

REQUEST FOR QUALIFICATIONS

Commercial Real Estate Marketing Services for the 200 Block of South Vine Street

Issued: March 19, 2014



Solicited by the City of Urbana, Illinois
Community Development Services
400 S Vine Street, Urbana, IL 61801

QUALIFICATIONS DUE: May 5th, 2014

SUMMARY

The City of Urbana, Illinois is requesting Qualifications for Commercial Real Estate Marketing Services to represent the 200 Block of South Vine Street located in Downtown Urbana to prospective developers and tenants. This full city block on the edge of Downtown Urbana represents an excellent opportunity for a new construction project on a 1.7 acre site.

A commercial real estate broker may respond to this RFQ for their individual firm or on behalf of a team which may include other real estate professionals, developers and/or end users. The City will enter into a negotiated Commission Agreement with the selected commercial real estate broker. The subsequent Development Agreement between the City and the successfully recruited developer and/or end user of the site will serve to transfer ownership of the property, confer any additional incentives for the project, and establish how the developer and/or end user will pay the broker's pre-negotiated commission.

Qualified brokers are invited to digitally submit their qualifications along with an indication of interest in the project to:

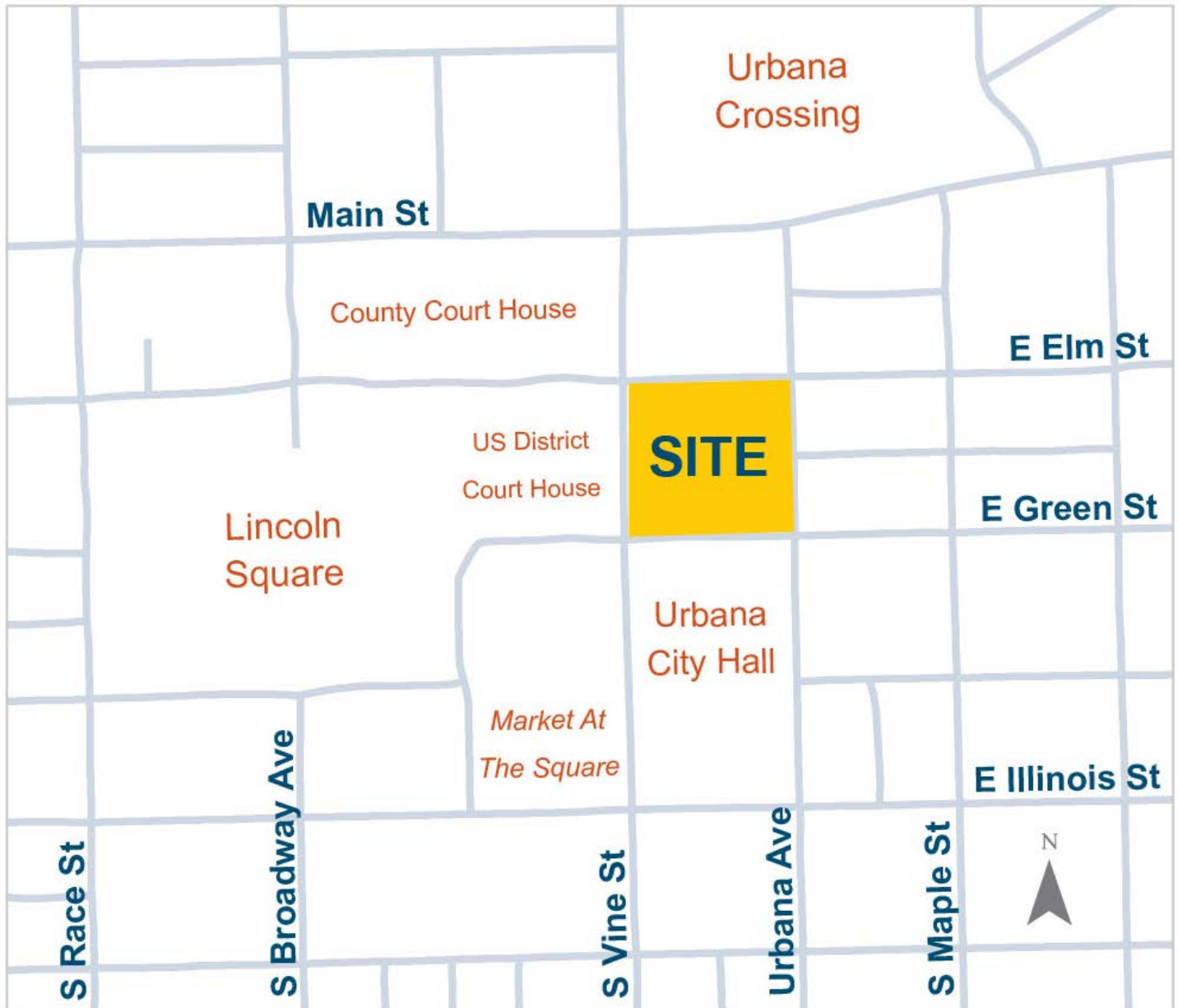
Contact: Brandon Boys, Economic Development Coordinator
Email Address: bsboys@urbanaindinois.us

Responses should be limited to 8 pages total sized on 8.5 x 11 sheets and include a cover letter, a listing of representative projects, resume of personnel assigned to the project, client references, names and qualifications of any project partners, a description of services to be provided, and a proposed timeline for service delivery. The selected firm must hold and maintain a valid Illinois real estate license. The City of Urbana will select the firm from those responding to this request. Responses received by the close of business on May 5th, 2014 will be considered.

For additional information, contact Brandon Boys at bsboys@urbanaindinois.us or 217-328-8270.

OVERVIEW

The City of Urbana seeks qualifications from real estate brokerage firms to facilitate the development of a full, city-owned block at the edge of Downtown Urbana. The site represents an opportunity to construct a new, highly visible development to accentuate the recent dynamic business growth in Downtown Urbana, attract new residents and patrons to the Downtown, and catalyze latent development potential nearby. The purpose of this RFQ is to identify a firm with the talent and experience to attract investment which will both complement the goals of Urbana’s Downtown Plan and capitalize upon the positive momentum that the downtown has experienced over the last year.



LOCAL AND REGIONAL DEVELOPMENT CONTEXT

Downtown Urbana has seen significant growth in the number of unique restaurants, niche retail stores, creative service providers, and technology firms. In the community at large, the University of Illinois, thriving technology firms, and major medical practices all represent important sectors of economic growth which the City seeks to complement. A recent study on business clusters commissioned by the University of Illinois has highlighted the strong local growth potential of industry sectors pertaining to data analysis and computing, biomedical and bioengineering, and energy.



PROJECT BLOCK

The project site consists of the entire 200 Block of South Vine Street located on the eastern edge of Downtown Urbana. The site is 1.7 acres in size and is entirely owned by the City. There is one building currently remaining on the site: a single-story structure containing a Goodyear Tire business which leases the property from the City. The term of the business’s lease is through April 30th, 2015; early termination of the lease is negotiable. There is also a paved, City-owned parking lot on the site; the remainder of the block is vacant. Demolition assistance can be considered as part of the development agreement negotiations.

The entire project site is planned to be rezoned to B-4, Central Business, which allows a full range of commercial, residential and institutional uses. A complete description of the current zoning can be found in the supplemental materials section at the end of this document. Desired rezoning can be considered as part of development agreement negotiations.

The Illinois Department of Transportation reports that daily traffic counts exceed 15,000 vehicles on Vine Street adjacent to this site. Urbana’s Market at the Square attracts 4,500 patrons each Saturday during the market season which runs for 27 weeks from May into November. There are over 14,000 employees within one mile of this site.



The site is served by all major utilities including sanitary and storm sewers. Street lighting surrounds the site and a UC2B fiber optic line runs immediately adjacent to the site. There is a 12” gravity storm main running through part of the site and overhead residential service power lines running across the property. Adjacent streetscape improvements and utility relocation reimbursements can be considered as part of incentive negotiations.

A Phase I environmental assessment has been conducted for the entire site. A Phase II environmental study was also completed for the Goodyear property which has a small amount of contamination. A recent environmental audit for the cleanup placed the cost at under \$1,000 in the context of a full site demolition. The City has set aside \$3,000 to cover the cost of this cleanup. All of the environmental studies and audits are available upon request.

PREFERRED DEVELOPMENT OUTCOMES

While all development mixes will be considered, the City is most interested in a project resulting in a multi-story mixed-use development with ground floor commercial uses and upper-story residential. The City has a strong desire for more multi-family residential uses in Downtown Urbana. Projects that enhance the overall appeal of the area, add a new desired use to Downtown, have strong urban design elements, and appropriately transition into the adjacent neighborhood are also preferred.

SCOPE OF SERVICES

The City of Urbana is seeking a brokerage firm which will engage in all commercially reasonable efforts to market the Project Site to either an end user or a developer who will lease the real estate to an end user. The selected firm should use such efforts consistent with first class commercial real estate professionals to locate potential developers and/or end users, to provide active assistance to such parties in the preparation of their development plan, and to aid with obtaining appropriate approvals as would be customary for a real estate professional listing the property for a private property owner. Such marketing should include, but not be limited to, appropriate signage, using electronic and print media, and other methods consistent for locating developers or users of similar property. Active assistance to potential developers and users should include, but is not is not limited to, arranging meetings otherwise promoting communication between the developers, users, and the City. The suggested term for service delivery is one year.

BROKER SELECTION PROCESS

Proposals will be reviewed by a selection committee appointed by the City of Urbana. The Committee will conduct interviews with a limited number of qualified firms responding to this announcement. After the interviews are complete the City of Urbana will select one firm and negotiate a Commission Agreement. In the event a satisfactory agreement cannot be reached, negotiations will be terminated and another firm will be selected. The City of Urbana retains the right to reject any and all responses with or without cause.

COMMISSION AGREEMENT

The structure of the broker's commission for a successful project is negotiable and will be defined in the Commission Agreement. It is anticipated that the commission will be paid by the developer or end user of the project. The commission structure set forth in the final Commission Agreement will be included in any Development Agreement for the site unless the broker agrees otherwise.

INCENTIVES FOR DEVELOPMENT

The City will convey ownership of the site to the developer through a negotiated Development Agreement. The City may offer additional negotiated incentives in the agreement such as reimbursement of costs for building demolition, environmental cleanup, utility relocation, adjacent streetscape improvements, or annual property tax rebates. The site is located within both Urbana's Tax Increment Finance District #2 and the Urbana Enterprise Zone.

PROPOSED SCHEDULE

The proposed timeline for the commission agreement is as follows:

- May 2014 – Selection of Qualified Brokerage Firm
- June 2014 – Approval of Negotiated Commission Agreement
- July 2014 – Commencement of Real Estate Marketing Efforts

The duration of the Commission Agreement is negotiable; however the default agreement would be one year in duration. Development Agreement negotiations would begin immediately upon the preliminary selection of a developer for the Project Site. Development would ideally commence no later than April 2015.

RELEVANT ZONING, PLANS, AND STUDIES

Click on the following links to access additional information on the planning goals and zoning allowances for this site.

- B-4, Central Business Zoning District: <http://urbanaininois.us/sites/default/files/attachments/b-4-district.pdf>
- Full Zoning Ordinance and Map: <http://urbanaininois.us/zoning>
- 2012 Downtown Urbana Plan: <http://urbanaininois.us/downtown>
- 2011 Downtown Market Study: <http://urbanaininois.us/businesses-5>
- 2005 Urbana Comprehensive Plan: <http://urbanaininois.us/businesses/urbana-comprehensive-plan>

SUBMITTALS

Interested parties should submit the following items in digital format to Brandon Boys at bsboys@urbanaininois.us

- Cover Letter
- Listing of representative projects
- Resume of personnel assigned to the project
- Client references
- Names and qualifications of any project partners
- Description of services to be provided
- Proposed timeline for service delivery

Responses should be limited to 8 pages total sized on 8.5 x 11 sheets. The selected firm must hold and maintain a valid Illinois real estate license. Responses received by the close of business on May 5th, 2014 will be considered.