue operators to serve as Project Sponsor for the redevelopment of the Moran Plant and associated lands. This document serves to clarify threshold development and financial assumptions, outline potential availability of public resources, and provide organizational structure and submittal requirements for said proposal.

2.2 Minimum Building Improvements Required

To promote the feasible redevelopment of the Moran property while fostering revitalization of the northern waterfront, the City of Burlington is open to considering a phased approach to building renovation and site development; so long as the project's first phase achieves the minimum building improvements outlined below:

- Stabilize building according to current structural code.
- Complete environmental remediation in accordance with State Department of Environmental Conservation (VT-DEC and EPA).
- Roof replacement and waterproofing.
- Window replacement or openings attenuated or expanded in accordance with Vermont State Historic Preservation Officer and National Park Service, if Rehabilitation Investment Tax Credits (Federal Historic Tax Credits) are to be used.
- Remediation, waterproofing and flood resiliency on ground/basement level of the building in accordance with Burlington Life Safety code or alternatively filling and capping of basement level.
- Renovation of the Turbine Hall on Level Two of the building to a level of finish sufficient for it to be used as an event space. This space shall be conditioned (heated and cooled), ADA accessible, include restrooms, and made available to an anchor commercial tenant in a permitted vanilla box- a standard as customarily defined.
- Site improvements that illustrate access, circulation, stormwater and landscaping.
- Creation of a seasonal ice skating facility to the public at the site.

While the City is prepared to give due consideration to all qualified Letters of Approach (LOA), respondents may anticipate that accessing City funds earmarked for the Project will likely correspond to the level to which the building is redeveloped; i.e. a LOA which merely satisfies but does not exceed the Minimum Building Improvements Required should not anticipate a full commitment of available City dollars.

3 CITY OF BURLINGTON PARTICIPATION & SUPPORT

Redevelopment of the Moran Plant is an important community goal that has the potential to create broad public benefit. To achieve the Project Vision, the City of Burlington will consider supporting a Project Sponsor with a range of resources:

3.1 Ground Lease

The City is the sole owner of the building and the land under and around it. While open to alternative proposals, the City's strong preference is to maintain ownership of the property and provide the Project Sponsor with a 30-year ground lease with one ten-year renewal option. All proposals shall use the assumptions outlined in Section 4.4 moving forward.

3.2 Tax Increment Financing (TIF) Proceeds

An up to amount of \$5.8M could be made available to the Project subject to approval of the Administration, City Council and pending approval of activities as eligible dependent on regulations for the uses of the funding per the March 4, 2014 ballot and Vermont Economic Progress Council (VEPC) guidelines. Proposed Project funding plans may thoughtfully leverage all or a portion of these funds depending on project scope, use, and community benefits provided.

3.3 EDA Grant

An amount up to \$1.4 million may be available to the City to assist the Project Sponsor with environmental remediation and flood proofing. Subject to federal agency approval, these program requirements may change to reflect future development plans.

3.4 Design and Due Diligence Materials

The City has considered redevelopment of the Moran Plant building numerous times since its decommissioning as a generating facility in the 1980s and, as a result, possesses numerous documents of potential value to a Project Sponsor. These resources include full construction documents for a redevelopment plan proposed in the 2000s, structural reports, and environmental reports. These documents are available to respondents to review and the City is prepared to assign them to the Project Sponsor for use if desired.

3.5 City Staff and Consultant Support

The City recognizes that successful redevelopment of the Moran Plant building requires coordination with and support from numerous City departments (including Parks Recreation and Waterfront, Public Works, Burlington Electric, Fire, Water, and the Mayor's Office) as well as third parties who are pursuing current projects (Burlington Harbor Marina and the Community Sailing Center). The Community and Economic Development Office (CEDO) will be responsible for this coordination during both this proposal process and throughout pre-development and construction. Further, the City has retained real estate development and legal counsel to assist CEDO and ensure City responsiveness through the conclusion of the project.

4 SUBMITTAL OF LETTER OF APPROACH & QUALIFICATIONS

4.1 Selection Process Overview

This process begins with the receipt of this RFQ/LOA herein. Applicants will receive a confirmation email once their submittal is received. Within a reasonable period of time after receipt, CEDO shall select the successful respondent(s) based on qualifications and proposal selection criteria and make a recommendation to the Mayor's Office and City Council to advance successful respondent(s) to negotiate a memorandum of understanding (MOU) outlining the terms for a future Development Agreement. If negotiations with the selected project team are unsuccessful, the City may begin negotiations with the next highest ranked team. The City reserves the right to accept the entire proposal or a part of the proposal.

4.2 Letter of Approach (LOA) Submittals

The LOA shall include the following categories:

4.2.1 Project Description

Describe project program, design, and any other details that might help the review team better understand the project scope. Describe how this project is complementary to other existing, ongoing, and proposed projects for the Waterfront and how it may provide the City with an important resource and/or community benefit. This general project description shall include, but not be limited to the following:

- How will the building be used?
- Demonstration of how Base Building Improvements outlined in Section 2.2 have been achieved.
- How will the event space provide community benefits?
- If applicable, who are the proposed sub-tenants? How will these uses provide community benefits?

4.2.2 Conceptual Building / Illustrative Floor Plans/Site Plan

4.2.3 Development Budget

- Preliminary Development Budget (hard and soft costs)
- Sources/Uses Budget
- 10 Year Operating Pro forma/Cash Flow - including calculation of the following metrics: Loan-to-Value (LTV), Loan-to-Cost (LTC), Debt Service Coverage (DSC), Return on Capital (ROC).

4.2.4 Ground Lease Assumptions (Terms proposed/offered to the City)

- Lease Term (30 years with 10-year renewal option)
- Base Rate with CPI Adjustments
- Percentage Rent (if applicable)
- Taxes/Fee for Service Payments to the City

4.2.5 Operating Reserve Detail & Narrative

- Provide capital plan to fund operating reserve running to the benefit of the City as Ground Lessor and public funding participant.

- Provide capital plan to fund replacement reserve used to maintain asset over time.

4.2.6 Guarantee Structure

Confirm plans & ability to provide the following:

- Construction Completion Guarantee
- General Obligation/Master Lease Guarantee
- Operating Deficit Guarantee
- Identify Guarantor(s)

4.2.7 Tenant Program & Leasing Assumptions

- Terms Sheets/Letters of Approach
- Demonstration of Tenant(s) creditworthiness

4.2.8 Economic Impact

Provide an estimate of economic multiplier and benefits (direct and indirect) likely to accrue to the City as a result of the project.

4.2.9 Accessibility

Describe how the project includes elements that are inclusive of all Burlingtonians and visitors. Identify the potential users and beneficiaries of the project. Additionally describe (if applicable) how the project incorporates public art and events into the design process and final project.

4.2.10 Environment

Describe environmental approach and benefits, with a specific emphasis on the project's treatment of brownfield remediation, storm-water management, erosion control, energy conservation, and renewable production.

4.2.11 Parking, Pedestrian Access, and Public Transit

Describe proposed parking scenario, how this fits into existing public infrastructure, and further how the project helps promote non-vehicular access and public transportation.

4.3 Statement of Qualifications

All respondents will be required to prepare a Statement of Qualifications (SOQ) containing the following items:

4.3.1 Cover Letter:

Including acknowledgement of the schedule requirements outlined in Section 4.7.

4.3.2 Attachment A (provided in this RFQ)

Signed by a representative of respondent team attesting that all terms, conditions and procedures outlined in this RFQ are understood and have been followed.

4.3.3 Project Understanding Statement

Statement describing the applicant's understanding of the project, and the special skills and innovative thinking that the team would bring to the project.

4.3.4 Project Team and Demonstrated Expertise, Experience, and Knowledge Profile of the Developer's/Operator Profile. For each firm, please include:

- Firm name and business address, including telephone number and email contact.
- Year established, including former firm names and year established if applicable. Identify the state in which the firm was organized and incorporated.
- Type of ownership, and name and location of parent company and subsidiaries, if any and confirmation that the firm is licensed to do business in the State of Vermont.
- Number of full-time employees. Part-time employees or consultants routinely engaged by the proposer may be included if clearly identified as such. Rate sheet for firms' employees for 2016.
- A description of the specific expertise, skills and services the firm offers.

4.3.5 Project Samples

Descriptions detailing up to three completed projects, developed, owned and operated by the respondent and/or team members that are similar or relevant to the proposed scope of work. Applicants are encouraged to provide graphic representations of and/or links to relevant projects.

4.3.6 Public-Private Partnership references

Provide a minimum of two separate references from municipalities that the Developer/Operator has worked with in the past. Identify which prior projects these references relate to, and which main staff worked on these projects.

4.3.7 Additional Information

Provide other information relevant to the applicant's abilities to successfully complete the work outlined in this RFQ.

4.4 Submittal Requirements

In order to be considered, all submissions must comply with the following requirements:

4.4.1 Delivery of Statement of Qualifications (SOA) and Letter of Approach (LOA)

- Qualifications must be received by the Project Manager by **2:00 PM, December 22, 2016** at the address listed on Page 1 of this RFQ. All Proposals must be received by the City of Burlington no later than the deadline. Proposals and/or modifications received after this time will not be accepted or reviewed.
- Must be **double sided** with no acetate or plastic covers and the SOQ must not exceed 30 sheets (60 pages as a double sided document) and all pages should be numbered sequentially.
- All submissions must be submitted in print and electronically as a PDF. Submit three (3) printed copies along with one (1) PDF copy (CD or other digital media) in a single package. Clearly indicate on the outside of the sealed package: "Request for Qualifications for Moran Redevelopment with Detailed Letter of Approach"
- Faxed proposals **will not** be accepted.

4.4.2. Other Terms

- The City of Burlington reserves the right to accept or reject any or all RFQ and LOA, with or without cause. All decisions related to this solicitation by the City will be final.
- The City reserves the right to request clarification of information submitted and to request additional information of one or more respondents.
- Costs for preparing the RFQ and LOA in response to this request are solely the

responsibility of the respondent. All print and digital RFQ and LOA materials become property of the City and will not be returned to the respondent.

- This solicitation in no way obligates the City of Burlington to award a contract. The City reserves the right to amend/terminate contract with written notice.
- Equal Opportunity – The selection of consultant shall be made without regard to race, color, sex, age, religion, national origin, or political affiliation. The City of Burlington is an Equal Opportunity Employer and encourages proposals from qualified minority and woman-owned businesses.
- All contracts with the City of Burlington will be in accordance with all applicable Federal, State and local laws, regulations and ordinances. Respondents are encouraged to make themselves familiar with the City of Burlington’s Code of Ordinances; including, but not limited to, provisions relating to Livable Wages, Outsourcing and Union Deterrence.

4.5 Evaluation Criteria

All submissions will be evaluated by an in-house advisory committee ("the Committee") whose members will likely include relevant staff from city departments.

Evaluation of proposals will be based on the following scoring criteria:

Concept, Vision & Design	5
Financial Strength of proposed Project (including evaluation of proposed leases and leveraging of public funds)	20
Sponsor’s experience and track-record	13
Sponsor’s demonstrated financial capacity to execute and operate Project	15
Project Schedule	10
Phasing Plan – Demonstrating design feasibility of subsequent phases (if applicable)	5
Level of experience with municipalities of similar size, government structure, complexity and issues.	7
Community Benefits	10
Ability to meet negotiated timeframes and budgets for complex projects and/or projects with phased deliverables. (Based on reference checks.)	10
Quality of sample materials and qualifications package submittal.	5
TOTAL	100

4.6 Questions

It is important that all respondents are given clear and consistent information. Therefore, **all respondents are required to submit any questions related to this project or RFQ/LOA process via email.** The City of Burlington will distribute a list of questions and answers via

email to all firms requesting a Qualifications package; this will be sent to the primary contact as indicated in the request.

Direct all questions regarding this RFQ to [gnanton@burlingtonvt.gov](mailto:ganton@burlingtonvt.gov). **Questions will be accepted up until noon on October 22, 2016**, to ensure all parties have adequate time to review the answers.

4.7 Anticipated RFQ/LOA Schedule

The City has outlined the following anticipated schedule of activities related to this RFQ/LOA. Teams should acknowledge their understanding of and ability to meet this schedule in the required cover letter. The City retains the right to change this schedule, and will notify those firms that have submitted the RFQ/LOA in the event changes do occur.

Activity	Anticipated Date
Issue RFQ and Letter of Approach (LOA)	9/22/16
Questions regarding RFQ/LOA	10/22/16
SOQ/LOA – Responsive Submissions Due to City	12/22/16
Interviews with Project Teams	January 2017
CEDO Recommendation to City Counsel	January 2017

5 ATTACHMENT "A" - Certification

Understanding of RFQ/LOA Procedure, Terms and Conditions

This page must be signed and returned with qualifications submissions.

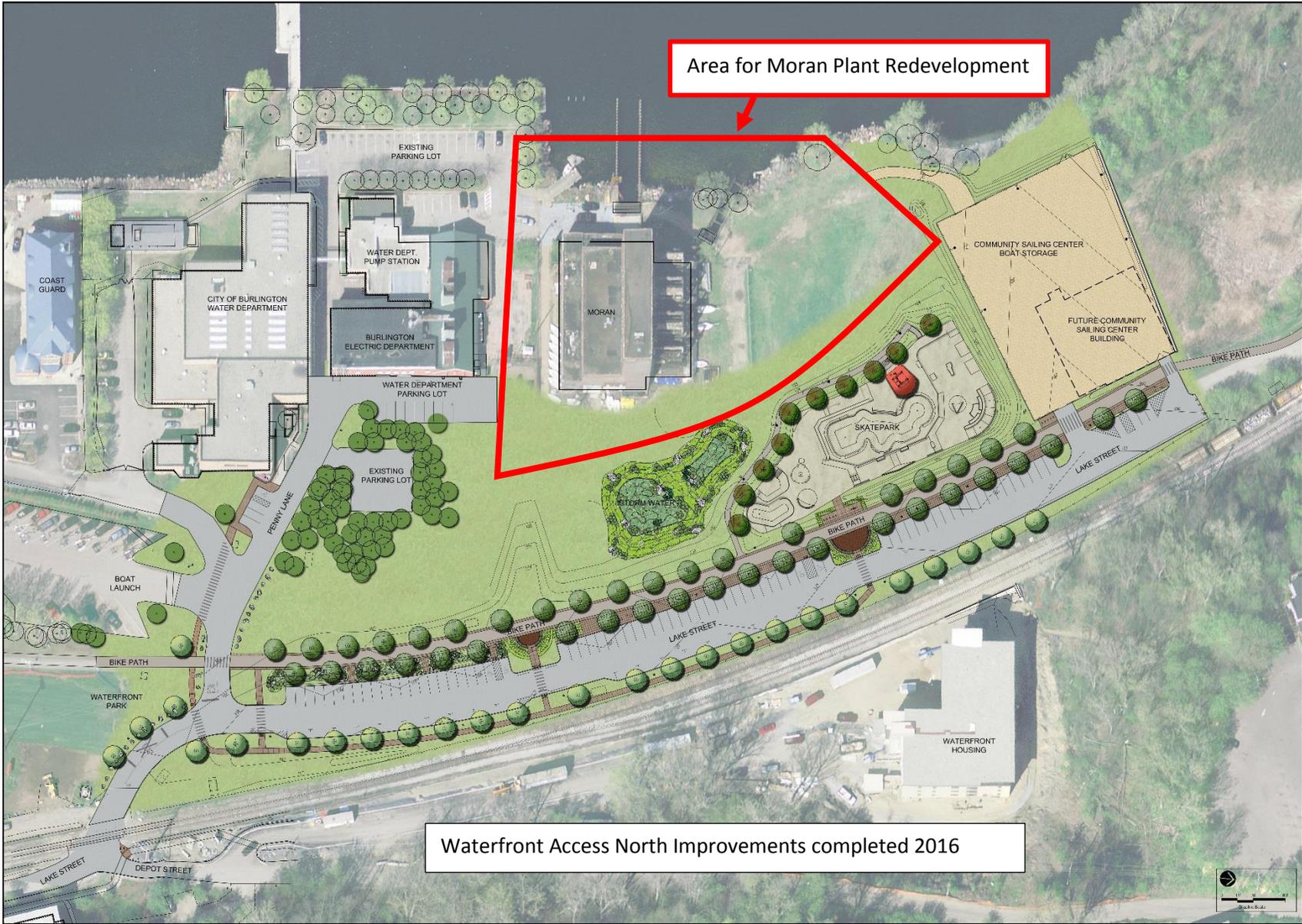
I acknowledge that I have read and understand all procedures and requirements of the above referenced RFQ and have complied fully with the general terms and conditions outlined in the RFQ.

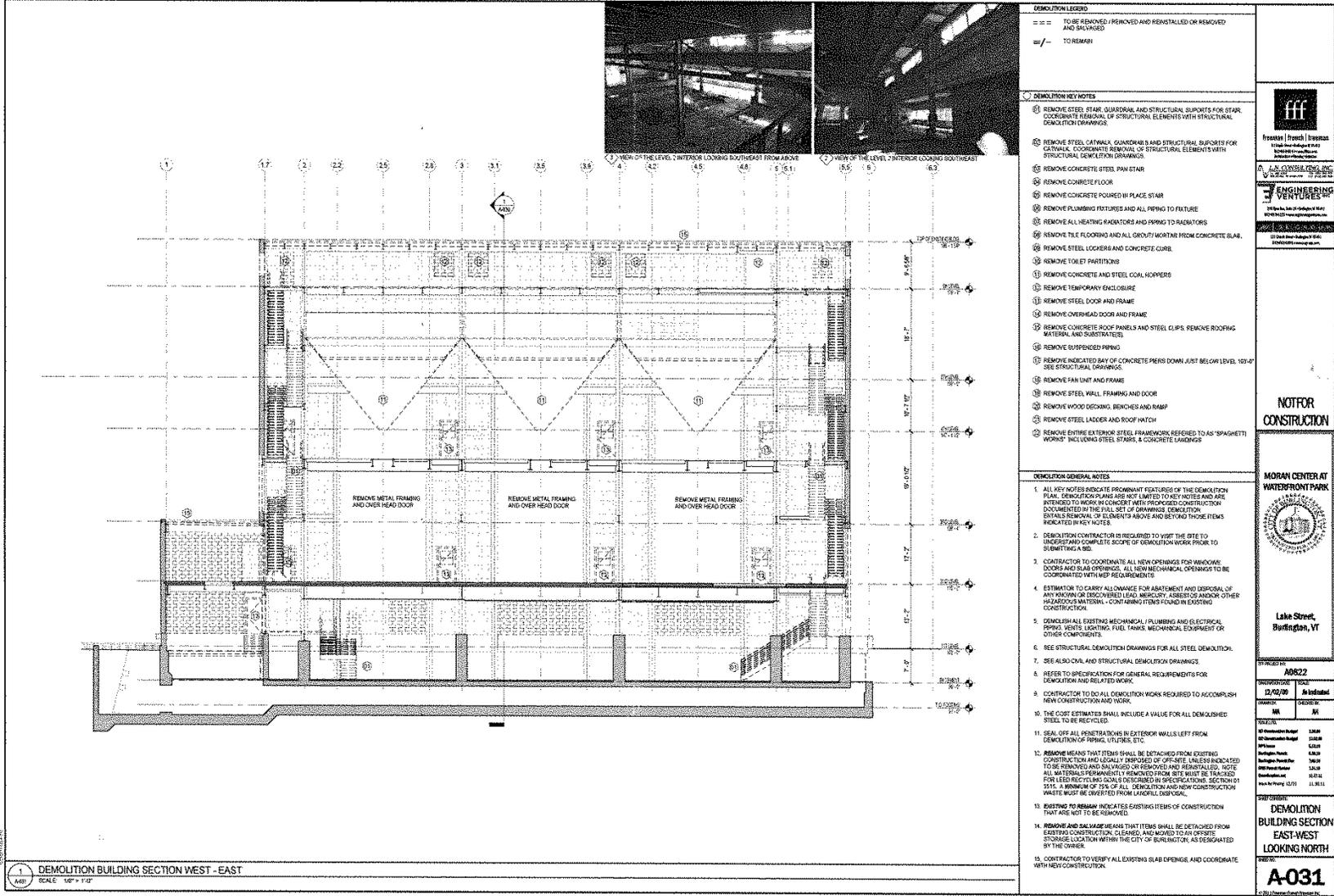
Consultant Team: _____

Representative's Printed Name: _____

Representative's Signature: _____

Date: _____

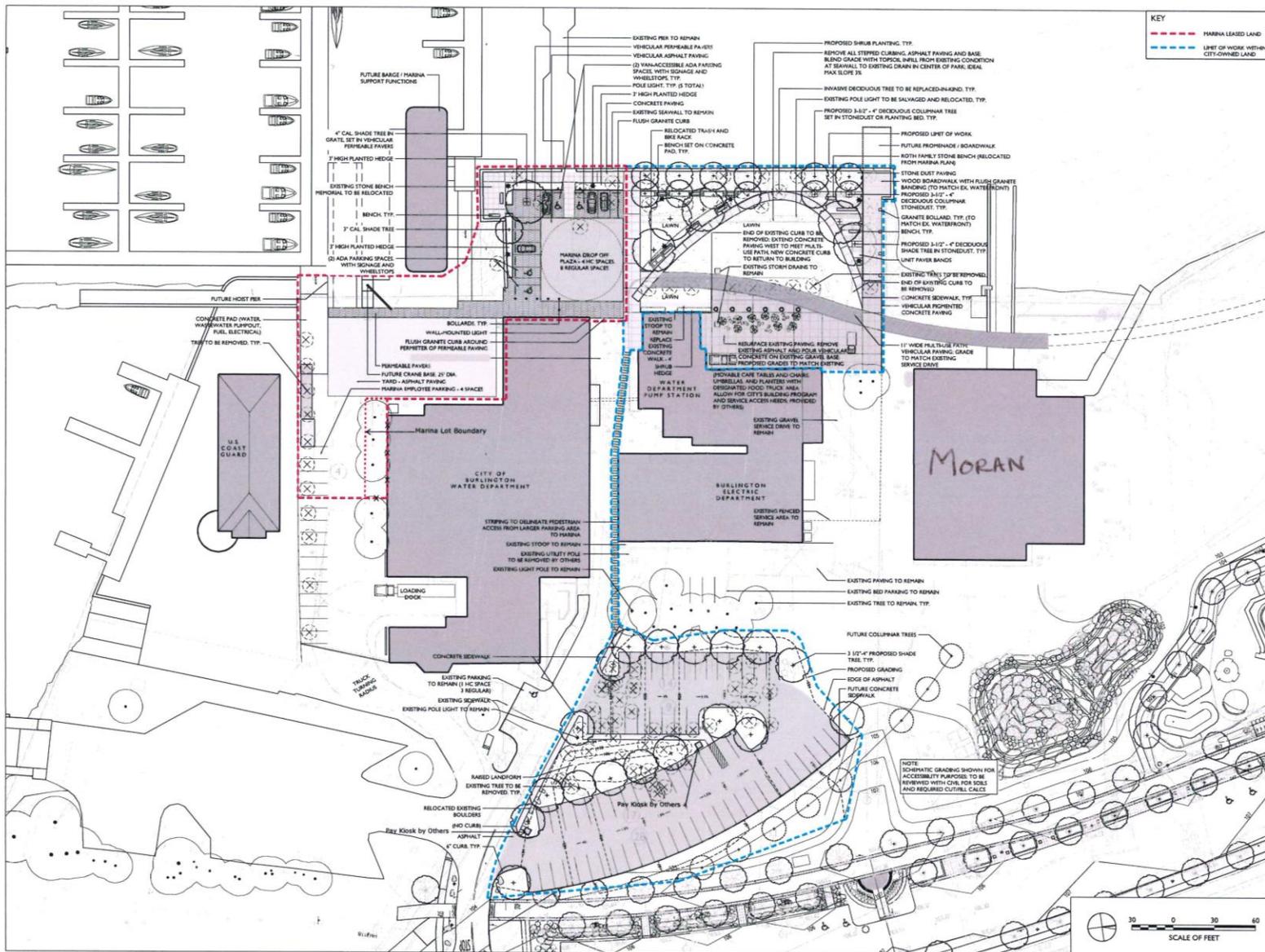




Area Available With and without thermal envelope

1/12/2009 Moran

	Existing S.F. (Gross)	Existing S.F. (net)	Insulated (net)
first floor	16,106	15,627	14,795
second floor	12,043	11,589	10,870
third floor	6,372 *860 *860	6,104 *860 *860	5,780 *860 *860
fourth floor	1,545 *860 *860	1,302 *860 *860	1,030 *860 *860
fifth floor	1,545 *860 *860	1,302 *860 *860	1,030 *860 *860
Penthouse	3,265	3,022	2,750
Grand Totals	40,876	38,946	36,255



WAGNERHODGSON
LANDSCAPE ARCHITECTS P.C.

EXHIBIT 1

BURLINGTON WATERFRONT NORTH

PROPOSED CONDITIONS PLAN

REVISIONS

DATE: 03.31.16 **LI.0**