



Village President and Board of Trustees
Sub-Committee
To Review & Finalize the Colt RFP Text

Wednesday, October 25, 2006

7:00p.m.

Conference Room 130

The President and Board of Trustees welcome you. This is a working session of the Village Board and no public comment will be taken.

1 Finalize Request For Proposals (RFP) Text for the Colt Building Site

At the Board Meeting on Monday October 16, 2006, the Village Board created a sub-committee to meet with staff and finalize the RFP for the Colt Building Site based on the direction of the Village Board during their Study Session on September 21, 2006. Upon completion of this writing, the RFP is then anticipated to be sent out on Friday October 27, 2006.

Adjourn

The Village of Oak Park

DRAFT

Request for Proposals
For the Redevelopment
The Colt Building and adjacent properties
In Downtown Oak Park

October xx, 2006



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Colt Building & Adjacent Properties RFP

Introduction/background

From the 1920's through the 1960's, Downtown Oak Park with its concentration of department stores and other closely related retailers was the destination place to shop for both Oak Park residents and those living in the nearby inner suburbs of Chicago. In the early 1970's with the construction of the Oak Brook Mall and other major suburban shopping centers, the major department stores and associated retailers began to relocate one by one out of Oak Park into the malls.

In 1978, in an effort to create a unique shopping environment which it was hoped would end the out migration of retailers, the Village installed a pedestrian mall on Lake Street from Harlem Ave. to Marion Street. In 1983 as the trend for stores to close or move out continued, the Board utilized a brand new economic development tool provided by the State of Illinois to create one of the first TIF Districts in the state for its Downtown area. However, by 1988 the point had been reached where vacancies exceeded occupied space by more than double and, the community was forced to admit that the mall idea was not going to restore its downtown to its glory days as a retail destination. At that time, despite a healthy citizen protest that included a non-binding referendum in favor of leaving it in, the Board had the mall removed and the street and sidewalk configuration that exists today was installed.

Although the TIF District was approved in 1983 it was 7 years before the Retail Rehab Grant Program, a specific program to support retail, was created. With the use of this program and the booming economy through the later ½ of the '90's the vacancy rate in the Downtown area was reduced to less than 5% by the end of that decade with the vast majority of the space occupied by local small businesses rather than national retailers. In 1994 as the Downtown area was beginning to show life, the Village hired the Lakota Group consultants to create a Downtown Master Plan. Many elements of that plan were implemented over the next 10 years including approval of a major Village sponsored redevelopment project (the Shops of Downtown Oak Park) at the southeast corner of Harlem & Lake Street in 1996 and which opened in early 1998. A second Village sponsored redevelopment project for the north side of Lake Street approved in January 2004 is now nearing completion.

In late 2004 the Village hired the consulting firm of Crandall-Arambula who after a 6-month process provided the Village with a new "Greater Downtown Master Plan" that was adopted in March of 2005. New Trustees were elected in April 2005 and shortly after their installation in May, the Village Board declared it was not comfortable with the manner in which some of the public input on the Greater Downtown Master Plan was obtained relative to its final recommendations particularly in regards to the razing of buildings in Downtown. To provide for additional citizen input in the planning for Downtown, the Board convened a "Downtown Steering Committee" made up of representatives from the volunteer Citizen Commissions in the Village and charged them to review the recommendations of the Greater Downtown Master Plan related to the so called "Superblock" (Harlem-Marion-North Blvd-Lake Street) and report their findings back to the Board.

The Steering Committee met weekly throughout the summer of 2005 to review the Master Plan recommendations with the help of consultants hired to assist the group. The Colt Building's existing condition, the economic viability of the building if restored, the varied impacts of razing buildings, of building the new street, of opening Marion Street to traffic, and the need for an additional parking garage on the Village owned lot on North Blvd., were studied in-depth relative to the overall vitality of the downtown. The process used by the Committee allowed for significant public input at their meetings as they examined each of the various recommendations of the Downtown Master Plan. In late October 2005 the Committee presented its findings to the Village Board. The Committee with some minor modifications from the Downtown Master Plan; confirmed the recommendations to raze the Colt Building, construct both the new street and the North Blvd. parking garage, and open Marion Street to traffic.

The Colt Building itself was purchased in 2001 by the Taxman Corporation, the developer of the Shops of Downtown Oak Park. A "Put-Call" agreement originally scheduled to end in mid August 2004, between the Taxman Corporation and the Village was also approved in 2001 establishing the purchase price paid by Taxman as the price the Village would have to pay if they "Called" for the purchase of the building per the agreement. The intent of the agreement was to allow time for negotiations between Taxman and the Village on a redevelopment plan for an expansion to the Shops of Downtown Oak Park. Both parties agreed to several extensions of the deadline date for a decision on the building per the agreement from its original date to allow for the completion of the Downtown Master Plan and the Steering Committee's review of that plan. The last extension set the date for a decision as February 28, 2006.

In November 2005, after receiving the Steering Committee's recommendations, the Board resumed negotiations with the Taxman Corporation regarding the future of the Colt Building and a plan for the Downtown area. By the early part of February 2006 when it was apparent that the negotiations would not be completed by the end of the month, the Board decided to exercise its option to "Call" the building. During the next 3 months before the actual transfer of the property occurred in early May 2006, the Board issued a RFP for and chose a consultant to do an in-depth study of the feasibility of restoring the Colt Building to its original arcade configuration. Although the Final Report of the study was completed and presented to the Board on July 31, it was not discussed until mid September. The result of that discussion was the decision to issue this redevelopment RFP.

Purpose & Goals

Purpose: The Village of Oak Park is seeking responses from developers for the redevelopment of the Colt Building and other adjacent Village owned properties as identified herein in the "Site Data" Section. Qualified developers may propose any concept for the property, such as restoration or adaptive re-use of existing buildings, demolition with the existing historic facades reattached to a new building, or demolition with replacement by a structure utilizing all new materials. Respondents are also free to propose any use or combination of uses on 2nd level or higher floors. However, it is expected that the first floor will be dedicated to retail sales.

Goals: In recognition that much of the culture and history of Downtown Oak Park dates from its days as a regional shopping destination, and that many of the buildings in Downtown hearken back to those days, building finishes, design, massing, and other site planning elements of proposals will be looked at with especial emphasis. Oak Park takes pride in its architectural heritage. The elevations of the planned concept, particularly if a completely new building is proposed on the site, should strive to be aesthetically pleasing and in keeping with the communities expectations for architectural excellence. This is not intended to suggest that any one building or existing style should be matched or copied. However, it is suggesting that the design elements of the exterior finish should not look like they are a direct copy (or even a slight variation) of what can be found in any community for a similar building under construction in 2006. Respondents are also encouraged to remember that the buildings Westgate facade treatment should be complementary of the unique architectural style of the other nearby buildings located on that street.

While respondents are free to propose a height that exceeds the 80ft limitation on the Lake Street frontage imposed by the Village per the recommendations of the Downtown Master Plan, proposals that do so will be subject to the need to address all impacts of that greater height on the downtown area as a whole in their response document.

Although the Village does not have requirements codified that require the use of sustainable materials or LEED construction practices, projects that incorporate sustainable design and LEED materials and practices will be looked at more favorably than those that do not.

Village Objectives

- Redevelop the property in a manner that the end result will be a signature building with a use that will draw both residents and non-residents into the Downtown area as a “must see—experience” destination.
- Use the redevelopment of this property as a catalyst to increase day/night activity, increase sales tax revenue through enhanced shopping opportunities, and stimulate additional private reinvestment in the downtown area.
- Tie the redevelopment of this property to the construction of a Village parking garage on North Blvd. that will bring an abundance of parking to the area to serve the retail uses envisioned for this property as well as the downtown area on Marion Street and the south side of Lake Street.
- Redevelop the property in a manner that increases property values and retail sales tax revenues in the surrounding commercial area to help ease the overall tax burden in the community.

Site Data

The four subject parcels and the portion of public alley combined total approximately 35,000 sf. Please see the maps and aerials in Appendixes A & B of the proposal for parcel identification. All of the parcels described below are Village-owned.

Parcels 1 & 2: Parcels 1 & 2 each contain 2-story buildings whose addresses are 1121 & 1123 Lake Street. Combined the land area of the 2 parcels is 4,783 sf. Both contain retail business on the first floor and have empty office space on their second floors. Current tenants in the buildings are on month-to-month leases.

Parcels 3 & 4: Parcels 3 & 4 contain the 2-story “Colt Building” that has both a Lake Street and a Westgate frontage as well as a basement space adjacent to the east of the building on Westgate. The eastern property line of the Westgate frontage is located at the western wall of the building located at 1120-1122 Westgate. The ground floor of the building is 24,773 sf with the total land area being 29,484 sf. The building has retail users on the first level and office users on the 2nd floor. Many, but not all of the remaining tenants are on month-to-month leases.

Option: The option exists for projects proposing a new building, to include through vacation, a 15’ x 48’ (720sf) portion of the public alley between the parcels.

Response Requirements/Developer Qualifications

Minimum requirements for RFP responses are listed below. Due to the site's importance to the community, these are strict, minimum qualifications that a Developer must meet to be considered for this project. Visuals and other submittals included in the RFP response should be of sufficient detail to facilitate a thorough understanding and evaluation of the proposed project. Failure to provide these items may result in the submittal being declared incomplete, or indecipherable, and may result in it being disqualified for consideration.

Minimum requirements:

- **Project Description:** A clear description of the proposed project, including project components/mix, number of square feet, etc., must be provided. Each proposal should also contain a site plan, schematic floor plans, and elevation renderings.
- **3-D Model:** In order to better understand the proposed design of each proposal, a 3-D model of the proposed building using “Sketch-up 5” or other software programs compatible with ArcGIS9/ArcMap Version 9.1, must be included so the height and massing of the proposed building can be seen in relation to existing adjacent buildings and the surrounding area. The Villages base data for the 3-D Model will be available for use upon request. Respondents with proposals for restoration of the existing buildings that are not proposing to alter the buildings height or massing, may with the submittal of a written request opt out of this requirement, if they so choose.
- **Project Financials and Budget:** On a sheet titled “PROJECT FINANCIALS”, a clear statement of the proposed purchase price for the Village-owned land; all other contributions from the Village regardless of the form that are contemplated in the Developer’s proposal; and the amount of Developer’s equity contributions in the project through completion of construction. On a sheet titled “PROJECT BUDGET”, a major-category, line-item sources/uses of funds budget for the development with separate proforma projections for each element of the project and a combined proforma for the entire project.

- **Economic Analysis:** An economic analysis of the proposed project in an Excel spreadsheet format which details all project costs, all anticipated project revenues, and any requested Village subsidy must be part of the analysis. The developer is expected to show that investment in the building by the Village will make sense economically. Any background information which supports the analysis findings should also be provided.
- **Developer Financials:** The Developer must demonstrate the capability to deliver whatever equity and/or financing is required by the proposed project. The Developer's Financial Statement and at least one letter of reference from lenders recognized to be actively financing this type of project must be included in the RFP response. If chosen as a finalist, three (3) financial references will be required. The response package must contain a list of any projects the Developer (in the broad sense, including holding companies, subsidiaries, as a principal, as a participant, or any other structure upon which a lender relied for repayment) has surrendered, on a voluntary or involuntary basis, to a lender and a brief summary of the situation. If this is not applicable, a statement to that effect should be included in the package. In appreciation of its proprietary nature, Village Staff will use care in handling all developer financial information and will see that it is not released to the public.
- **Developer References:** The developer must provide a list of three (3) references from municipalities or counties where they have worked. The list should include a specific contact name, address, phone number, and agency of employment. Each reference should include a brief description of the project developed with the reference.
- **No Broker/Agents:** No response will be accepted through/from a broker or agent. If a responding Developer is utilizing a broker or agent to facilitate their response to this RFP, the broker/agent must be identified and his/her role and relationship to the Developer must be defined in a statement included in the response. If the Developer is not utilizing a broker/agent, include a statement to this effect in the response.
- **MBE/WBE Participation:** MBE/WBE participation in development projects is desired. The Village Board expects proposals to include a description of MBE/WBE outreach programs currently used by developers. If the Developer is a certified MBE/WBE, please include a statement to this effect, and provide a copy of the applicable certification.
- **Response Package:** All proposal-specific materials should be submitted with 15 hard copies and the entire proposal, including graphics of the site plan and elevations, on a CD utilizing Adobe PDF format.

RFP Procedure

The RFP package will be available and sent to any Developer upon request. Any questions regarding the RFP may be directed to Bob Clements by calling (708) 358-5644.

Village Staff may attempt to gain a better understanding of the project's scope and concept, the proposed Village/Developer relationship, the financial issues of the proposal, and the Developer's capability to perform under the proposed plan, by requesting clarification of proposal contents after submittal.

One or more projects may be selected for presentation to the public and the Village Board for questions, comments, suggestions, and/or final approval. Developers of selected projects are expected to cooperate in the preparation for presentations they are asked to participate in.

The Village reserves the right to negotiate the terms of the proposals received from one or more respondents and the right to reject any and all responses to the Request for Proposals.

Evaluation Criteria

The Village of Oak Park will evaluate the submittals for this RFP utilizing the criteria listed below (order of list is without regard to importance or priority). The selection of a submittal may be enhanced by the identification of a specific retail tenant that the Village finds desirable because it fills a gap in the existing mix of shops.

- The “fit” of the project to the site and the community as demonstrated by the design/site plan, massing, and proposed building materials & practices, in the context of this site and the greater Downtown area.
- The project concept and how well it addresses the Village’s Objectives.
- The Developer’s experience with projects similar to that, which is proposed. The Developer must have a minimum of 5 years experience with projects of a similar scope and scale is required.
- The amount of the Developer’s payment to the Village for the land, versus any proposed amounts of Village contribution to the project.
- The probability/capability of the Developer to convert the proposed project concept into reality by securing the financial resources necessary for the proposal. Proof of financial capability is required.
- The economic viability of the project’s development budget, project assumptions, operating pro-forma, etc and, its overall economic impact to the Village. A review of Village costs, including lost opportunity cost for alternative uses versus benefits, will be part of the analysis of the proposal.

Proposal Review & Approval Timeline

Response packages must be submitted by 5:00 p.m. on Monday, January 27, 2007 to:

Mr. Bob Clements, Acting Director
Development Services Department
Village Hall
123 Madison Street
Oak Park, IL 60302-4

Responses will be reviewed according to the following schedule:

1. Review by staff and release of submittal information to Village Web site—no later than Monday February 12, 2007.
2. Public presentation of proposals by selected developers to occur no later than the week of February 26-March 2, 2007. The actual date, location, format for presentations, and meeting time, to be announced a minimum of 10 days before the scheduled presentation date.
3. Final decision on a specific proposal with an announcement of intent to negotiate with the chosen developer to occur no later than the March 19, 2007 Village Board Meeting.

NOTE: Above dates are subject to minor changes depending on scheduling availability. However, the intent is to have the final approval date to be within 60 days of the submittal date deadline.