

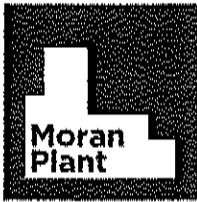


# **Moran Plant Proposal**

**Request for Qualifications ("RFQ")  
and Detailed Letter of Approach ("LOA")  
Redevelopment and operation of the  
Moran Plant & Associated Lands**

**December 2016**





New Moran, Inc.  
PO Box 8502  
Burlington, Vermont  
05402

MoranPlant.org

Dear Mayor Weinberger, City Staff, City Councilors, and the People of Burlington:

On this first day after winter solstice, the extended new Moran team is delighted to submit the attached Letter of Approach in hopes of bringing new light and year-round energy to Burlington's waterfront.

We humbly ask, what are the world's great cities best known for? Parks, museums, bridges, architectural masterpieces and, in many cases, the beautiful lakes and waterways on which they reside. Burlington's proximity to Lake Champlain, with all the enchantment, beauty and connection thereby provided, is one of our greatest assets. Every Burlington planning effort has prioritized the waterfront. And every recent effort has elevated the following as its highest of goals: activate the waterfront year-round.

The Moran team, made up of dozens of Burlingtonians, invites each and every citizen to join in this broadly collaborative endeavor to steward an irreplaceable asset, in the name of bringing year-round life to the waterfront. This project is the epitome of a community-based effort. It will require vision, leadership, and generosity. And it requires these qualities from all of us.

This proposal is rooted in a viable business model, rigorously tested by dedicated professionals; it is a project that will benefit Burlington for generations to come. To be clear, these benefits do not come simply, or without risk. But like all great public benefit projects, the Flynn Theater, the Church Street Marketplace, and Shelburne Farms to name just a few, the long-term benefits will make the short-term risks the subject of heartfelt, celebratory toasts for decades and decades.

As you read this, please consider the linchpin qualities of the Moran Plant in our collective quest for year-round activity on our beloved waterfront. With the Skate Park success, and the Marina and Sailing Center taking shape, seasonal excitement at the north end of the waterfront is a certainty. If we truly want year-round activity, yes Winter too, Moran is our pathway as well as a powerful example of Burlington and Vermont's leadership - demonstrating to future generations the importance of conserving what we have and the community's ability to work together to create vital, sustainable, cultural energy. If we choose collaboration, with vision, leadership and generosity, we will all deliver this gift to each other and to future Burlingtonians.

Today is brighter than yesterday. Let's continue, together.

With sincere devotion to this community and this prospect, we are respectfully yours,  
The Board of Directors of New Moran, Inc.,

Charlie Tipper  
President

Erick Crockenberg  
Vice President

Tad Cooke  
Treasurer

Bill Truex  
Director

Katharine Montstream  
Director

Michael Jager  
Director





Redeveloping the Moran Plant is Burlington's best chance to capitalize on community energy and unprecedented civic investments to establish a thriving year-round waterfront accessible to all. The following key points represent a proposal built on over three years of focused energy, due diligence and the tremendous generosity of hundreds of community members, organizations and professionals.

**Building Program:** NMI is proud to present a year-round program of community events, local food and waterfront recreation. As the master non-profit tenant of the building, NMI has secured signed Letters of Intent ("LOI") from experienced, local tenants for leases which establish this program and support long-term, financially self-sustaining programming of the building:

**The Burlington Farmers Market - 10 Year Term**  
**Moran Plant Productions Community Event and Performance Arts Space - 20 Year Term**

Further indoor programming will complement two acres of new on-site public space and park land, as well as a community ice skating rink on the north side of the building. On the first floor, rentals and resources for skaters, bikers, boaters and other waterfront visitors will support lively activity surrounding Moran throughout the year, and a lakeside restaurant and eatery will enhance the Burlington Farmers' Market, providing waterfront meals in the summer and warming food and drink in the winter. Like nothing else, these welcoming year-round activities for families and visitors will solidify the northern waterfront as more than a seasonal destination, but rather a vital, energizing, year-round district of our city.

**Budget:** The project budget totals \$15.4M including the two acres of public park space surrounding

the building, a waterfront promenade and the community ice skating rink.

- Funding sources include \$5.8M in City TIF, \$6M in charitable investments, \$2.2M in historic tax credits, and a newly secured \$1.4M Economic Development Administration infrastructure grant.
- The development budget and pro forma include Construction and Operating Guarantees – along with ongoing cash flow contributions to a substantial Moran Plant Operating Reserve Account for the benefit of the City of Burlington.

**Team:** NMI will continue to serve as the lead sponsor of the Moran Plant redevelopment – now with the experience, capacity and ingenuity of a nationally renowned development team. In September, 2016, NMI began a collaboration with Hemisphere Development, LLC and their subsidiary Hemisphere Brownfield Consulting LLC. Hemisphere has established itself as one of the most creative, respected firms in the US focusing exclusively on contaminated, abandoned and brownfield properties. CEO Todd Davis and Managing Director Michael Greitzer will work directly with NMI through all phases of predevelopment and construction to ensure successful on-time, on-budget completion.

**Estimated Timeline:** Following a successful decision and Term Sheet/Development Agreement in the first quarter of 2017, NMI anticipates a groundbreaking Fourth Quarter 2017 and grand opening Fourth Quarter 2018.

**Achieving a Collective Vision:** A reinvented Moran Plant is closer to reality than it has been in three decades of meaningful effort, and the following pages illustrate a distilled project delivering more public benefit and likelihood for success, dollar for dollar, than ever before.

## The Moran Plant is an opportunity for Burlington and Vermont.

Almost forty years ago, a coalition of Burlingtonians came together, against impressive odds, to create the Church Street Marketplace – a world-class community resource in the heart of the City. In the decades since, Church Street has come to define Burlington's downtown as a beacon of activity – brimming with food, music, and celebration in all seasons. From concept to reality, the Church Street Market has become not only an impressive economic engine but arguably one of the City's greatest attractions. Simply stated, the Moran Plant is the Church Street of our generation; it is a historic public landmark and the single best opportunity to transform the northern waterfront from a seasonal amenity to a vibrant, year-round powerhouse for Burlington's culture and quality of life.

Built in 1954 and decommissioned in 1986, this hulking coal-fired power plant is symbolic of our nation's industrial legacy. Like many of these relics currently being decommissioned throughout the United States, the Moran Plant has been effectively abandoned and unused for over three decades. Amid the successes of Waterfront Park, the Burlington Bike Path and the A-Dog Memorial Skate Park, the Moran Plant stands as the last iconic remnant of Burlington's industrial past on the northern waterfront. Yet, the Moran Plant is far from a static relic – in its expansive size and rich history, the physically irreplaceable seven-story landmark must be reclaimed and repurposed to generate a new kind of perpetually renewable civic energy for the Burlington community.

### New Moran and the Public Investment Action Plan

New Moran was born from a year-long community envisioning process, the 'Public Investment Action Plan', during which many project concepts received feedback from community members and a City appointed Public Investment Committee. Following twelve months of open competitive process, a proposal for 'New Moran' led by three Burlington residents – Tad Cooke, Erick Crockenberg and Charlie Tipper – was deemed the top ranking proposal. In May 2014, Cooke, Crockenberg and Tipper incorporated New Moran, Inc. ("NMI"), a 501(c)(3) Vermont non-profit organization with the stated mission of redeveloping the historic Moran Plant as a cultural magnet for Burlington and Vermont. In addition to the three founding members, the Board of Directors for New Moran, Inc. includes Michael Jager, Katharine Montstream and William Truex. During NMI's effort, over 60 community leaders have also committed themselves as key advisors and supporters; this group is known as the 'Champions Council', a passionate group of individuals who have consistently committed their time, energy, insight and support for Burlington's community and the Moran Plant's opportunity to advance the city's unique and diverse energy.

### Burlington's City Policy Demands Historic Preservation Projects Including the Moran Plant

When citing Richard Moe, the former president of The National Trust for Historic Preservation, the City of Burlington's Department of Planning succinctly summarizes the reasons why City officials must make every effort to support important historic preservation projects. "Preservation is in the business of irreplaceable places and the quality of life they support." ❶

The City's Department of Planning further describes this fundamental Burlington community value:

Burlington has a tradition of protecting and celebrating historic and architecturally significant places. This tradition is illustrated through a long-standing commitment to conserve and protect elements of the City's heritage through planning, public private investment, and public outreach. Burlington's heritage and architecture is part of what sets the community apart from "just another place," and creates an authentic experience of place. Burlington's efforts at advancing historic preservation in our community serve as important land use, housing, and economic development strategies that benefit both current and future generations.

For these reasons, the City of Burlington's stated City policy is to: "Identify and protect its historic structures and resources" such as the Moran Plant. (See Burlington Municipal Development Plan, Chapter IV., Historic Preservation, at p. IV-1). As John Sawhill, former President of The Nature Conservancy exclaimed, "In the end, our society will be defined not only by what we create, but by what we refuse to destroy." This dictate applies with equal force, not only to preserving and enhancing Burlington's natural amenities, like the northern waterfront, but also to preserving and developing historical landmarks - even when the process is arduous or the alternative much simpler. The voters of Burlington overwhelmingly agree.

#### A Community-Led Redevelopment of Moran

On March 4, 2014, Burlington's citizens unequivocally voiced their willingness to embrace the difficult challenges necessary to preserve and rehabilitate the historic Moran Plant before taking

the much easier path of demolishing this landmark structure. The voters' instructions were clear: make every effort to preserve the Moran Plant as a historic anchor of Burlington's revitalized waterfront and as a symbol of adaptive reuse for communities around the nation.

Investments in historic preservation are fundamentally different from traditional large development projects in Burlington, and require intimate collaboration and strong leadership from both the public and private sectors. The Moran Plant itself poses unique challenges due to both the cost of historic renovation and the parameters of Vermont's public trust requirements, which limit many traditional revenue-generating end uses for this unbelievably well-located waterfront property. Therefore, understanding that traditional financial benchmarks and metrics are inapplicable, only a mission-driven non-profit developer, teamed with thoughtful and supportive public partners at the City, could bring this vision for the Moran Plant to fruition. As with Shelburne Farms or the High Line in New York City, the Moran Plant redevelopment will only be successful by engaging unwavering leadership from City leaders and citizens alike. All stakeholders, including business leaders, philanthropy, local government leaders and the community at large, must work together to revitalize and sustain this community asset.

Reflecting three long years of hard work and due diligence, in close collaboration with the City of Burlington, this proposal outlines an achievable, market-ready redevelopment, doggedly focused on comprehensively addressing the environmental, economic and redevelopment challenges that have thwarted previous efforts at redevelopment.

 [www.burlingtonvt.gov/PZ/Historic-Preservation](http://www.burlingtonvt.gov/PZ/Historic-Preservation)



## Succeeding Now Where Other Attempts Have Failed

As the RFQ's first paragraph highlights, after describing the plant's decommissioning in 1986:

Despite many attempts at redevelopment, the building has remained vacant since [1986]. Over the past twenty years, citizens have demonstrated support for the public use, consistent with public trust requirements, which apply to these lands . . . 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 skate park. 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. (RFQ at p. 2)

Therefore, in response to the new opportunities created by other successful waterfront development projects, the timing for this project is ideal. The Moran Plant redevelopment will serve as the missing public and programming anchor, helping to transform Burlington's waterfront from purely seasonal use to a year-round hub of community focus and activity.

In that regard, NMI, as a Vermont 501(c)(3) organization and the project's lead developer, has assembled a team of experts covering all disciplines necessary to successfully overcome previous redevelopment hurdles.



The New Moran Project Team (the "Project Team") currently consists of the following firms:

**Hemisphere Brownfield Consulting LLC ("Hemisphere")** an affiliate of Hemisphere Development LLC, a nationally recognized developer of brownfield properties. Hemisphere intends to work with NMI as project developer through construction and tenant occupancy. Hemisphere will support NMI in connection with all environmental and development issues related to the project.

**PC Construction ("PC")** - PC Construction shares more than 50 years of industry-leading excellence, providing construction management, design-build, general contracting and preconstruction planning services across the country. PC has generously supported New Moran, Inc with preconstruction and cost-estimation services since the initial proposal in 2013.

**Smith Buckley Architects ("SBA")** - a Burlington, Vermont-based architectural firm with local projects, including Hotel Vermont and the Innovation Center, a major adaptive reuse of the former General Dynamics facility. Smith Buckley has worked with and generously supported the Moran team since 2013 as lead architect and principal coordinator of the accompanying engineering disciplines.

**Engineering Ventures ("EV")** - a nationally recognized Burlington, Vermont-based engineering firm licensed in more than 20 states. EV has worked with the New Moran team and the City of Burlington since 2013 providing a broad range of civil, structural and site planning engineering services, as well as generous project support.

**LN Consulting ("LN")** - a Winooski, Vermont-based engineering firm, specializing in mechanical, plumbing, electrical, and energy consulting services. LN has worked with and generously supported the New Moran team since 2013.

**Waite Heindel Environmental Management ("WHEM")** an environmental consulting firm in Burlington, Vermont, with over three decades of experience working with engineers, municipalities, lending institutions, law firms, realty agencies, residential and commercial property owners, and general industry. WHEM has worked with the City of Burlington for over a decade. It has worked with and provided generous project support to the New Moran team since 2014.

**Dinse, Knapp & McAndrew** - one of the largest law firms in Vermont and the northern tier of New York. Dinse, Knapp & McAndrew is highly experienced and has worked with and generously supported New Moran, Inc as legal counsel since 2013.

**Tapia & Huckabay** - a Burlington accounting firm specializing in providing non-profit organizations with full-service accounting, attestation, tax preparation and planning, and consulting service.

**Scott McArdle and Tere Gade** - philanthropic fundraising consultants with deep connections to the Vermont philanthropic community and established capital campaign success. McArdle and Gade have provided ongoing professional services and generous project support.

**Moran Plant Productions LLC; Alex Crothers and Alan Newman** - renowned Burlington-based event managers. They will operate Moran Plant Productions as the prime tenant of the revitalized Moran Plant, coordinating programming, events and maintenance at the project site.

**Burlington Farmers' Market, Inc ("BFM")** - a one of a kind community resource providing a direct marketing outlet for Vermont farms and small businesses, with an authentic face to face experience for customers and producers, that has operated in the summer since 1980 and winter since 2008. The Moran Plant will serve as a year-round venue for the BFM.

## The Numbers Tell the Story of Community Support

Community interest in preserving the Moran Plant is best demonstrated by the number of citizens who have been directly engaged in the process already. Since July, 2014, over 2,500 visitors have willingly donned hard hats and safety gear to personally tour the plant - leaving those tours with a consistently positive outlook on the potential of the redeveloped building. Furthermore, NMI has produced a wide array of creative original media content, garnering over 250,000 online views, and has met with over thirty (and counting) community organizations through an Old North End Community Needs Assessment, initiated during January of 2016. These organizations serve over 20,000 Burlington residents. Collectively, the residents' message could not be more clear: Burlington needs vibrant, flexible and accessible community space, and year-round, affordable activities for families, kids, and our increasingly diverse communities - particularly in the Old North End and on the waterfront. And that is exactly what the Moran team intends to provide in a revitalized Moran Plant.

In summary, redeveloping the Moran Plant is a "once in a generation" opportunity to meet the Burlington community's current needs by preserving and rehabilitating an irreplaceable historic structure, consistent with Burlington's best traditions of hard work, diligence and clearly articulated City policy. The Moran Plant redevelopment will also provide for future generations by creating a long-missing catalyst for year-round activity on Burlington's picturesque but underutilized waterfront. Upon completion, Burlington has the opportunity to demonstrate to the rest of a nation struggling to repurpose dilapidated coal plants that, through public-private partnerships, recycling historic structures can power community collaboration indefinitely.

Placed in this historical context, NMI's Moran Plant Redevelopment Proposal repeats each requirement of the RFQ in bold and italics below, followed by NMI's response to satisfy and/or exceed each identified RFQ element.

# Project Description



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#### 4.2.1

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?

## Project Program, Design and Building Use

The Moran Plant building is an irreplaceable volume of unique, historic space in unparalleled proximity to the lake's edge. Reflecting years of public planning on the Burlington waterfront, the structure is an ideal location for Burlingtonians to forge meaningful connections with Lake Champlain, one of Vermont's great natural resources. Preserved for the public, Moran will be the missing "wheel" connecting both long-loved and newly created waterfront "spokes," including the Burlington Bike Path, Community Sailing Center, Burlington Harbor Marina and the A-Dog Memorial Skate Park. In its redevelopment, the Moran Plant will anchor the northern waterfront as one of only a few year-round activity hubs, bringing vibrant activity and connectivity to Burlington's waterfront.

As the proposed master tenant of the building, NMI has secured signed Letters of Intent ("LOI") from experienced, local tenants for leases which establish this program and support long-term, financially self-sustaining programming of the building:

The Burlington Farmers Market Association, Inc. - 10 Year Term

Moran Plant Productions, L3C, a Community Event and Performance Arts Space - 20 Year Term

In addition to the Burlington Farmers' Market and Community Event Space, Moran will host accessible year-round food and recreation outlets on the first floor. Indoor programming will complement two acres of new public space, park land, and a community ice skating rink on the north side of the building. With continuous event programming and publicly accessible indoor facilities, Burlington's waterfront can evolve from a seasonal amenity to a year-round cultural magnet.

### A Diverse, Vibrant & Accessible Year-Round Community Hub

At the heart of our proposal is the Moran Plant's Turbine Hall, a flexible flat-floor community event space with its historic industrial interior and unparalleled views of Lake Champlain. The Turbine Hall will be programmed by Moran Plant Productions, L3C (MPP), a mission-driven subsidiary of A & A Enterprises, one of New England's leading event-production companies, and overseen by the New Moran Board of Directors. Hosting a diverse lineup of regular programs, the Turbine Hall will include music and theatrical performances, public gatherings and multi-scale private events. From free movie nights to theater in the round, Burlington-scale conferences to concerts and cultural festivals, event programming will be open equally for community organizations, businesses, and civic functions – creating a unique, dynamic, publicly-accessible center of activity for all seasons on the northern waterfront. No similar space currently exists along the waterfront as a year-round community amenity and cultural anchor, and no space in the city of Burlington provides the volume of space needed to host conferences and other meetings capable of capitalizing on our highly desirable location and plentiful hotel rooms in close proximity. In creating such a space, the Moran Plant redevelopment will both complement new waterfront public investments, provide a critical community venue and generate significant economic return to the City

of Burlington while preserving a historic asset of statewide importance.

Vermont is known for our healthy, vibrant local food system, and NMI is proud to work with the Burlington Farmers' Market (the Market) in creating a year-round community destination, while preserving the possibility to host a summer market in the downtown core. The Market has been a community institution for over thirty years and is committed to providing a service for both its vendor members, who are a diverse group of small business owners from throughout Vermont, and for its broad spectrum of customers. The vendor-members of the market are committed to extending accessibility as much as possible to small, start-up entrepreneurs, as well as to a broad range of the Burlington Community. In that regard, the Market has partnered with several different organizations to support farmers and producers while extending benefits programs to make fresh, local food more available to underserved communities; NMI and the Burlington Farmers Market Steering Committee are excited to partner with additional organizations to mutually enhance each other's efforts. It is exciting to contemplate how this urban resource can support and enhance our surrounding working landscape.

As a waterfront destination and recreation hub, the first floor space will also host a mix of food and beverage, recreation services and cultural arts programming year-round. Food service will include a local, healthy, casual and

affordable outlet for snacks and light fare serving waterfront users and visitors year-round – including hot chocolate, coffee and other warm offerings for winter visitors. Seasonal waterfront seating on the western side of the building will offer nightly dinner views of Lake Champlain, and a catering kitchen will serve large events in and around the building. Space for local recreation vendors will provide affordable seasonal services for waterfront recreationalists – such as bike rentals, skateboard repair, and ice skate rentals during the winter.

In its robust mix of community programming, the Moran Plant redevelopment will cement the northern waterfront in the hearts and minds of Burlingtonians as a year round district; a focus for activity, further investment, and year round enjoyment.

### Preservation Meets Innovation

In the Moran Plant, there is an opportunity to preserve history while creating opportunities for future generations in an environmentally and financially sustainable renovation. As described below, the adaptive reuse will not only meet but exceed all Base Building Improvements outlined in Section 2.2 of the RFQ - LOA, while creating a financially sustainable program of open access, community programming and cultural inclusion.

2.2

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:

### Minimum Building Improvements Required

Each Base Building Requirement is identified below, with a responsive explanation regarding how the Project will meet and/or exceed the minimum building requirements.

**Requirement 1: Stabilize building according to current structural code.**

During redevelopment activities, NMI will stabilize the building according to current structural and seismic code while retaining the building's historic character and maximizing useable square footage for the existing program and for future building improvements, including usage of the historic tower, upper roofs, and expansion within rehabilitated, stabilized "spaghetti works" - the steel infrastructure on the northern side of the building.

**Requirement 2: Complete environmental remediation in accordance with State Department of Environmental Conservation (VT-DEC and EPA).**

NMI will complete environmental remediation in accordance with State Department of Environmental Conservation (VT-DEC and EPA) as described in the VT-DEC approved Corrective Action Plan. NMI has assembled an expert team prepared to address any contingent issues identified during the redevelopment process.

**Requirement 3: Roof replacement and waterproofing.**

NMI will replace all building roofs, including waterproofing and structural improvements.

**Requirement 4: 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.**

NMI will replace or attenuate all existing window openings in accordance with the Secretary of the Interior's standards.

**Requirement 5: 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.**

The ground level will be a usable and programmable space as will the level above. NMI will remediate, waterproof and install flood resiliency measures on the ground level of the building in accordance with Burlington Life Safety code and the Preliminary Engineering Report provided by NMI in the City of Burlington's June 2016 Infrastructure and Facilities Grant application to the Federal Economic Development Authority.

**Requirement 6: 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.**

NMI will renovate the Turbine Hall on Level Two of the building as a year-round (heated and cooled), ADA accessible, flat-floor event space, on a par with premier black-box theater facilities in the Northeastern U.S.

**Requirement 7: Site improvements that illustrate access, circulation, stormwater and landscaping.**

NMI will complete site improvements, including pedestrian and vehicular access, circulation, stormwater mitigation and landscaping in keeping with the character of Burlington's highest quality existing waterfront amenities.

**Requirement 8: Creation of a seasonal ice skating facility open to the public at the site.**

NMI will design and construct a seasonal ice skating facility on site to the north of the building, in coordination with the City of Burlington Parks, Recreation and Waterfront Department and fellow waterfront stakeholders.

## Exceeding Minimum Requirements

As identified above, the Moran Plant redevelopment will not only meet all Section 2.2 Base Building Improvements Requirements but exceed these requirements in the following areas:

### Requirement 1

NMI's plan will exceed this Base Building Improvement Requirement by retaining the historic character of the building itself as a key community preservation project while creating the opportunity for future expansion.

### Requirement 2

NMI will work with the City of Burlington and appropriate stakeholders to minimize the need for off-site transport and disposal, significantly reducing the expense and liability of the necessary remediation.

### Requirement 3

NMI's plans exceed base building requirements by preparing the 4th level "Great Roof" for eventual public access and use, with stunning panoramic, City, waterfront, lake and Adirondack views. Furthermore, replacing the historic concrete parapet on all upper roofs allows for thermal and noise insulation which far exceeds baseline building code.

### Requirement 4

NMI has worked closely with the State Historic Preservation Office and the Preservation Trust of Vermont to ensure the renovated Moran Plant not only meets minimum requirements but preserves the building's compelling historic character as a living story of Burlington's energy history.

### Requirement 5

NMI will exceed baseline remediation, waterproofing and flood resiliency measures, working closely with CEDO and relevant stakeholders to implement the City's \$1.41M grant from the US Economic Development Authority, create lasting FTE local jobs and maximize the value of available space for year-round use.

### Requirement 6

The Project will exceed this Base Building requirement by making significant improvements to the Ground Level, including a finished floor, public bathrooms, rehabilitation of historic elements including architecturally unique concrete turbine pedestals and reclaimed historic window openings. Furthermore, the Project will utilize a highly energy efficient lake source heat pump and appropriately sized mechanical systems to allow for the future improvement of additional year-round space.

### Requirement 7

By bringing an even greater level of bike and pedestrian access to the lake's edge, site improvements will continue the work of the Burlington Parks, Recreation and Waterfront Department while increasing functionality and enjoyment of the adjacent waterfront park and recreation resources.

### Requirement 8

In addition to the site improvements described above, NMI will exceed Base Building Requirements by including substantially improved Ground Level space for appropriate services and programming, open to the public. Moran Plant tenants will provide warm food and drinks, entertainment, shelter from the winter wind, and needed public restroom facilities.



4.2.2

### **Conceptual Building / Illustrative Floor Plans / Site Plan**

Building on input and guidance from the entire team of engineering and design disciplines, the attached Exhibit A - Moran Plant Floor Plans & Exhibit B - Moran Plant Site Plan have been prepared by Smith Buckley Architects ("SBA") and Wagner Hodson Landscape Architects respectively.

Of particular importance, NMI thanks the professional team who have all made charitable contributions to the project, ranging from entirely pro-bono services, to rate reductions or personal donations. Coming from seasoned, trusted firms and individuals in the construction, design, development and historic preservation fields, these meaningful and hugely appreciated measures have once again demonstrated the wealth of generosity and support for this project in the community at large.

Exhibit A  
Moran Plant Floor Plans

Exhibit B  
Moran Plant Site Plan

4.2.3

### **Development Budget**

NMI intends to fund the project with the following sources; approximately \$6,000,000 of charitable donations, State of Vermont and Federal Historic Tax Credits, the EDA Grant and the full TIF Allocation from the City of Burlington. The only debt that NMI contemplates utilizing is a short term (3-years) bridge loan to supplement the funding cycles of the Historic Tax Credit syndication and the charitable donations that have been pledged to be paid over a 3-year period. The Operating Pro Forma included in this response demonstrates the project's ability to service this short-term debt while fulfilling its other financial obligations.

Given the fact that the project will not have any long-term debt, the calculation of the financial metrics stated in the RFQ would not be meaningful or relevant. The true Return on Capital ("ROC") will be delivered to the City of Burlington and its citizens through the creation of a vibrant waterfront entertainment and cultural center that is publicly accessible and financially self-sustaining.

Exhibit C  
Development Budget

Exhibit D  
Operating Pro Forma

## 4.2.4

## Ground Lease Assumptions

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

Exhibit E

Public Trust Memo

Exhibit F

Property Tax Exemption Memo

Exhibit G

Tenant Letters of Intent

New Moran, Inc. ("NMI"), a Vermont 501(c)(3) not-for-profit corporation, was created solely to facilitate the Moran Plant's redevelopment. NMI intends to fund the project with the following sources: approximately \$6,000,000 of charitable donations, State of Vermont and Federal Historic Tax Credits, a Federal Economic Development Administration Grant and the \$5,800,000 TIF Allocation referenced in the RFQ. NMI intends to sublease the building to other organizations whose occupancy will be in accordance with the Downtown Waterfront Public Trust Doctrine (see Exhibit E - Public Trust Doctrine Memorandum) and provide substantial community benefits, as further defined here.

NMI proposes to lease the Moran Plant and surrounding property at 475 Lake Street in Burlington, Vermont 05401 from the City of Burlington for an initial term of not less than thirty years and requests one ten-year renewal option.

Based on the opinion of NMI's legal counsel, NMI and the Moran Plant redevelopment are eligible for property tax exemption as a Vermont not-for-profit corporation, and therefore no property taxes will be due in connection with the redeveloped property (see Exhibit F - Property Tax Memorandum).

The Moran Plant redevelopment's financial model is based on long-term NNN sub-leases (see Exhibit G - Tenant Letters of Intent) to other organizations that are structured to cover all of the operating costs and produce a modest cash flow to fund relevant operating and replacement reserves. Therefore, in lieu of an annual rental payment or fee-for-services payment to the City, NMI proposes to direct the cash flow generated from these leases into a Moran Plant Operating Reserve Account for the benefit of the City of Burlington, to ensure that the building and surrounding property will never become a financial burden to the City or the citizens of Burlington, while maintaining this critical waterfront structure to provide significant community benefits. NMI is open to the requirement of a fee-for-services payment, with the understanding that the annual contribution to the Operating Reserve Account would be reduced by a commensurate amount.

4.2.5

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.

## Operating Reserve Detail & Narrative

NMI intends to establish a Moran Plant Operating Reserve Account for the benefit of the City of Burlington. The Moran Plant is being completely renovated, and all of the building's new structural and mechanical systems will come with warranties and guaranties for their respective performance for years to come. The building's routine maintenance and repair will be the responsibility of the prime sub-tenant for the term of their lease (see Exhibit G - Tenant Letters of Intent). In order to ensure the redevelopment project's financial stability, NMI will begin funding an Operating Reserve Account during the first year of operation, with the express purpose of covering any operating deficits and to fund the eventual replacement of the building's roof and mechanical systems well beyond the proposed terms of the sub-tenants. The overarching mission of the Operating Reserve Account is to ensure that the building and surrounding grounds never become a financial burden on either the City or the citizens of Burlington.

The 10-year Operating Pro Forma, contained herein, outlines the schedule of contributions to the Operating Reserve Account. This significant accrued balance should provide ample security for operating and replacement reserves in connection with the redevelopment.

4.2.6

Confirm plans & ability to provide the following:

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

## Guarantee Structure

NMI intends to enter into a Guaranteed Maximum Price (GMP) contract with a qualified local contractor. In addition, NMI will require said contractor to provide a performance bond to ensure the project's successful completion. A detailed breakdown of these costs is outlined in the Sources and Uses Statement section of the Pro Forma.

NMI and its major sub-lease tenant, Moran Plant Productions, L3C (MPP), have agreed to the following financial assurance language in the Letter of Intent, which is included in this response:

Upon the execution of the Sublease, Tenant agrees to deliver to Landlord financial assurance, through a letter of credit or other acceptable form of financial assurance ("Financial Assurance"), in the initial amount of \$260,000. The \$260,000 initial Financial Assurance amount shall be subject to termination or refund until the certificate of occupancy is available for the Sub-Leased Premises, anticipated in November of 2018, and then become non-terminable/nonrefundable. Further, upon commencing occupancy, the Tenant shall increase the total amount of Financial Assurance to the Landlord by an additional \$340,000, and the total \$600,000 Financial Assurance amount shall be utilized by the Landlord as an operating reserve to pay the Operating Costs for the Premises in the event of a Tenant default. In the Sublease, the Parties agree to establish a process for creating an operating reserve for the Premises, which will allow funds from operations to accumulate in a dedicated reserve account, and enable Tenant to release the Financial Assurance required under this Section 5.

MPP is a to-be-formed Vermont L3C corporation. Its principals, Alex Crothers and Alan Newman, will provide the letter of credit or other form of financial assurance to support their entity's financial assurance obligations. The availability to draw upon these funds, in addition to the Operating Reserve Account balance as detailed in Section 4.2.5, should provide substantial security for the project to guarantee both construction and operational performance.

4.2.7

## Tenant Program & Leasing Assumptions

As the master non-profit tenant of the building, NMI has secured signed Letters of Intent ("LOI") from two experienced, local tenants for long-term NNN leases:

The Burlington Farmers Market Association, Inc. - 10 Year Term

Moran Plant Productions, L3C, a Community Event and Performance Arts Space - 20 Year Term

In addition, NMI has reserved approximately 2000 SF on the ground floor of the building for a restaurant, a catering kitchen and waterfront support services (rentals and supporting retail). NMI has fielded significant interest from multiple qualified parties for these spaces, and will establish a complementary mix of these supporting tenants following an affirmative response to this RFQ.

Exhibit G  
Letters of Intent

4.2.8

## Economic Impact

When completed, the Moran Plant is estimated to deliver over \$8,773,093 in ongoing annual economic impact, with a vibrant year-round program of events, arts, food and recreation. We anticipate generating or retaining over 141 jobs during the first nine years of operation, in addition to 234 construction jobs and \$27,268,347 in construction and pre-development economic impact.

### Job Creation

As the non-profit master developer of the Moran Plant, New Moran, Inc will create jobs directly through building and organizational management positions, and also through building tenants who we expect to expand into (and invest in) the space created by the initial redevelopment. The prime tenant for the building is a community events manager. The events are expected to range from conferences or trade shows to concerts, performance art and public events. On the ground level, the Burlington Farmers' Market will complement food, beverage, and recreation services (rentals, retail and repair). The events tenant expects to retain eight jobs which would otherwise be lost, while creating ninety-eight new FTE jobs over the course of the first nine years in operation. The event tenant projections are based on the operational history of the prospective tenant's two similarly sized event spaces in similar markets. Food and recreation uses on the ground level are anticipated to create twenty FTE jobs and fifteen FTE jobs respectively. While we anticipate arts education tenants creating up to eight new FTE jobs over the course of nine years, these are not included in the

calculation because they have yet to be verified.

### Construction Impact and Job Creation

Construction impact estimates are based on the 2015 NAIOP Construction Industry Economic Impact Report for the State of Vermont. The NAIOP Research Foundation was established in 2000 as a 501(c)(3) organization to support the work of individuals and organizations engaged in real estate development, investment and operations. The Foundation's core purpose is to provide these individuals and organizations with the highest level of research information on how real properties, especially office, industrial and mixed-use properties, affect and benefit communities throughout North America.

Economic impacts at the state level are the data that appear on NAIOP's individual "state cards," which are used in the association's government affairs efforts at the federal, state and local levels. The output and jobs multipliers used in the report utilize the most recent revisions produced by the U.S. Department of Commerce Bureau of Economic Analysis ("BEA"), which were released in fall 2015. The 2015 edition of this report used BEA multipliers that had not been updated since 2013 because the federal budget sequester resulted in BEA's suspending its regular updating schedule. Data used in the 2013 multipliers reflected economic conditions that existed before the 2007 recession, while the newly updated multipliers reflect economic conditions characterizing the post-recession economy and the early stages of the recovery. As a result of the recession, many businesses realigned their operations to be more efficient by replacing

workers or changing how work was accomplished through greater utilization of technology. As one of the sectors hardest hit by the recession, the construction sector has undergone significant changes reflected in the revised multipliers.

**Increase in the Value of Public Property**

The project anticipates a \$7,020,000 increase in its public property value. The increased value takes into account prior assessments made on the CEDO sponsored Moran Center proposal, adjusting appropriately in line with construction cost and the delta in CPI from 2011 to 2016.

<b>Moran Plant Redevelopment Economic Impact</b>	
<b>Growth of Grand List</b>	
Increased Value of Publicly Owned Property	\$7,020,000
<b>Construction-based Initial Economic Impact</b>	
Economic output of direct construction spending	\$27,268,347
<b>Ongoing Direct Economic Impact</b>	
Food & Beverage	\$907,303
Events	\$2,305,180
Building Visitors & Tourism	\$882,000
<b>Total</b>	<b>\$4,094,483</b>
<b>Ongoing Indirect Economic Impact</b>	
Food & Beverage	\$2,857,327
Events	\$1,718,400
<b>Total</b>	<b>\$4,575,727</b>
<b>Total Annual Economic Impact</b>	<b>\$8,773,093</b>

4.2.9

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.

## Accessibility

Creating a welcoming and inclusive Moran Plant was and remains a foundational tenet of New Moran's mission and strategic plan. This work will culminate in a Community Benefit Agreement adopted by NMI and its sub-tenants, ensuring that the Moran Plant identity and function are steeped in delivery of broad-based, inclusive public benefit.

Burlington has become a richly diverse city, and with this diversity comes an opportunity and a challenge to create infrastructure and build programs that pull us together as a unified and inclusive city. Since receiving hundreds of comments during the PIAP process during 2012, New Moran has led over 2,500 individuals through the Moran Plant and engaged the support of over sixty community leaders as a Champions Council. In late 2015, at the Champions Council's suggestion, New Moran began evaluating approaches to establish clear community benefits and accessibility for all Burlingtonians in the revitalized Moran Plant. To that end, over the last twelve months NMI's staff members and University of Vermont interns have met with over thirty community leaders and organizations to discuss how they believe the Moran Plant could bring important value to the entire Burlington community.

We believe NMI must take time to create a long-term commitment to the community, and this process is just the beginning of that commitment. Already, however, the feedback from this outreach effort is compelling; even at this early stage, the following findings inform how managing and programming the revitalized Moran Plant can create a vibrant community hub and in turn build and grow a thriving Burlington community.

### Moran Plant Redevelopment Project's Accessibility Elements

Each of the following findings is followed with an approach to create an inclusive, accessible and vibrant program for the revitalized Moran Plant. These initial approaches will be refined through the remainder of the Community Needs Assessment.

To ensure Accessibility Elements are achieved, NMI will enter a Community Benefits Agreement with Moran Plant Productions, and potentially other sub-tenants, incorporating relevant programming elements into an enforceable contract. Our findings to date suggest the redeveloped Moran Plant should provide an inclusive and accessible space to all Burlingtonians and visitors in the following ways:

#### A Year-Round Gathering Place

A majority of the non-profits with whom we spoke stated that the redeveloped Moran Plant could bring value to the underserved constituencies in Burlington by supporting the organizations that serve those populations, offering space for rental or use for meetings and events. Providing space either for free or at reduced rates will be important, though many organizations already include an allocation in their budget for this type of rental, from small gatherings of fifty to large events of up to 1,000 people. Support services needed for these events include tables, chairs, rooms of different sizes for breakaway sessions, AV, access to a kitchen for themselves or outside caterer, janitorial support, ambiance, and parking. Therefore, the Moran Plant event space will serve as a critical location for non-profit, community-oriented activity.

#### Community-Oriented Programming

Many organizations also expressed the need for specific community programming. This input varied from simply opening the Moran Plant's common space to anyone who wanted to be inside and comfortable year-round, to specific programming, particularly focused on children's activities and the New American community. While the Moran Plant will be dynamic and responsive to the community's needs over time, initial programming goals include:

- Providing a place for children's activities, including free movie showings (for kids and also cultural movies), crafts, classroom space, and public park opportunities.
- Programming that provides space for the physically disabled and elderly.
- Holding annual cultural festivals/dances/feasts -Brew Fest-like scale and impact, but inside and possibly during the winter.
- Art exhibits or permanent displays of Burlington's rich multicultural heritage.
- Utilizing a catering kitchen for processing food for sale on site or elsewhere, along with space for cooking classes hosted by existing organizations.
- Establishing rooftop community garden.
- Providing a publicly accessible ice skating rink, with affordable skate rentals and warm space with hot drinks.
- Making the building attractive, welcoming, and desirable to visit for people of all cultures - for example, with colors and flags from multiple countries.

#### Public Art

Opportunities for public art display already have occurred as part of redevelopment programming and will continue in the redeveloped project. Public art will be incorporated within the surrounding site and future public skating rink.



4.2.10

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

## Environment

NMI has engaged one of the nation's most recognized and experienced brownfield development firms, Hemisphere Development LLC, through its affiliate, Hemisphere Brownfield Consulting LLC ("Hemisphere"), to help definitively address the Moran Plant's historical environmental impacts. Hemisphere will work with the project's environmental consultant Waite Heindel Environmental Management, LLC (WHEM) to address these environmental concerns. The project team will perform all remedial activities in accordance with the Corrective Action Plan approved by Vermont DEC and all other applicable laws, rules and regulations. Our strategy for brownfield remediation involves four primary components: 1) encapsulation of basement-contaminated materials; 2) protection of indoor air quality for future occupants of the Moran Plant; 3) protection of future occupants and construction workers from limited remaining asbestos-containing materials and lead paint inside the Moran Plant; and 4) protection of future property users and construction workers from impacted soil and groundwater outside the Moran Plant. These components are all part of the Corrective Action Plan prepared by WHEM and approved by the VT DEC in 2011. Based on the team's extensive experience, the project team will be prepared to address any environmental contingencies encountered during redevelopment activities. Descriptions of each currently anticipated component are provided below.

### Basement Encapsulation

Low-levels of polychlorinated biphenyls ("PCBs") are present, absorbed into the concrete floor of the Moran Plant basement. Concentrations of total PCBs range from non-detect (< 0.02 ppm) to 15 ppm. In addition, the sediment from the bottom of the two sub-floor channels is contaminated by polycyclic aromatic hydrocarbons ("PAHs"), PCBs, and the heavy metals arsenic, lead, and mercury. WHEM has demonstrated that the floor and sub-floor contaminants have not negatively impacted the groundwater quality outside the building footprint, and

should not have a negative impact in the future if left undisturbed by the encapsulation process. Also, our consultant has determined that the mitigation of PCBs inside the building will be subject strictly to VT DEC oversight, and not subject to Toxic Substances Control Act ("TSCA") oversight.

In their current condition, these contaminants do not pose a health risk to construction workers. However, the basement concrete floor shall not be disturbed without appropriate health and safety protocols. To avoid future contact by building occupants, we have developed a plan to fill the basement above the floor (elevation of 96.0 ft) with an approximately 17" layer of engineered fill material, install a vapor mitigation system (sub-slab depressurization system) consisting of a vapor barrier and slotted pipe to vent potential vapors to outdoor air, and pour a new concrete floor over the system. This new floor system will encapsulate the contaminants and eliminate any future direct-contact concern. The vapor mitigation system will eliminate volatilization of contaminants to indoor air as a potential exposure pathway. Finally, an institutional control (use restriction) will be filed to deter future sub-floor disturbance.

#### Indoor Air Quality Protection

As mentioned above, in conjunction with the basement filling, a vapor mitigation system (sub-slab depressurization system) ("SSDS") will be installed to prevent potential indoor air quality impacts from basement floor contaminants, as well as from a limited zone of groundwater impacted by chlorinated volatile organic compounds ("CVOCs") identified outside the building footprint. As mentioned above, this system will incorporate a vapor barrier with a network of slotted pipe connected to risers and manifold that can be operated either passively or actively to create

negative pressure under the floor, to address potential vapor migration into the occupied space. All floor penetrations to the new slab will be sealed to maintain the vapor barrier. Once installed, performance testing of this system followed by pre-occupancy indoor air testing will be conducted to ensure indoor air meets applicable standards. An Operation and Maintenance (O&M) Plan will be developed to ensure relevant indoor air standards are maintained within the building.

#### Asbestos and Lead Paint Mitigation

While the vast majority of the previously identified asbestos containing materials ("ACMs") have been removed from the building, at least five additional materials remain inside the building that tested positive for asbestos: 1) black tar paper material inside the ceramic wall of the shower area of the main floor ("operations level" at 116.0 ft elevation), 2) mudded joint fitting surrounding piping in the ceiling of the shower area of the main floor, 3) gasket rope on the lower portion of the north side exterior structural steel, 4) gasket material in the lower portion of the north side exterior structural steel, and 5) caulking in the lower portion of the north side exterior structural steel. While much of the flaking lead paint has been removed, many lead painted surfaces remain and will be addressed during redevelopment activities.

These materials will be mitigated in accordance the Vermont Department of Health protocols prior to demolition or disturbance of any of the ACMs or lead painted materials.

#### Contaminated Soil and Groundwater Management

Not surprisingly, based on the Moran Plant's historical use of coal, soil contaminants include the metal arsenic in the shallow soil within the entire

project area, polycyclic aromatic hydrocarbons (“PAHs”) in the shallow soil within the entire project area, petroleum in soil and groundwater under Penny Lane and the BDPW parking lot, and PCBs in soil in a discrete zone in the former transformer yard. Limited groundwater impacts consist of a small area of CVOCs proximate to the north side of the Moran Plant. No active remediation of the limited CVOC area is anticipated. The vapor mitigation system will be installed to address this particular issue.

For the entire Moran Plant and Waterfront Access North project, we estimated a disturbance of approximately 18,200 cubic yards of soil by the construction activities. To manage this soil, our environmental consultant has proposed a soil management plan that divided the project area into fourteen zones and establishes an off-site soil stockpiling area. The basic components of this plan consist of the following activities:

1. Soil excavated for grading and utility trenching will be temporarily stockpiled off site and then the acceptable soil type and volume will be returned for on-site reuse as fill. All pre-existing surface and shallow (<2 ft deep) soils that are re-used onsite will be covered by a continuous cap of filter fabric as a marker layer, followed by either clean topsoil and cover material (grass, plantings, or mulched beds) or hardscape/impervious surface to deter future contact with the soil. An O&M Plan will be developed to require annual inspections to ensure the topsoil cap is appropriately maintained.

2. A combination of field screening with a PID and ex situ (once the soil has been excavated and stockpiled) analytical testing will be required for classifying all soil to be

stockpiled and potentially reused during the entire project.

3. Strict record keeping of soil types, stockpile volumes, and reuse volumes will be required.

4. Continuous observation of soil conditions will be required during excavation and trenching to flag any unanticipated contaminant conditions (buried objects, odors, staining, free product).

If unanticipated conditions are encountered, then in situ (from excavation zone prior to removal) analytical testing will be required for the contaminants of concern.

Groundwater, present generally between 4-5 ft below grade under the project area, may be encountered during the construction work (utility trenching, deeper excavation). The need for special treatment of groundwater during dewatering of excavations is not anticipated to be required. As necessary, water generated from excavations during construction activities will be appropriately collected in frac tanks, sampled, treated, and discharged as allowed by applicable laws and regulations to either the City sanitary, the stormwater sewer system or as otherwise required.

Based on the foregoing analysis, all identified historical environmental impacts will be remediated to meet applicable cleanup standards in accordance with the approved Corrective Action Plan and other applicable laws, rules and regulations.

#### 4.2.11

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

### **Parking, Pedestrian Access, and Public Transit**

The Moran Plant Project directly complements the recently completed Waterfront Access North ("WAN") initiative, creating a campus and institution that both welcomes and encourages human-powered recreation, non-vehicular access and public transportation on the northern waterfront.

To date, NMI has publicly advocated for the WAN project, including the improvement and extension of Lake Street, the Burlington Bike Path, the A-Dog Memorial Skate Park, and the construction of future public park space (detailed in Exhibit B), to be completed in conjunction with the Burlington Harbor Marina development. We also anticipate the incorporation of public shuttle and bus lines, in particular CCTA, to support the building activities on a regular basis.

These assertions are based on the specific following assumptions:

1. A 100% waiver on parking requirements by the Burlington Planning and Zoning Office as an eligible adaptive reuse of a historic building;
2. Exclusive off-season use (October 16 - May 13) of the 68 new parking spots anticipated immediately east of the Water Department; and
3. Municipal coordination in securing an extension to the existing CCTA waterfront service.

4.3.1 - 4.3.3

Cover Letter, Attachment A, and 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.

Ms. Gillian Nanton, Assistant Director  
Sustainability, Housing & Economic Development  
CEDO, City Hall  
149 Church Street  
Burlington, VT 05401

Re: Request for Qualifications for Moran Redevelopment  
With Detailed Letter of Approach

Dear Ms. Nanton:

In the course of the last three years, New Moran, Inc. ("NMI") has assembled an outstanding team of development professionals. We hereby respond to the above-referenced Request for Qualifications for Moran Redevelopment With Detailed Letter of Approach (the RFQ).

The NMI team's deep roots in our local community are amongst its strongest attributes. From our inception in the Public Investment Action Plan, we have benefited from unprecedented public engagement, feedback, and support. As referenced elsewhere in the attached LOA, the NMI team is uniquely qualified to harness deep and meaningful community engagement and excitement. We have assembled a body of sixty-three community leaders who have contributed their advice and support as our 'Champions Council'. We have personally shared the Moran Plant building and surrounding site with over 2,500 members of our community and beyond - far more individuals in just over two years than in the entire sixty-two year lifetime of the building. In the initial phase of a multi-year community needs assessment, we have engaged over thirty individuals and nonprofit organizations who collectively serve more than 20,000 members of our community, particularly in the Old North End. Collectively, the message could not be more clear: Burlington needs vibrant, flexible and accessible community space and year-round, affordable activities for families and kids - particularly in the Old North End and on the waterfront. The NMI team is singularly dedicated to achieving these goals.

As a 501(c)(3) Vermont nonprofit led by passionate Burlingtonians, we have welcomed an outpouring of interest and support from local artists, businesses, all manner of design and engineering and transportation professionals, legal counsel, political strategists, historic preservation professionals, and philanthropists. Following an affirmative response from the City, the NMI team looks forward to reengaging this strong base of support on an achievable charitable capital campaign and assisting the city in guaranteeing a groundswell of public support for the project we all agree to pursue together.

We are eager to share our project vision not only with Burlington city representatives, but also with the entire community, and we look forward to your detailed evaluation of the NMI Team's Statement of Qualifications and Detailed Letter of Approach. Pursuant to Section 4.7 of the RFQ, the NMI Team hereby acknowledges its understanding of an ability to meet the schedule identified in RFQ Section 4.7, as signified by NMI's execution of the Attachment "A" - Certification required by the RFQ.

Very truly yours,  
New Moran, Inc.

*Charlie Tipper*      *Erick Crockenberg*      *Tad Cooke*  
Charlie Tipper      Erick Crockenberg      Tad Cooke  
President      Vice President      Treasurer

**Board of Directors**

Tad Cooke  
Erick Crockenberg  
Charlie Tipper  
Katharine Montstream  
Michael Jager  
Bill Truex

Don & Allyson Laackman, Champlain College  
Chico Lager, Former CEO, Ben & Jerry's  
Mike Lane, Dealer.com founder  
Laura Latka, Eldeard Group  
Eli Lesser-Goldsmith, Healthy Living  
Gil Livingston, Vermont Land Trust  
Neale Lunderville, Burlington Electric Department  
Travis Marcotte, Intervale Center  
Page McConnell, Phish  
Rob Miller, Vermont State Employee Credit Union  
Ryan Miller, Guster

**Champions Council**

Benjy Adler, Skinny Pancake  
Jill Badalato, Dealer.com  
Fred Bay, Bay Paul Foundation  
Brian Boardman, Hickok and Boardman Real Estate  
James Bond, Living Classrooms Foundation  
John Bossange, Parks Foundation of Burlington  
Paul Bruhn, Preservation Trust of Vermont  
Tom Carr, Moran Plant Superintendent, 1968-82  
Cairn Cross, Fresh Tracks Capital  
Alex Crothers, Crothers Management Group  
Marguerite Dibble, Gametheory  
Rob Downey, American Flatbread and Farmhouse Group  
Jay Fayette, PC Construction  
Jim Foster, Foster Real Estate Development  
Phelan Fretz, ECHO  
Jeffry Glassberg, JDGRE  
Jerry Greenfield, Ben & Jerry's  
John Hawkins, Surdna Foundation  
Richard & Barbara Hellman  
Adam Hergenrother, Hergenrother Enterprises  
Erik Hoekstra, Redstone  
Scott Johnstone, Vermont Energy Investment Corporation  
Steve Klernan, author  
John Killacky, Flynn Center for Performing Arts

Melinda Moulton, Main Street Landing  
Mark Naud, Lake Champlain Community Sailing Center  
Alan Newman, Alchemy and Science  
Mary Powell, Green Mountain Power  
Nick Richardson, Vermont Land Trust  
Elizabeth & James Robinson, Middlebury College  
Lill Ruane, BioMetaphysical Practitioner  
Richard Russell, Resilient Philanthropy  
Meg Smith, Vermont Women's Fund  
Charlie Smith, Vermont PBS  
Lisa Steele, Main Street Landing  
Molly Stevens, author and culinary educator  
Dave Stiller, Heritage Aviation  
Tom & Leslie Sullivan, University of Vermont  
Gaye Symington, former Speaker of the House  
Joe Thompson, MASSMoCA  
Lars Torres, Generator  
Bill Truex, Truex Cullins Emeritus, FAIA  
Karina & Stuart Warshaw, Grind  
Alec Webb, Shelburne Farms  
Felix Wei, ArtsRiot  
Larry Williams, Redstone  
Jen Wool, consultant

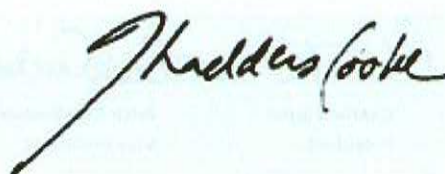
**Attachment A**

**Understanding of RFQ/LOA Procedure, Terms & Conditions**

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: New Moran, Inc  
Date: December 22, 2016

Representative Signature:



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.

**New Moran Inc.  
Project Developer Profile**

NMI will continue to serve as the lead sponsor of the Moran Plant redevelopment - now with the experience, capacity and ingenuity of a nationally renowned development team. In September, 2016, NMI began a collaboration with Hemisphere Development, LLC and their subsidiary Hemisphere Brownfield Consulting LLC. Hemisphere has established themselves as one of the most creative, respected firms in the US focusing exclusively on contaminated, abandoned and brownfield properties. CEO Todd Davis and Managing Director Michael Greitzer will work hand in glove with NMI through all phases of predevelopment and construction - bringing their decades of experience on projects more challenging than Moran - to ensure successful on-time, on-budget completion.

## Hemisphere Development LLC Project Developer Profile

### Firm Name

Hemisphere Development LLC  
Hemisphere Brownfield Consulting LLC

### Firm Address

3 Hemisphere Way  
Bedford, OH 44146  
(Phone): (216) 464-4105  
(E-mail): tdavis@hemispheredev.com

### Year Established

Hemisphere Development LLC was incorporated in 2001. Hemisphere's newest affiliate, Hemisphere Brownfield Consulting LLC, was incorporated in 2016 to provide brownfield redevelopment consulting services. Hemisphere Corporation, the group's initial enterprise, was incorporated in 1994 and has been pursuing brownfield redevelopment transactions since the brownfield industry's inception.

### State of Incorporation

Hemisphere Development LLC and Hemisphere Brownfield Consulting LLC are both Ohio limited liability companies.

### Type of Ownership

Hemisphere Brownfield Consulting LLC is a limited liability company owned by its members. As a real estate consulting company, Hemisphere Brownfield Consulting LLC is qualified to do business in all 50

states. Currently, pursuant to an exception under 11 A V.S.A. §15.01(c)(11), Hemisphere Brownfield Consulting is conducting an isolated transaction and is not required to register with the Vermont Secretary of State. If selected for this engagement, Hemisphere agrees to take all actions necessary to pursue additional licensure for the project, if any.

### Number of Full Time Employees

Hemisphere Brownfield Consulting LLC has no full-time employees. Rather, Hemisphere Brownfield Consulting engages specific, highly-qualified personnel, to deliver consulting and development services for each engagement. Hemisphere Brownfield Consulting has strategic alliances with a number of the nation's leading brownfield redevelopment professionals and firms, as further described herein. The principal participants in this engagement include Todd S. Davis and Michael J. Greitzer. Both Mr. Davis and Mr. Greitzer have over 25 years of brownfield redevelopment, construction and redevelopment experience. Relevant biographies of Mr. Davis and Mr. Greitzer are attached hereto. Hemisphere Brownfield Consulting will work on a fixed-development fee basis for this project.



Description of Specific Expertise, Skills and Services the Firm Offers

Hemisphere is one of the best known brownfield redevelopment and advisory firms in the United States. Our team includes several of the country's most knowledgeable and creative brownfield redevelopment experts. Quite literally, Hemisphere's principals "wrote the book" on brownfields entitled *Brownfields: A Comprehensive Guide to Redeveloping Contaminated Property*, published by the American Bar Association. Essentially, this 1,100 + page treatise addresses all environmental, legal, development and financing issues necessary to effectively redevelop contaminated real estate.

On a practical basis, our company has orchestrated several of the largest and most complicated brownfield redevelopment projects in the United States. Among the many issues addressed during these projects, Hemisphere has helped settle highly contentious litigation, definitively resolved complex environmental issues and created value where none was evident. These transactions have included large oil companies, automotive companies, major manufacturing companies, entertainment firms, railroad companies, top universities and other sophisticated entities. For a more detailed overview of these engagements, please visit our website at [www.hemispheredev.com](http://www.hemispheredev.com).

Based on our expertise and practical experience, Hemisphere has been able to forge a strategic alliance with Duke Realty Corporation, one of the largest publicly traded, vertically integrated office and industrial real estate companies in the United States, to conduct brownfield acquisitions and redevelopment. Duke Realty Corporation is publicly traded on the NYSE under the symbol DRE and owns approximately 149 million square feet of office and industrial property. Duke specializes in the

ownership, construction, development, leasing and management of office, industrial, and healthcare real estate. By joining forces, the Duke/Hemisphere team brings unparalleled depth, resources and expertise to its projects. Hemisphere also enjoys a strategic alliance with Hull & Associates, Inc., one of the country's leading environmental consulting and engineering firms focused on brownfield projects, employing approximately 180 professionals.

Our redevelopment work has spurred hundreds of millions of dollars in new investment on reclaimed brownfields. Our strategic advice has been sought in connection with resolving thorny redevelopment issues on behalf of numerous public and private entities, as well as in crafting legislative reform on complex regulatory issues.

Known for our pragmatism and creativity, in August 2014, Northwestern University's Kellogg School of Management completed a case study on our redevelopment of a former auto plant in Columbus, Ohio into the new Hollywood Casino owned by Penn National Gaming. The Columbus Casino involved an approximately \$400 Million investment and created thousands of new jobs. Our consulting work on behalf of the University of Dayton for over a decade, on a highly complex brownfield redevelopment, has allowed a significant expansion of UD's campus, which already has involved major investments by UD, and the construction of new research facilities home to GE and Emerson. Additional information regarding completed projects is available on our website.

Todd S. Davis, Esq., Chief Executive Officer

Mr. Davis is Hemisphere's founder and has been involved in the brownfield industry since its inception in the early 1990s. Mr. Davis was the

Co-Chair of Benesch, Friedlander, Coplan & Aronoff's environmental law practice, a major law firm headquartered in Cleveland, Ohio. He has been a practicing environmental attorney for over 25 years. Mr. Davis is the principal author and editor of the American Bar Association's nationally best-selling treatise on brownfield redevelopment titled *Brownfields: A Comprehensive Guide to Redeveloping Contaminated Property* (3rd Ed. 2010), and a contributing author to brownfield books published by the Urban Land Institute, the ABA and numerous environmental industry publications. Based on his scholarly works and practical experience, Mr. Davis has been a featured speaker at numerous national forums on brownfield redevelopment, including multiple U.S. EPA National Brownfield Conferences, multiple ABA National Environmental Lawyers Meetings, various ULI Redevelopment and Reuse Council Meetings and The White House Conference on Sustainable Development. He has testified before Congress on brownfield legislation and at various U.S. EPA working groups on brownfield issues. Mr. Davis served as Secretary of the Board of Directors for the National Brownfield Association, the industry's principal trade organization. He also served on the editorial board of "Brownfield News," the industry's leading publication, where he was featured in a regular column entitled "Ask The Expert," and is on the Editorial Board of "Brownfield Renewal." In 2013, Mr. Davis was selected by the American Bar Association's Section of Environment, Energy and Resources to serve as the key point of contact for any media inquiries involving brownfields.

Projects led by Mr. Davis have been the subject of business case studies by the Harvard University Graduate School of Design and Northwestern University's Kellogg School of Management. He has lectured at The Kellogg School of Management during 2014 and 2015. He also has served as a strategic consultant to a major university,

significant public and private companies, as well as a number of government entities regarding brownfield redevelopment issues.

Mr. Davis received his law degree from George Washington University, with Honors and his Bachelor of Business Administration from the University of Michigan, with Distinction.

#### Michael J. Greitzer, Managing Director

Mr. Greitzer leverages the depth of his experience and relationships in commercial real estate to identify redevelopment opportunities through corporate, institutional and governmental channels. Prior to joining Hemisphere, Mr. Greitzer was formerly a Partner and Dayton Market President of Miller-Valentine Group, a large, privately held commercial development firm located in the Midwest. During his 16 year tenure at Miller-Valentine, he lead commercial development teams constructing industrial, office, retail and mixed-use projects across the country for corporate clients and private investment partnerships. He has lead complex adaptive re-use and urban redevelopment projects for universities and healthcare systems where his leadership skills were essential to bringing public and private partners together.

Mr. Greitzer's corporate real estate experience includes the management of a significant national portfolio of institutional grade assets in distribution, manufacturing and logistics. He has been involved in a leadership capacity on both a regional and national platform as a property owner's representative in such notable organizations as Building Owners and Managers Association (BOMA), International Facilities Managers Association (IFMA) and the Institute of Real Estate Management (IREM). Mr. Greitzer holds both a Bachelor of Arts in Business Administration and Marketing from Wittenberg University.

#### 4.3.5

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.

## Project Samples

A number of significant and relevant brownfield redevelopment projects may be reviewed on Hemisphere's website at [www.hemispheredev.com](http://www.hemispheredev.com). One particularly relevant transaction highlighting the complex projects Hemisphere routinely tackles, the Columbus Casino Project, is detailed below. Additionally, and particularly relevant to the historic preservation and building restoration aspects of the Moran Plant Project, were projects performed by Mr. Greitzer in his capacity as a strategic real estate advisor to Cox Enterprises, a national media communication corporation. Cox Enterprises currently employs 56,000 employees and has annual revenue of approximately \$16 billion. Projects where Mr. Greitzer served as the lead are responsive to this Section 4.3.5, but the descriptions are provided in Section 4.3.6 below.

## Columbus Casino

In June 2009, a team from Duke-Hemisphere Redevelopment visited a hulking 1.5 million square foot Delphi Automotive plant near Columbus, Ohio. Walking through the plant was like a journey back in time. The dimly lit manufacturing facility had a noticeably sweet and sticky odor from nearly 67 years of intensive manufacturing activity conducted on the heavily-worn wood block flooring. Like most factories of this vintage, the plant's sole remaining caretaker accompanied our team on this voyage through the cavernous main manufacturing facilities, now idled and no longer humming with the sound of production and the sweat of laborers toiling to meet demanding production schedules. Quite the contrary. Hard hit by the rapid decline in the American automotive industry, Delphi Automotive was on the eve of a bankruptcy filing. Consequently, this formerly thriving facility, which once supported thousands of workers and their families, appeared to be just another major brownfield destined to linger in the portfolio of a bankruptcy estate.

At the time of our site visit in June 2009, the property had been on the market for a number of years – yet no one was able to work through the significant challenges, both environmentally and from a development perspective, to make a redevelopment plan feasible. While this 121-acre site had a number of positive attributes, including the property's proximity to a major interstate, the vacant plant also posed a number of redevelopment challenges, given then existing depressed market conditions.

### Lightning Strikes

In November 2009, after numerous unsuccessful attempts, Ohio voters issued four licenses to construct casinos in Cleveland, Columbus, Cincinnati and Toledo. Similar ballot issues had failed to win voter approval in Ohio since the early 1990s. Yet, another perfect storm, the need for massive job creation and an immediate boost to Ohio's tax coffers, swayed the voters to take a chance on casino gaming. Spearheading a well-orchestrated campaign, publicly-owned Penn National Gaming, headquartered in Wyomissing, Pennsylvania, secured the licenses for casinos in both Columbus and Toledo. While Penn had selected a remediated brownfield site in Toledo as the location for one of these new facilities, the Columbus site originally was to be sited on 18 acres near downtown, which several constituencies in the community found controversial.

After discussions with numerous community stakeholders, in early January 2010, Penn agreed to evaluate alternative locations for its Columbus casino. At that time, Duke-Hemisphere quickly suggested that the 121-acre former Delphi facility would be an ideal location for this massive project. Immediately entering the chase with a torrent of developers offering alternative locations, Duke-Hemisphere completed the purchase acquisition from Delphi, substantial supplemental due diligence and the disposition to a Penn National affiliate, within 30 days. While the deal required around the clock negotiations, ridiculous quantities of caffeine and unfortunate quantities of fast food, all of the stakeholders understood that the opportunity to construct a casino on this brownfield site may be this property's only hope for redevelopment.

### Collaborative Approach Yields Major Returns

Almost immediately, the team entered the site in Ohio's Voluntary Action Program and sought technical assistance from Ohio EPA regarding site investigation and remediation issues. Thankfully, both Ohio EPA and U.S. EPA worked very quickly to provide technical input on several regulatory issues regarding redevelopment. In fact, U.S. EPA Region 5 personnel from its Automotive Redevelopment Task Force, in coordination with Ohio EPA's Voluntary Action Program, realized that providing expedited input on critical projects of this nature was the key to facilitating large scale redevelopment.

Due to this collaborative approach, both demolition and site remediation necessary to construct the casino were completed a mere 10 months after closing, 8 months ahead of schedule. This process included asbestos abatement in and complete demolition of nearly 1.5 million square feet of heavy manufacturing buildings, the remediation of soils and the characterization of groundwater issues in accordance with the Ohio Voluntary Action Program's requirements. Nearly 1.5 million square feet of building pads were recycled and used as a part of the new casino development. Penn's project team is targeting LEED Silver certification and the development will consist of a multi-phased, 300,000 square foot casino. Subsequent phases of this development are planned to include a significant convention/hotel facility. Ultimately, the project anticipates a total investment of \$400 Million and created thousands of new jobs at the facility, spurring substantial new development in the surrounding area. Based on the project's returns and creativity, Duke Realty awarded this transaction Duke's coveted Third Party Deal of the Year Award. The project also is the subject of a business case study by Northwestern University's Kellogg School of Business Real Estate Program.

4.3.6

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.

Nearly all of Hemisphere's engagements involve significant public-private partnerships. However, from a building renovation perspective, Mr. Greitzer's work is particularly relevant. Mr. Greitzer has worked directly with the City of Middletown, Ohio and the City of Hamilton, Ohio on projects involving relevant public-private partnerships, as briefly described below. Cox Enterprises owns and publishes eight daily and weekly newspapers in the southwest Ohio. In order to remain competitive and profitable within the ever changing business of news reporting and media communications, Cox made the strategic decision to consolidate sales and content staffs at their Media Center in Dayton Ohio and to relocate all printing and direct mail services to their centrally located Print Technology Center in Franklin Ohio. This important decision resulted in need to dispose of 6 free-standing newspaper operation centers. The two projects highlighted below most closely align with key aspects of the Moran Plant Project and demonstrate Mr. Greitzer's experience with Public-Private Partnership transactions.

### **The Hamilton Journal-News Building, Hamilton Ohio**

Upon the announcement of Cox's intention to relocate the staff of the Journal-News in early 2010, Cox was quickly approached by a number of private investors and developers interested in purchasing the building for conversion to apartments and/or condominiums. Mr. Greitzer suggested to the leadership at Cox that there was significantly more value to the community in working cooperatively with the City of Hamilton, the Hamilton Community Foundation and the Greater Hamilton Chamber of Commerce on finding a more catalytic re-use for the building that supported their efforts to revitalize their urban center, rather than pursuing solely a large economic return through a private sale of the building. Mr. Greitzer lead the conversation with community partners for more than 6 months before consensus was achieved in redeveloping the building as the new arts and culture center of the City. Cox transferred the property to a City entity for a fraction of its value to hold the asset until a developer/contractor could be identified to execute the vision of the community partners. In June 2012, Coon Restoration purchased the former Journal-News building and embarked on an extensive renovation process that transformed the building into a performance and educational arts hub.

The original Journal-News building was built in 1886, with extensive additions and changes throughout the years. The historic building is

now home to a number of arts and non-profit institutions, providing a cultural hub of activity in Hamilton's downtown. The anchor tenant is Butler Tech School of the Arts, a high school that focuses on the arts, including dance, music, theater, and visual arts. Miami Valley Ballet Theater is also located at the building, moving from the suburbs back into downtown Hamilton. The building is also home to the Hamilton City Schools ABLÉ program, a GED program. The new arts hub is growing – the School of the Arts enrollment jumped from 189 to 210 students from 2014 to 2015 – adding new youthful energy to Hamilton's downtown. Mr. Greitzer remained engaged after the property transfer with the community partnership in supporting the City's brownfield grant application for asbestos abatement and helping the developer and its local architectural team in placing the building on the National Register of Historic Places. The Register designation allowed for the application and successful award of approximately \$1 million in Ohio State Historic Tax Credits to fund a major portion of the project's renovation.

The community partners were able to raise the gap equity necessary for the developer to obtain traditional term debt on the building. The combined community effort was able to raise more than \$4.1 million in public and private investment in addition to the Ohio Historic Tax Credits.

### **The Journal News Building, Middletown Ohio**

The City of Middletown was especially hard hit during the recession, losing a number of long-time employers, including a steel foundry and paper mill. Cox Media Ohio recognized that the announcement of their building closure and relocation of staff could not simply be written about in the daily paper. Cox engaged Mr. Greitzer to work cooperatively with the City of Middletown

and private sector led Middletown Moving Forward Partnership ("MMF").

One of the emerging bright spots in Middletown's urban core was the growing artist colony. Without its own gallery or studio space for its members, the group relied on displaying their work in business lobby's coffee shops to generate interest, community support and sales. Mr. Greitzer was approached by a developer interested in the Journal Building as a long-term investment, but didn't have an immediate use or redevelopment strategy in mind. Mr. Greitzer invited the developer to become part of the dialogue with the City and MMF. The developer was intrigued by the concept of creating artist's studios and gallery space in a portion of the building as a means of supporting the building acquisition until more economic activity and commerce returned to the urban center.

Mr. Greitzer was able to convince the leadership at Cox that there was significantly more value to the community they served in contributing the building to MMF and in providing a portion of the funding for the renovation of the building. In August of 2013, Montesi Enterprises took title to the building and began an extensive renovation of approximately 20,000 square feet of the overall 48,000 square foot building. Mr. Greitzer remained involved in the project after the property transfer, leveraging his 20+ years of experience as a commercial real estate developer to support the young developer. Cox provided \$265,000 in working capital which enabled the developer and the City to submit a successful brownfield grant application for the building's asbestos abatement. Mr. Greitzer also identified an energy-efficiency grant opportunity that eventually funded the majority of the expense to replace the buildings 1950s vintage cast iron framed casement windows. Mr. Greitzer also provided guidance and support to the developer in assembling a team of execution

partners who could cost-effectively address the entire building's mechanical and electrical systems.

The Journal Building now houses approximately 26 artist studios, available on an individual rental basis and a community arts and culture performance space in the renovated former printing press hall. The building's mission is to become a place for community engagement and support the steady renaissance of Middletown's urban center. The combined community effort was able to raise more than \$700,000 in public and private investment to make this project a reality.

Reference letters from the main staff members who worked on these projects are attached hereto as Exhibit H.

#### 4.3.6

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

### Additional Information

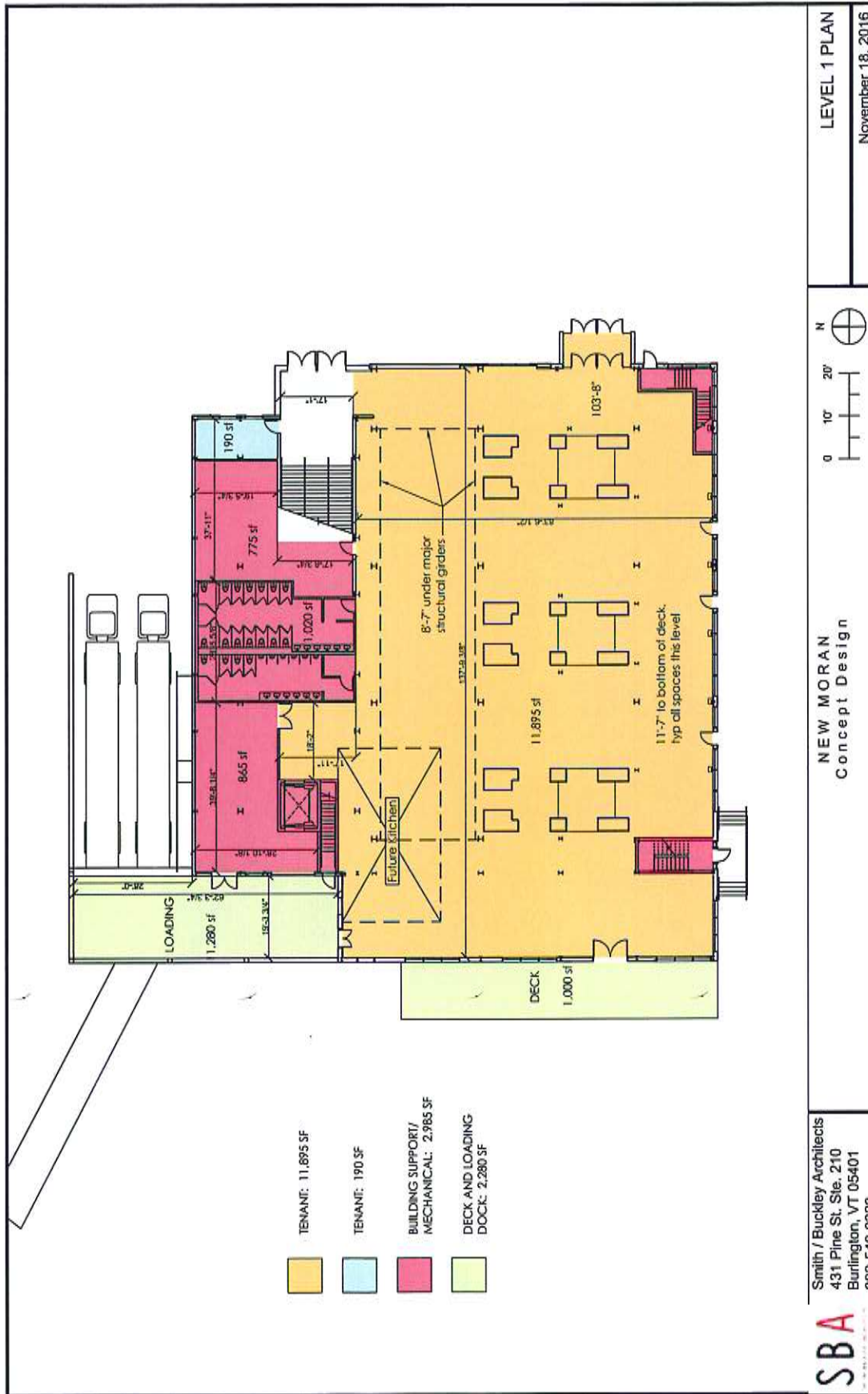
The NMI Team has the ability to identify and engage additional resources not only in Burlington but from throughout the country, to help address any contingent issues arising during the redevelopment process. For example, Hemisphere Brownfield Consulting's strategic relationships with Duke Realty and Hull & Associates, Inc., provide deep additional resources and expertise, to assist tackling unanticipated hurdles identified during the redevelopment process. Other NMI Team members have similar capabilities, including capabilities on a local level.

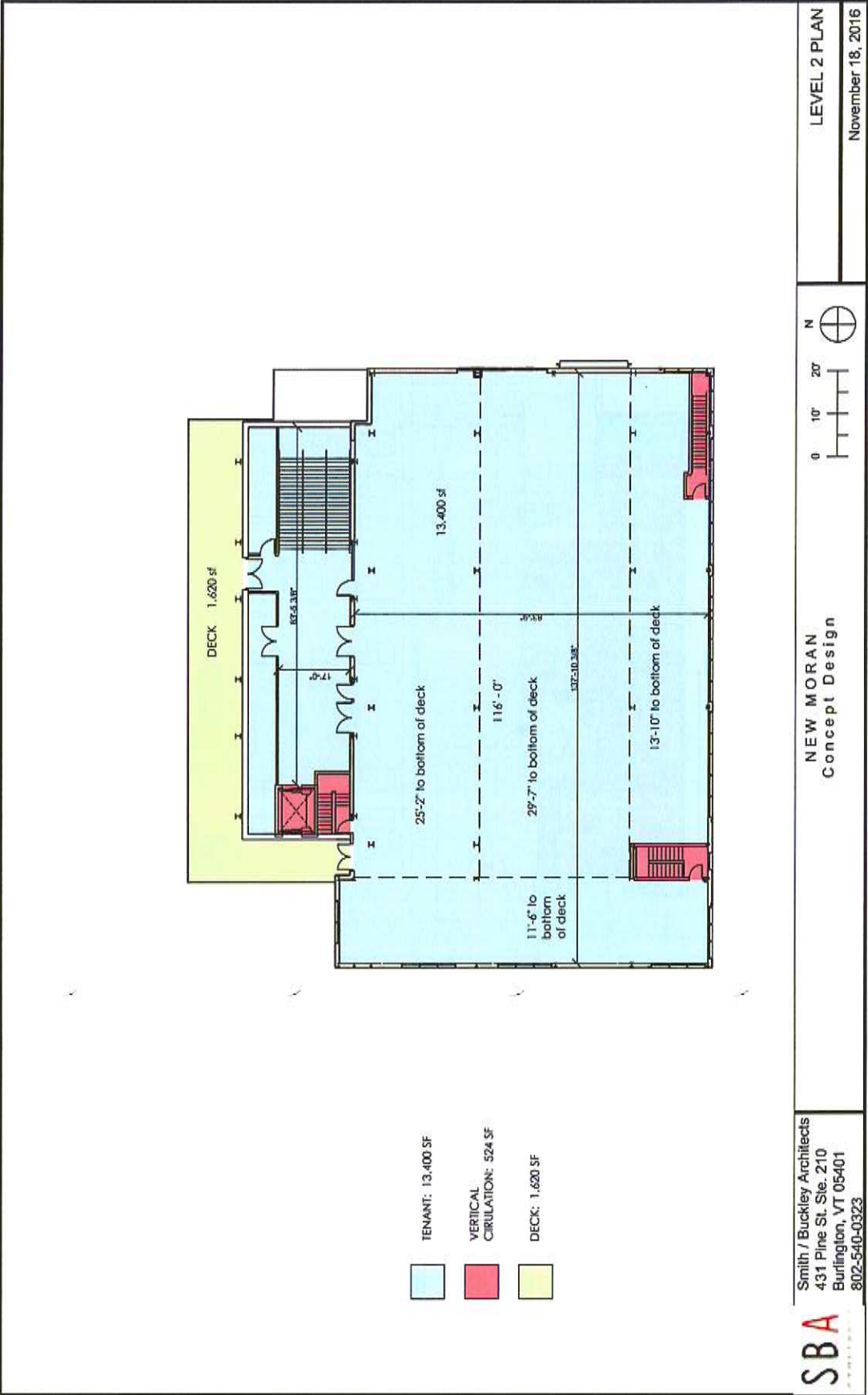
# Exhibits



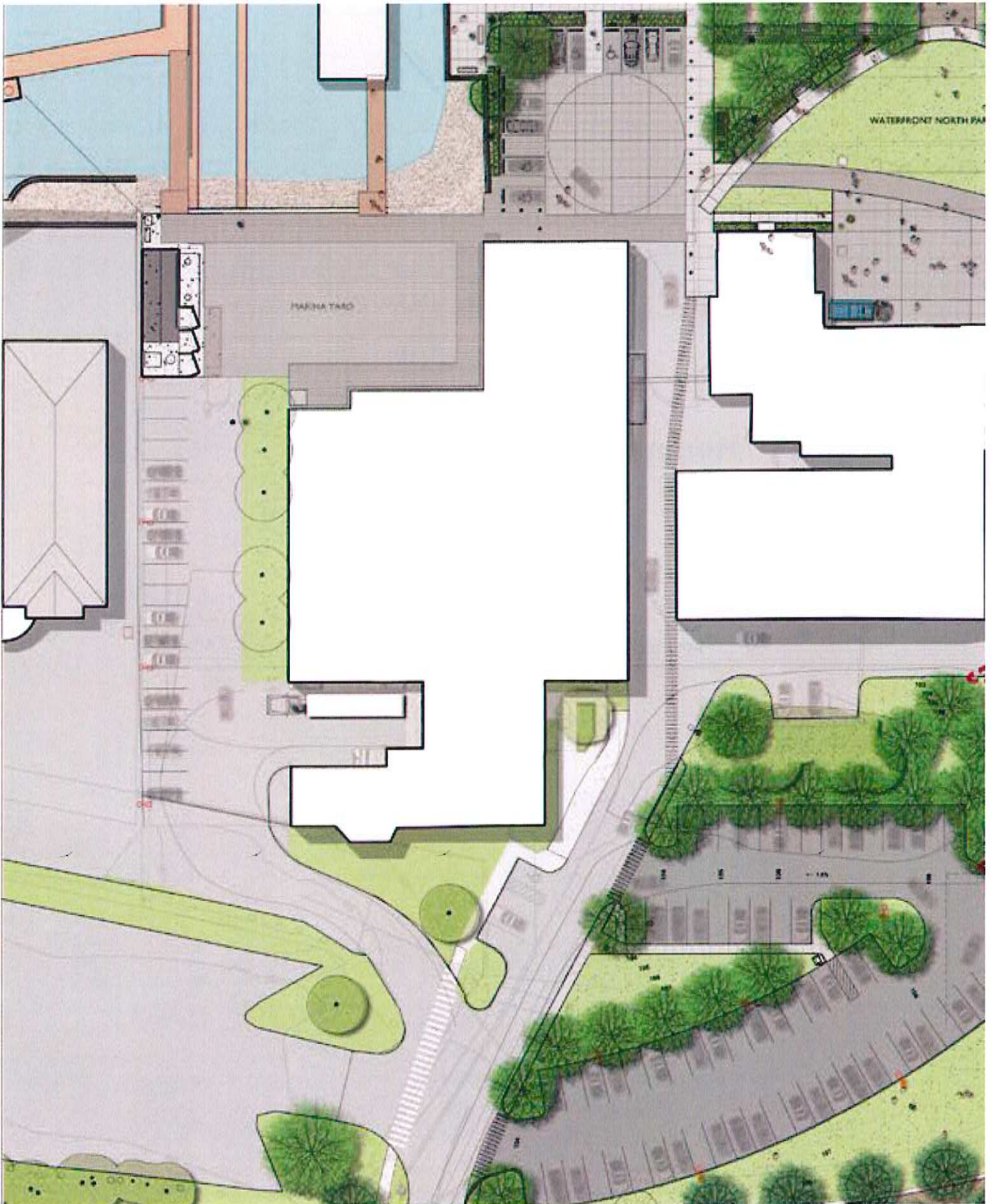
- A Moran Plant Floor Plans
- B Moran Plant Site Plan
- C Development Budget
- D Operating Pro Forma
- E Public Trust Memo
- F Property Tax Exemption Memo
- G Tenant Letter of Intents
- H Reference Letters



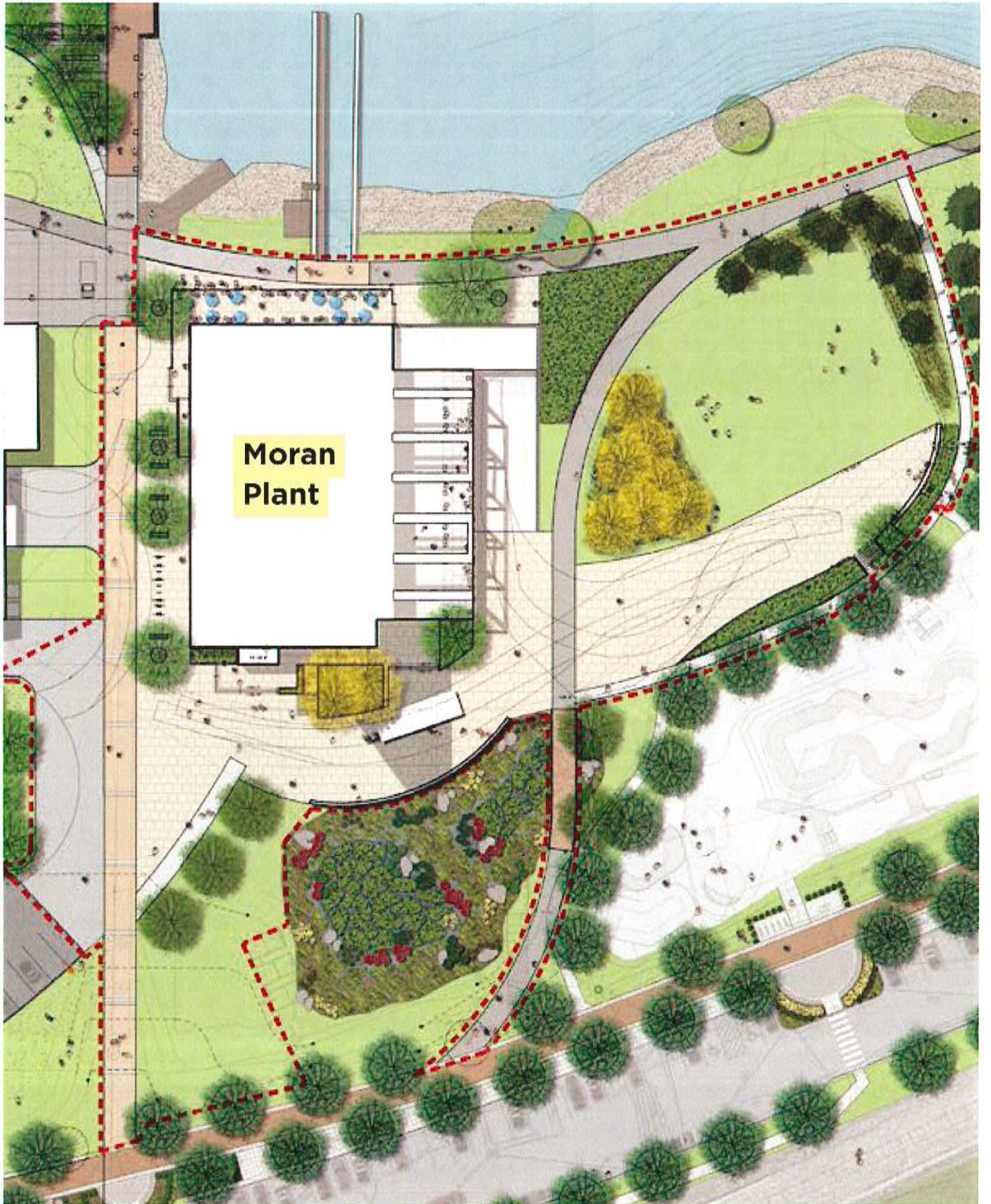




**Exhibit A**



**Exhibit B**



**Exhibit B**



**Memorandum**

**To:** Noelle Mackay  
nmackay@burlingtonvt.gov

**File No.:** 14816-01

**From:** Austin Hart  
[ahart@dinse.com](mailto:ahart@dinse.com)

Jim Langan  
[jlangan@dinse.com](mailto:jlangan@dinse.com)

**Date:** December 19, 2016

**Subject:** Public Trust Doctrine Compliance

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New Moran, Inc. (“New Moran”), is proposing to enter into long term leases for portions of the Moran Plant with Moran Plant Productions, L3C (“MPP”), and the Burlington Farmers’ Market Association, Inc. (“BFM”), a Vermont non-profit corporation. As a low-profit limited liability company, MPP’s business purpose is to further charitable and educational purposes rather than exclusively the production of income or property. New Moran has negotiated letters of intent with both MPP and BFM summarizing the potential terms of the proposed leases, including the permitted uses. This memorandum explains how the proposed uses of the Moran Plant by BFM and MPP comply with the public trust doctrine.

I. The Public Trust Doctrine

The land upon which the Moran Plant sits (the “Moran Plant Land”) is subject to the public trust doctrine, which dictates that land submerged beneath navigable waters, including land that has been filled so that it is no longer submerged, must be held in trust for public uses so that the people of Vermont “may enjoy the navigation of the waters [and] carry on commerce over them....” *State of Vermont and City of Burlington v. Central Vermont Railway, Inc.*, 153 Vt. 337, 341 (1989), quoting *Illinois Central Railroad v. Illinois*, 146 U.S. 387, 452 (1892). The Vermont legislature is responsible for establishing the permitted public uses for public trust lands. *Central Vermont Railway* at 352.

The legislature prescribed these permitted public uses for the Moran Plant Land in Act No. 53 of the Acts of the 1991 Session (“Act 53”). The permitted uses of the portion of the Burlington waterfront that contains the Moran Plant Land under Act 53 include governmental facilities, educational activities, arts and cultural activities, and indoor or outdoor parks and recreation uses or facilities (collectively, the “Authorized Uses”). Act 53 states that the Moran Plant Land may also be utilized for services related and accessory to any Authorized Uses and requires that all uses must be available to the public on an open and nondiscriminatory basis.

Burlington’s zoning ordinance incorporates the legislatively prescribed uses of the Moran Plant Land. Section 4.4.1(d)(2)(A) of the Burlington Comprehensive Development Ordinance

(the “CDO”) describes the allowed uses of the Downtown Waterfront – Public Trust District (the “DW-PT District”) with the same language found in Act 53, with the addition of publicly accessible restrooms.

The determination of whether an activity is compatible with the public trust doctrine is not a precise exercise since both Act 53 and the CDO leave the terms “governmental facility” and “educational and cultural activities” undefined. These terms should be interpreted so that they are consistent with the CDO’s stated purpose for the DW-PT District, which is “to enhance and diversify commercial and residential development in the downtown waterfront area, and to increase access, utilization, and enjoyment of the lakeshore by the community.” The Vermont Supreme Court has recognized that the public trust doctrine does not have a fixed definition and is an evolving concept that must change to keep pace with the current needs and desires of the public. “The doctrine is not ‘fixed or static,’ but one to ‘be molded and extended to meet changing conditions and needs of the public it was created to benefit.’” *Central Vermont Railway* at 342, quoting *Matthews v. Bay Head Improvement Ass’n*, 95 N.J. 306, 326 (1984).

The definitions of the permitted uses of the Moran Plant Land should be interpreted and applied in a manner that is consistent with the City’s stated goals for the Moran Plant and this portion of the waterfront. In 2014, the people of Burlington expressed their desires for the Moran Plant Land when they voted overwhelmingly to support a “mixed-use redevelopment . . . with a focus on multi-purpose arts and events space, local foods and green energy innovation.”

## II. Proposed Uses

The letter of intent between New Moran and MPP indicates that 13,400 square feet of the second floor of the Moran Plant will be used by MPP as a community event and performance space. MPP’s planned uses for the second floor would include music concerts, performance art events, conferences, educational workshops, trade shows, lectures, and community events and festivals. In addition, MPP would use 190 square feet of the first floor to provide access to the second floor as well as for management services for the activities on the second floor.

The letter of intent between New Moran and BFM anticipates that BFM will use approximately 10,000 square feet of the first floor as a year-round venue for their farmers’ market and a headquarters to advance educational programming and social services in support of its mission.

The land immediately surrounding the Moran Plant and included in the lease from the City to New Moran will continue to be used as a public park or for a service related and accessory to a permitted use (including parking) and, therefore, continue to satisfy the public trust doctrine.

III. Compliance with the Public Trust Doctrine

A. Governmental Facilities

Although the Moran Plant will be leased to New Moran and subleased to MPP and BFM, the Moran Plant will continue to be owned by the City of Burlington, which will retain substantial control over how the property is used. Considered as a whole, the Moran Plant will remain a governmental facility, a permitted use under Act 53 and the CDO.

The City of Burlington conducted an extensive public process, the Public Investment Action Plan (“PIAP”), and issued an RFP soliciting proposals “to stimulate economic growth and create a more inviting waterfront experience” for residents and visitors. At the conclusion of the PIAP, the City decided that it desired to create an economic development and cultural center on the Moran Plant Land. To accomplish this goal, the City would lease the Moran Plant to New Moran, which would then sublease to MPP and BFM. The master lease from the City will require that the Moran Plant be used in accordance with the plan developed by the City. The entire New Moran redevelopment project is a governmental facility, an approved use under the public trust doctrine. The existence of the master lease will not alter the Moran Plant’s status as a governmental facility.

B. Cultural Activities

The entire Moran Plant redevelopment project, evaluated holistically rather than sub-use by sub-use, also constitutes a cultural activity, another permitted public trust doctrine purpose. By including “the arts” as a term separate from “cultural activities” in Act 53, the Vermont legislature shows that it intended a broad definition of “cultural activities” that includes more than the visual and performing arts. The primary purpose of the Moran Plant redevelopment project is to preserve, for public use and under public ownership, the historic Moran Plant as an historic building that reflects the legacy of Burlington’s working waterfront. Burlington’s waterfront has been used by Vermonters for generations as a lumber trade center, a rail yard, a petroleum facility, and a power plant. The Moran Plant redevelopment project would preserve this cultural legacy through not only the preservation of a historic structure, but by preserving the historic culture of an industrious waterfront.

The use of the Moran Plant as a farmers’ market and performing arts and event center would showcase Vermont’s present focus on cultural entrepreneurship, including the promotion of mission-driven businesses, the creative economy, and the local craft food and beverage industries. These uses would also further the CDO’s stated purpose for the DW-PT by enhancing and diversifying the commercial development in Burlington’s downtown waterfront area.

The preservation of the historic building and the cultural legacy of the City’s historical waterfront are in themselves cultural activities.

C. Performance and Event Space

The individual uses proposed by MPP also each comply with the public trust doctrine. The use of the second floor as a community event and performance space qualifies as use for art, cultural, and educational activities. Musicians and other artists will be using the second floor to offer film screenings, art installations, and musical and theatrical performances, making the Moran Plant a gathering place for the region's creative community and the public. The community will also gather on the second floor of the Moran Plant for craft markets, lectures, holiday celebrations, festivals, conferences and other cultural events. MPP's educational programming and trade shows qualify as educational activities that serve the City's stated goals of stimulating economic growth and enhancing and diversifying commercial development in the downtown waterfront area.

D. Farmers' Market

The specific uses proposed by BFM will also comply with the public trust doctrine. BFM's plan to use the first floor of the Moran Plant to host its weekly farmers' markets and to offer educational programming qualifies as use for cultural, educational, and recreational activities. The farmers' markets would preserve the cultural legacy of the Burlington waterfront as a place for commerce. As the Vermont Supreme Court noted in *Central Vermont Railroad*, a primary purpose of the public trust doctrine is to allow the public to continue to carry on commerce over lands that were once submerged. The use of the Moran Plant as a farmers' market would preserve the Moran Plant Land for commerce that enhances the region's agrarian culture and history. Hosting a farmers' market at the Moran Plant would provide an enhanced venue for farmers, artisans, artists, and local craft food and beverage businesses, further strengthen Burlington's entrepreneurial culture, and serve the City's goal of creating a more inviting waterfront experience for residents and visitors. In addition, BFM's educational programming when the space is not being used for the farmer's markets will be in support of BFM's mission of supporting Vermont's farmers and food and craft artisans.

IV. Conclusions

Viewed either as a whole or as a collections of separate but related uses, the proposed uses of the Moran Plant Land are all Authorized Uses that will be made available to the public on an open and non discriminatory basis and will comply with Act 53, the CDO, and the public trust doctrine as interpreted by the Vermont legislature and the Vermont Supreme Court.





## Memorandum

**To:** Noelle Mackay  
[nmackay@burlingtonvt.gov](mailto:nmackay@burlingtonvt.gov)

**File No.:** 14816-01

**From:** Austin D. Hart  
[ahart@dinse.com](mailto:ahart@dinse.com)

James P. Langan  
[jlangan@dinse.com](mailto:jlangan@dinse.com)

**Date:** December 19, 2016

**Subject:** Moran Plant Property Tax Exemption

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New Moran, Inc. (“New Moran”), is proposing to enter into long term subleases for portions of the Moran Plant with Moran Plant Productions, L3C (“MPP”), and the Burlington Farmers’ Market Association, Inc. (“BFM”), a Vermont non-profit corporation. As a low-profit limited liability company, MPP’s business purpose is to further charitable and educational purposes rather than the production of income or property. New Moran has negotiated letters of intent with both MPP and BFM summarizing the potential terms of the proposed subleases, including the permitted uses. This memorandum explains how the Moran Plant redevelopment project proposed by New Moran (the “New Moran Project”) will be exempt from property taxes under Vermont law.

### I. Property Tax Exemption for the Entire New Moran Project

Real property owned by a Vermont municipality that is located within the municipality is exempt from property taxes if the property is used for municipal purposes. (See 32 V.S.A. Section 5401(10)(F); Vermont Listers’ Handbook published by the Vermont Department of Taxes). Once completed, the New Moran Project will be exempt from property taxes because it will be owned by the City of Burlington and used for the purpose of fulfilling the goals of the City’s Public Investment Action Plan (“PIAP”). As part of the PIAP, the City solicited proposals “to stimulate economic growth and create a more inviting waterfront experience” for the public. At the conclusion of the PIAP, the City decided that converting the Moran Plant into an economic development, educational, and cultural center would best realize the City’s goals. As public trust land (see discussion of public trust doctrine below), the property will always be dedicated to uses deemed public by the state and the City.

In addition, the entire New Moran Project qualifies as property tax exempt under 32 V.S.A. Section 3802(4) (“Section 3802(4)”) as a property used primarily “for public, pious or charitable uses.” A property’s primary use is the “direct and immediate use” of the property rather than any remote or incidental use. *Gifford Hospital v. Town of Randolph*, 119 Vt. 66, 72

(1955). To qualify for the Section 3802(4) exemption, a property must: (i) be dedicated unconditionally to public use; (ii) directly benefit an indefinite class of persons who are part of the public, conferring a benefit on society; and (iii) be owned and operated on a not-for-profit basis (the “American Fly Fishing Test”). *American Fly Fishing, Inc. v. Town of Manchester*, 151 Vt. 103, 110 (1989).

Once the New Moran Project is completed, the property will be dedicated unconditionally to a public use; namely, the preservation of the Moran Plant as a historical, educational, cultural, and economic development resource for the people of Burlington and the region. The primary beneficiaries of the New Moran Project will be members of the general public who will be able to enjoy the public park, art installations and performances, farmers’ markets, community events, and numerous educational and cultural activities. The New Moran Project will also satisfy the third prong of the American Fly Fishing Test because it will be owned by the City of Burlington and leased to non-profit entities.

Real property may be exempt from property taxes even if it is not owned and operated by the same entity. The Vermont Supreme Court has determined that a tax-exempt entity may, without negatively affecting the tax exempt status of the real property, lease its real property to another tax-exempt entity to operate, as long as the entities share a mission related to the relevant public use. *Twin Valley Community Services, Inc. v. Town of Randolph*, 170 Vt. 648, 649-50 (2000). As evidenced by the PIAP and the vote of the City’s residents, the City is committed to preserving the historic Moran Plant and transforming it into a cultural center that enhances the economic development of the region. New Moran’s mission is to fulfill the City’s goal for the Moran Plant, in part through its agreements with MPP and BFM.

While Vermont courts have not ruled on whether low profit limited liability companies (“L3C’s”) would be treated the same as a non-profit corporation under the American Fly Fishing Test, L3C’s are required by law to have as their purpose the furtherance of charitable and educational purposes while having no significant part of their purpose be the production of income or property. 11 V.S.A. Section 4162. Consequently, it is likely that a Vermont court would treat an L3C as analogous to a non-profit corporation for purposes of an American Fly Fishing Test analysis.

The overarching goal of Section 3802(4) is to provide a broad public benefit. *Roy v. Woodstock Community Trust, Inc.*, 195 Vt. 427, 451 (2014). Since the Moran Plant is subject to the public trust doctrine, its uses will always have to serve public uses as defined by the Vermont legislature and the City’s Comprehensive Development Ordinance. Furthermore, the primary lease from the City to New Moran will contain assurances about continued public use by incorporating the requirements of continuous compliance with the public trust doctrine and a Community Benefits Agreement. The subleases will contain these same assurances of continued public use. Allowing a property tax exemption for the entire New Moran Project would satisfy the goal of Section 3802(4) by supporting the preservation of a historical building that will provide cultural and educational resources to the general public.

## II. Property Tax Exemption Based on Individual Uses

The individual uses proposed by MPP and BFP for the Moran Plant also qualify for exemption because each use independently satisfies Section 3802(4) of providing a broad public benefit while also meeting all elements of the American Fly Fishing Test.

The letter of intent between New Moran and MPP provides that 13,400 square feet of the second floor of the Moran Plant will be used by MPP as a community event and performance space. MPP's planned uses for the second floor include music concerts, performance art events, conferences, educational workshops, trade shows, lectures, and community events and festivals. In addition, MPP would use 190 square feet of the first floor to provide access to the second floor as well as for management services for the activities on the second floor.

The second floor will also be owned by the City of Burlington, leased to non-profit New Moran, and subleased to MPP, a low-profit limited liability company. This community performance and event space will be open to all members of the public and will serve as a venue for a variety of community events. The rotating artistic performances, educational conferences, and cultural programming conducted in the community performance and event space will benefit an indefinite class of the public and confer a general societal benefit of education and community building.

The letter of intent between New Moran and BFM anticipates that BFM will use approximately 10,000 square feet of the first floor as the year-round venue for their farmers' market. The farmers' market will showcase Vermont agriculture, art, artisans, and local craft food and beverage purveyors. When BFM is not holding its weekly farmers' markets, the first floor space will be used by BFM for educational programming and social services in support of its mission.

The first floor farmers' market space will be owned by the City of Burlington, leased to New Moran (a non-profit corporation), and subleased to BFM, another non-profit corporation. It will be dedicated to the farmers' market and will be open to all members of the public. The farmers' market will serve as a community gathering place for Burlington where community relationships will be strengthened and the energetic exchange of ideas will be encouraged, enriching the community as a whole.<sup>1</sup>

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<sup>1</sup> The proposed uses of the Moran Plant by MPP and BFP share many similarities with the property tax-exempt use of 153 Main Street in Burlington by the Flynn Center for the Performing Arts, Ltd. (the "Flynn Center"). Like the Flynn Center, MPP would charge a ticket fee for many of its events and restrict access to events due to capacity constraints. However, as is the case with the Flynn Center, MPP's tickets would be made available for purchase by all members of the public (an indefinite class of people) and so would not run afoul of the American Fly Fishing Test. In addition, just as the Flynn Center selects the artists who will perform at its facility (many of whom will earn a profit from the performance), BFP would select the farmers and artists who participate in its farmers markets. The fact that some of the market vendors may earn a profit would not alter the American Fly Fishing Test analysis. The Moran Plant would still be owned and operated on a not for profit basis because the City, New Moran, and BFP are all operated without a profit motive.

III. Conclusions

Whether analyzed as one holistic project or as a collection of sub-uses, the New Moran Project is exempt under Section 3802(4) because it will be dedicated unconditionally to public use, will directly benefit an indefinite class of persons, and will be owned and operated on a not-for-profit basis.

Denise Hamet, MBA, LCDM  
Denali Development Services  
5374 Wandering Way  
Mason, Ohio 45040

November 22, 2016

Gillian Nanton  
Assistant Director  
CEDO  
City of Burlington  
149 Church Street  
Burlington, Vermont 05401

RE: P3 Reference – Michael Greitzer

Dear Ms. Nanton,

Please accept this correspondence as a professional reference for Michael Greitzer of Hemisphere Development.

I served as Program Manager and then Director of Economic Development for the City of Middletown Ohio for over 7 years. In that capacity I had the pleasure of working with Mr. Greitzer as he represented a national corporation that had closed their Middletown operation, but wanted to contribute their facility to the City to aid in its economic development efforts. Mr. Greitzer was sensitive to the economic burden that a vacant property would place on the City's finances. He worked collaboratively with City staff to market the building to potential users and encouraged other county and state agencies to support the interest of perspective users.

In the end, Mr. Greitzer was successful in convincing his client to provide funding for a portion of the building's renovation and seed capital for the start-up company that eventually took title to the building. During the transition, he remained involved with the new owners, providing guidance on conventional and SBA financings, environmental remediation and the overall construction and renovation of the building. His dedication to aligning the interests of his client, the City and the eventual building acquirer brought a significant degree of value to the process.

I enjoyed the opportunity to work with him on this transaction and would not hesitate to consider his services when I begin my new role in December as the Executive Director of Community Development Corporation Association of Greater Cincinnati. If you need further information you may contact me at [dshamet@yahoo.com](mailto:dshamet@yahoo.com) or (513) 505-5994.

Sincerely,



Denise Hamet,  
Principal

**Exhibit H**



November 30, 2016

Gillian Nanton, Asst. Director  
CEDO  
City of Burlington, Vermont  
149 Church Street  
Burlington, Vermont 05401

RE: P3 Recommendation - Michael Greitzer

Dear Ms. Nanton,

Prior to assuming my current role, I had worked in the City Manager's Office in Hamilton, Ohio as the Assistant to the City Manager and later Chief of Staff. During this time I had the pleasure of working with Mr. Michael Greitzer on the transfer and redevelopment of the former Journal News Building in our downtown.

From the beginning of this process, I found Mr. Greitzer to be a genuine, transparent, and accommodating partner whose interest, along with his client, was to find the highest and best use for the property that aligned with the City's strategic efforts in the downtown area.

Fortunately, the redevelopment became a success in short order. It now houses an art-centric high school of choice and contributes greatly to the renewed sense of vibrancy in our urban core.

I would not hesitate to recommend Mr. Greitzer's services. If you would like to speak further, I am available at [brandon.saurber@hamilton-oh.gov](mailto:brandon.saurber@hamilton-oh.gov) or 513-785-7380.

Sincerely,

Brandon Saurber  
*Director of Strategy & Information*





**New Moran, Inc.**  
**PO Box 8502**  
**Burlington, Vermont 05402**  
**[MoranPlant.org](http://MoranPlant.org)**