



November 23, 2021

Bidder:

The Traverse City Downtown Development Authority will receive sealed bids in the office of the Downtown Development Authority at 303 E. State Street, Traverse City, Michigan 49684, until **January 5, 2022 at 4:00 PM** for the following:

Traverse City Downtown Development Authority Transition Plan

The specifications can be obtained from the City's website link at: http://www.traversecitymi.gov/bids_and_rfps.asp, and the DDA website link at: <https://dda.downtowntc.com/> - it is the sole responsibility of the Bidder to check the website(s) for updates and addenda prior to the bid being submitted. The bidder may also sign up to receive notifications when bids and RFPs are posted on the city's website by sending an e-mail requesting same to ks Sheridan@traversecitymi.gov

The Traverse City Downtown Development Authority reserves the right to accept or reject any or all bids, waive irregularities and to accept the bids either on an entire or individual basis that is in the best interest of the DDA.

The DDA accepts no responsibility for any expense incurred by the Bidder in the preparation and presentation of a bid. Such expenses shall be borne exclusively by the Bidder. Only the successful Bidder will be notified.

You must indicate on the outside of the sealed envelope that the bid is for **“Traverse City Downtown Development Authority Transition Plan”**

You must submit three (3) printed copies (and one copy on a flash drive) of the bid in a sealed package/envelope to the DDA office prior to the above indicated time and date or the bid will not be accepted.. All bids will be opened at **4:30** on January 5 at the DDA office.

If you have any questions, please contact Jean Derenzy, Traverse City Chief Executive Officer at 231-922-2050 before the bid is submitted.

PLEASE SUBMIT BID TO: Jean Derenzy, CEO
Traverse City Downtown Development Authority
303 E. State Street
Traverse City, MI 49684
jean@downtowntc.com

OVERVIEW

Like many downtowns in post-industrial cities throughout the Midwest during the second half of the 20th century, downtown Traverse City suffered from a lack of private investment, job loss, empty storefronts, crumbling infrastructure, polluted property's and underutilized parcels. Looking to spark new investment and promote additional opportunities for community and economic development, city leaders established the Downtown Development Authority (DDA) in 1978.

Considered a “component unit” of the city, the DDA serves as the lead agent for downtown development, focused on placemaking, infrastructure, events, parking and business procurement, promotion and growth. The DDA is funded through a 2-mill levy on property owners within the Downtown District as well as management contracts for services that include parking, community arts and events and promotions. Public infrastructure improvements within the downtown district are funded through two TIF Districts – “TIF-97” which was established in 1997 for a period of 30 years and “Old Town TIF” which was created in 1985 and renewed in 2016 for an additional 25 years.

Over the last 40 years, the DDA has implemented a number of successful and transformative projects that have contributed to the overwhelming success of Downtown Traverse City. Today Downtown Traverse City serves as the economic and cultural hub of Northwest Michigan. Its leafy and pedestrian-friendly streets, boutique shops, unique restaurants and microbreweries, signature celebrations and position on Lake Michigan attract over 3,000,000 visitors each year – helping to routinely place Traverse City on several enviable “top-ten” lists every year. These amenities have recently spurred the creation of several new start-up companies, a small tech industry and an emerging spirit of entrepreneurialism. Early 2020 Census results reveal that the population of Traverse City grew by nearly 7% over the last ten years and Grand Traverse County grew by nearly 10%, making it the second-largest growing county in Michigan.

As a result of this growth, over the last 25-plus years, the value of property in the TIF 97 district has increased 286%. The value of property in the Old Town TIF district has increased 34% over the same period. Today, the two TIF Districts generate over five times as much tax revenue per acre than the City as a whole and roughly 50 times that for all of Grand Traverse County.

Despite its success, Downtown Traverse City and the Downtown Development Authority are at a critical juncture. Like many popular resort towns across the county, there is a shortage of affordable housing within the urban core. In addition, the significant increases in property value has forced many building owners to increase rents, which threaten to drive out small independent retailers.

Although Traverse City weathered the COVID-19 pandemic fairly well, it is uncertain when (or to what degree) office workers will return. In addition, many downtown shops and restaurants are struggling to secure and retain workers. As a result, many businesses are operating with limited hours and service. In response to this uncertainty, the DDA has partnered with our regional economic development organization to assess what obstacles/challenges continue to hinder business development and what resources/actions are still needed to achieve a more sustainable and resilient economic condition.

At the same time, there is a vocal, organized, active and sizeable contingent of citizens who continue to push-back on new development, have expressed no desire to extend TIF and continue to openly question the value, intent and goals of the DDA.

TIF 97, the largest source of funding revenue for critical infrastructure within the downtown is scheduled to expire in 2028. There are a number of projects identified within the existing TIF 97 Plan that are currently in the planning and/or development phase and will require several years to fully mature and ultimately realized. In addition, there are a handful of projects that have not yet started, but are critical to the future development and growth of the downtown.

At the same time, several of the infrastructure projects that were implemented by the DDA near the inception of the organization, as well as older projects implemented under the two TIF plans, are showing signs of significant wear-and-tear and will either need to be repaired or replaced. Further complicating the issue, TIF is routinely being asked to contribute to city-led infrastructure projects within the downtown.

With all of that in mind, the DDA has initiated efforts to discuss and explore how a new, and more nimble, organizational structure (and plan) would better address the current and future needs of Downtown Traverse City. As part of this exploration, the DDA is intent on creating a new organizational structure, supported by a new revenue-sharing model.

PURPOSE OF RFP

The Traverse City Downtown Development Authority is seeking proposals from qualified firm(s) to develop a Downtown Transition and Master Plan that will guide the transformation of the DDA over the next year and beyond. Under the first phase of this initiative, the qualified firm will work with DDA leadership to re-align the current organizational and financial structure of the DDA into a new revenue-sharing entity that is capable of completing infrastructure projects listed in the TIF 97 Plan and serving the Downtown into the future.

SCOPE OF WORK

In order to achieve a new revenue sharing entity and master plan, the following scope of work is described under each of the following phases and tasks.

Establish New Entity for Downtown Development with Revenue-Sharing Financial Structure

The goal of Phase I. is to formally establish a new organizational (i.e., new entity) and revenue-sharing financial structure to manage and oversee downtown development.

Task One. Internal Organizational and Financial Assessment

The consultant will conduct an internal organizational and financial assessment to evaluate the Downtown Development Authority's current ability to effectively plan for, fund and address the challenges (and capitalize on opportunities) that impact downtown through a revenue-sharing financial model.

The assessment will also evaluate the Downtown Development Authority’s ability to effectively provide for “clean, green and safe” programs, public infrastructure and placemaking. This assessment should include a comprehensive review of the programs, projects, contracted services, financing tools, budgets and organizational structure of the Downtown Development Authority. The consultant should also assess how well the Downtown Development Authority is adapting to emerging trends and best-practices from cities and downtowns from around county. When applicable, this assessment should include a comparison to similar-sized and similar-type cities.

The assessment will work with the leadership to determine the most appropriate organizational and financial structure (i.e., the type of entity and funding model) to address and carry out the current and future projects/programs for Downtown Traverse City. This will likely include the establishment of a new 501c(3) entity that works closely with the DDA to implement/maintain infrastructure throughout the downtown. The new entity will likely include an oversight board that includes a wide-spectrum of downtown and regional interests. In addition, the consultant will work with leadership to determine an appropriate revenue-sharing financial structure for the new entity – one that takes into consideration each of the taxing jurisdictions that contribute to the two TIF Districts. The financial structure may also include the establishment of a Business Improvement District (BID).

Task Two. External Downtown Development Authority Trends Assessment

Consultant will have a comprehensive understanding of the local/regional economic and political forces that are shaping the Downtown Development Authority’s current activities, and priorities (including the remaining projects included in the TIF 97 and Old Town TIF plans) as well as the scope of its future activities and priorities.

A. Current Strategic Planning Document Review

The consultant should be prepared to review the most recent strategic planning document(s) as well as the TIF-97 and Old Town TIF Plan.

B. Market Assessment

The consultant shall prepare a comprehensive market assessment of Downtown Traverse City to better understand and document the baseline market conditions of downtown.

The comprehensive downtown market assessment should include an assessment on how Downtown Traverse City supports efforts to *Live; Work; and Shop, Play & Visit*.

- The *Live* portion of the market assessment should assess the demographics, psychographics and housing market within downtown as well as the entire city.
- The *Work* portion of the market assessment should assess the economy of the downtown, city and region as well as the office market within downtown.
- The *Shop, Play & Visit* portion of the assessment should assess Downtown Traverse City’s retail sector, visitor attractions, hospitality sector, recreational-tourism sector and mobility.

When applicable, each of these assessment components should be compared to similar-sized and similar-type cities. The baseline market assessment should address and factor pre and post pandemic conditions.

C. Community and Stakeholder Engagement

Community and stakeholder engagement will be a key element and will be a bedrock component of the new organizational structure for downtown development. The community engagement process should be designed to allow the general public and community stakeholders to contribute to the understanding of the current challenges and opportunities facing the downtown.

The consultant should be prepared to creatively engage with the community through a variety of both in-person and virtual activities. As the Master Plan will directly impact the entire community, a robust communication plan is needed to assure project information will be available in a timely and relevant manner. The community engagement and communications component of this process should be designed to continue throughout the duration of the project. It should enable the entity to provide information to the community regarding public meetings and opportunities to provide public input throughout the planning process. Coordination with staff of the new entity and its communication team will be critical.

To that end, the consultant will develop a Community Engagement Plan (CEP) at the onset of the planning effort. The CEP will define the goals and objectives of the community engagement effort, identify key stakeholders, and discuss the community engagement techniques, meetings and materials that will be used such as community survey, social media, newsletters, fact-sheets, and graphical displays. Given the fluctuating state of the COVID-19 pandemic, the consultant must demonstrate how it intends to facilitate community engagement through both in-person and virtual tools. The Plan will also address methods proposed for the distribution of information.

SUBMISSION GUIDELINES

The following describes the elements that should be included in each of the proposal sections and the weighted point system that will be used for evaluation of the proposals. The evaluation will be completed by an evaluation committee made up of DDA staff and DDA board members, which will provide a recommendation to the Downtown Development Authority Board for contract award.

Resumes furnished should provide evidence of past involvement and identify the Team's strength to complete the above tasks.

A. Professional Qualifications – 20 points

- State the full names and address of your firm and, if applicable, the branch office or other subordinate elements that will perform, or assist in performing, the work hereunder. Indicate whether your firm operates as an individual, partnership, or corporation. If a corporation, include whether it is licensed in the State of Michigan.

- Include the name of executive and professional personnel by skill and qualifications that will be employed to complete the work. Show where these personnel will be physically located during the time they are engaged in the work. Indicate which of these individuals you consider key to the successful completion of the project and how many hours each person will need to complete the project. Identify only individuals who will work on this project by name and title. Resumes and qualifications are required for all proposed project personnel, including all subconsultants.
- State history of the firm, in terms of length of existence, types of services provided, etc. Identify the technical details which make the firm uniquely qualified for this work.

B. Past Involvement with Similar Projects – 35 points

- The written proposal must include a list of specific experience in the project type and indicate proven ability in developing detailed designs and implementing similar projects for the firm and the individuals to be involved in the project. A summary of related projects with the original deadline and cost estimate versus the actual design completion date and final cost of the design is required with this section. A complete list of client references must be provided for similar projects recently completed. It shall include the firm/agency name, address, telephone number, project title and contact person.

C. Proposed Work Plan – 35 points

- A detailed work plan is to be presented which lists all tasks determined to be necessary to accomplish the work of this project. The work plan shall define resources needed for each task (title and individual person-hours) and the firm's staff person completing the project task. In addition, the work plan shall include a timeline schedule depicting the sequence and duration of tasks showing how the work will be organized and executed.
- The work plan must identify information the proposer will need from DDA staff in order to complete the project. Include estimated time and resource commitment from DDA staff.
- The work plan shall include any other information that the Proposer believes to be pertinent but not specifically asked for elsewhere.
- Also include in the work plan all proposed steps, if any, to expedite completion of the project. This will be given due consideration during evaluation of proposals.
- In the scoring for this first section, consultants shall be evaluated on the clarity, thoroughness, and content of their responses to the above items.

D. Fee Proposal – 10 points

- Fee quotations shall be submitted in a separate, sealed envelope as part of the proposal. Fee quotations are to include the names, title, hourly rates, overhead factors and any other details,

including hours of effort for each team member by task and sub-task, by which the overall and project element costs have been derived. The fee quotation is to relate in detail to each item of the proposed work plan. Consultants must be capable of justifying the details of the fee proposal relative to personnel costs, overhead, how the overhead rate is derived, material and time. The cost proposal should be realistic in showing the hours necessary to provide a quality product.

- The fee proposed must include the total estimated cost for each task and the complete Plan when it is 100% complete. This total may be adjusted after negotiations with the DDA and prior to signing a formal contract, if adjusted.

Authorized Negotiator

Include the name, phone number and email address of the person(s) in your organization authorized to negotiate the Scope of Work with the DDA.

Proposal Evaluation

The evaluation committee will evaluate each proposal by the above described criteria and point system (A through C, based on 90 points) to select a short list of firms for further consideration. Fee proposals will then be opened for those proposals making the short list and each proposal re-scored to include the fee (10 points). A proposal with all the requested information does not guarantee the proposing firm will be a candidate for an interview. The Committee may contact references to verify material submitted by the Proposers.

Interview

The DDA will then schedule interviews with selected firms if necessary. The selected firms will be given the opportunity to discuss in more detail their qualifications, past experience, proposed work plan and fee proposal. The interview should include the Project Team members expected to complete a majority of the work on the project, but no more than six (6) members total. The interview shall consist of a presentation of up to twenty (20) minutes by the Proposer, including the person who will be the project manager on this Contract, followed by approximately twenty (20) minutes of questions and answers, if needed. Audio-visual aids may be used during the interview.

Final Scoring

The firms interviewed will then be re-evaluated by the above criteria (A through D), and adjustments to scoring will be made as appropriate. After evaluation of the proposals, further negotiation with the selected firm may be pursued leading to the award of a contract by the Downtown Development Authority Board, if suitable proposals are received

Deadline

Proposal must be submitted by Wednesday, January 5, 2021 by 4:00pm

Bidder - Please complete and return

BID SUMMARY

TITLE: **Traverse City Downtown Development Transition and Master Plan**

DUE DATE: **Wednesday, January 5 at 4:00pm**

Having carefully examined the attached specifications and any other applicable information, the undersigned proposes to furnish all items necessary for and reasonably incidental to the proper completion of this bid. Bidder submits this bid and agrees to meet or exceed all requirements and specifications unless otherwise indicated in writing and attached hereto.

Bidder understands and agrees, if selected as the successful Bidder, to accept a Purchase Order / Service Order / Contract and to provide proof of the required insurance.

Bidder submits this bid and agrees to meet or exceed all the Traverse City Downtown Development Authority's requirements and specifications unless otherwise indicated in writing and attached hereto. Bidder shall comply with all applicable federal, state, local and building codes, laws, rules and regulations and obtain any required permits for this work.

The Bidder certifies that it is in compliance with the City's Nondiscrimination Policy as set forth in Administrative Order No. 47 and Chapter 605 of the City's Codified Ordinances.

The Bidder certifies that none of the following circumstances have occurred with respect to the Bidder, an officer of the Bidder, or an owner of a 25% or more share in the Bidder's business, within 3 years prior to the bid:

- (a) conviction of a criminal offense incident to the application for or performance of a contract;

- (b) conviction of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense which currently, seriously and directly reflects on the Bidder's business integrity;
- (c) conviction under state or federal antitrust statutes;
- (d) attempting to influence a public employee to breach ethical conduct standards; or
- (e) conviction of a criminal offense or other violation of other state, local, or federal law, as determined by a court of competent jurisdiction or an administrative proceeding, which in the opinion of the DDA indicates that the bidder is unable to perform responsibility or which reflects a lack of integrity that could negatively impact or reflect upon the DDA, including but not limited to, any of the following offenses or violations of:
 - i. The Natural Resources and Environmental Protection Act.
 - ii. A persistent and knowing violation of the Michigan Consumer Protection Act.
 - iii. Willful or persistent violations of the Michigan Occupational Health and Safety Act.
 - iv. A violation of federal, local, or state civil rights, equal rights, or non-discrimination laws, rules, or regulations.
 - v. Repeated or flagrant violations of laws related to the payment of wages and fringe benefits.
- (f) the loss of a license or the right to do business or practice a profession, the loss or suspension of which indicates dishonesty, a lack of integrity, or a failure or refusal to perform in accordance with the ethical standards of the business or profession in question.

Bidder understands that the DDA reserves the right to accept any or all bids in whole or part and to waive irregularities in any bid in the best interest of the DDA. The bid will be evaluated and awarded on the basis of the best value to the DDA. The criteria used by the DDA may include, but will not be limited to: ability, qualifications, timeframe, experience, price, type and amount of equipment, accessories, options, insurance, permits, licenses, other pertinent factors and overall capability to meet the needs of the DDA.

Bidder agrees that the bid may not be withdrawn for a period of sixty (60) days from the actual date of the opening of the bid.

Submitted by:

Signature

Company Name

Name and Title (Print)

Company Address

Phone

Fax

City, State, Zip

EMAIL ADDRESS:

Sole proprietorship/partnership/corporation

If corporation, state of corporation

REFERENCES: (include name of organization, contact person, and daytime phone number).

1. _____
Contact Person: _____ Telephone: _____

2. _____
Contact Person: _____ Telephone: _____

3. _____
Contact Person: _____ Telephone: _____

SUBCONTRACTORS: (include name of organization, contact person, daytime phone number, and services to be performed).

1. _____
Contact Person: _____ Telephone: _____
Services to be Performed: _____

2. _____
Contact Person: _____ Telephone: _____
Services to be Performed: _____

3. _____
Contact Person: _____ Telephone: _____
Services to be Performed: _____