

# Request for Proposals

To develop land in the west end of Traverse City,  
Michigan's Downtown



April 13, 2026

## Contents

EXECUTIVE SUMMARY.....	1
BACKGROUND .....	1
PROJECT GOALS.....	1
COMMUNITY PROFILE .....	1
PROPERTY DETAILS .....	3
PUBLIC ENGAGEMENT .....	5
DEVELOPMENT PROCESS .....	5
AVAILABLE INCENTIVES.....	5
BACKGROUND EXHIBITS .....	8

## Executive Summary

The City of Traverse City is seeking qualifications-based proposals from developers interested in developing six City-owned parcels on the west side of Downtown Traverse City. The City wishes to secure the development of public parking and targeted housing. This is part of an effort to add more targeted housing within the City limits and support housing and businesses on downtown Traverse City's west side with dedicated public parking. These contiguous properties sit in Downtown Traverse City's West End on West State and Pine streets.

## Background

The six parcels in this request for proposals were purchased for public parking to serve the west end of Downtown Traverse City. In 2023, the City parking system pursued a mixed-use project on these parcels and commissioned a design for a mixed-use building that includes 534 parking spaces and a residential liner building along West State Street. This design is included in the exhibits. Earlier this year, the Traverse City leadership, in response to interest in the properties, decided to issue this request for proposals.

## Project Goals

The City of Traverse City seeks to further the following goals through this initiative:

- **Public parking** to serve downtown's west side businesses, employees, and residents.
  - **Compensation** and/or **public benefit** for the's \$7.6 million investment in the land.
  - The City is willing to consider a sale, ground lease, or other means of providing property control
- **Targeted housing** designed for underserved home seekers, across a range of price points.
- **Public restrooms** can be either dedicated facilities or part of the DDA's restroom subsidy program.
- A **Traverse City Police substation**, as detailed in Exhibit 2.
- Consistency with the Traverse City City Commission's **Strategic Action Plan's** objectives and key results.
- Create **community** through these tactics:
  - complimentary, quality building design,
  - diverse housing price points,
  - and the prohibition of short-term rentals.

The City is entertaining proposals to develop all six properties as a single development. The project can be phased but must be undertaken as one effort by one developer. The City is seeking development that is completed quickly.

## Community Profile

Traverse City has grown into a sought-after community for visitors, retirees, young families, and entrepreneurs. Its lakeside location, proximity to two wine-producing regions, easy access to

Sleeping Bear Dunes National Lakeshore, and nearby attractions across Northwest Michigan have historically made it a favorite destination. Additionally, strong healthcare, expanded commercial flights, recreational trails, and a vibrant entrepreneurial scene have driven new economic development and population growth.

The Traverse City area has seen strong population growth in the past decade. The City’s population has grown faster than the State’s. Grand Traverse County growth has outpaced both the State and the nation. According to the Michigan Department of Technology, Management, and Budget, Grand Traverse County is expected to grow 2.2% between 2025 and 2035, adding over 2,200 residents during that decade. Median income in both the and County has risen more than in Michigan and the U.S.

**Ten-Year Trends**

	Population 2014	Population 2024	Median Income 2014	Median Income 2024
<b>City of Traverse City</b>	15,006	15,593	\$47,836	\$74,087
<i>10-year rate of change</i>		3.8%		35.4%
<b>Grand Traverse County</b>	88,981	96,166	\$52,487	\$81,647
<i>10-year rate of change</i>		7.5%		35.7%
<b>State of Michigan</b>	9,889,024	10,077,761	\$49,087	\$72,875
<i>10-year rate of change</i>		1.9%		32.6%
<b>United States</b>	314,107,084	334,922,499	\$53,482	\$80,734
<i>10-year rate of change</i>		6.2%		33.8%

Source: American Community Survey, 5-Year estimates

Housing North, a regional housing advocacy organization, [identifies a need](#) for both rental and for-sale housing in the middle- and lower-income cohorts. The City seeks to provide more housing for those falling within these ranges. Housing North reports tracks housing data, some of which is shown in the adjacent table.

**Housing Pricing and Gap**

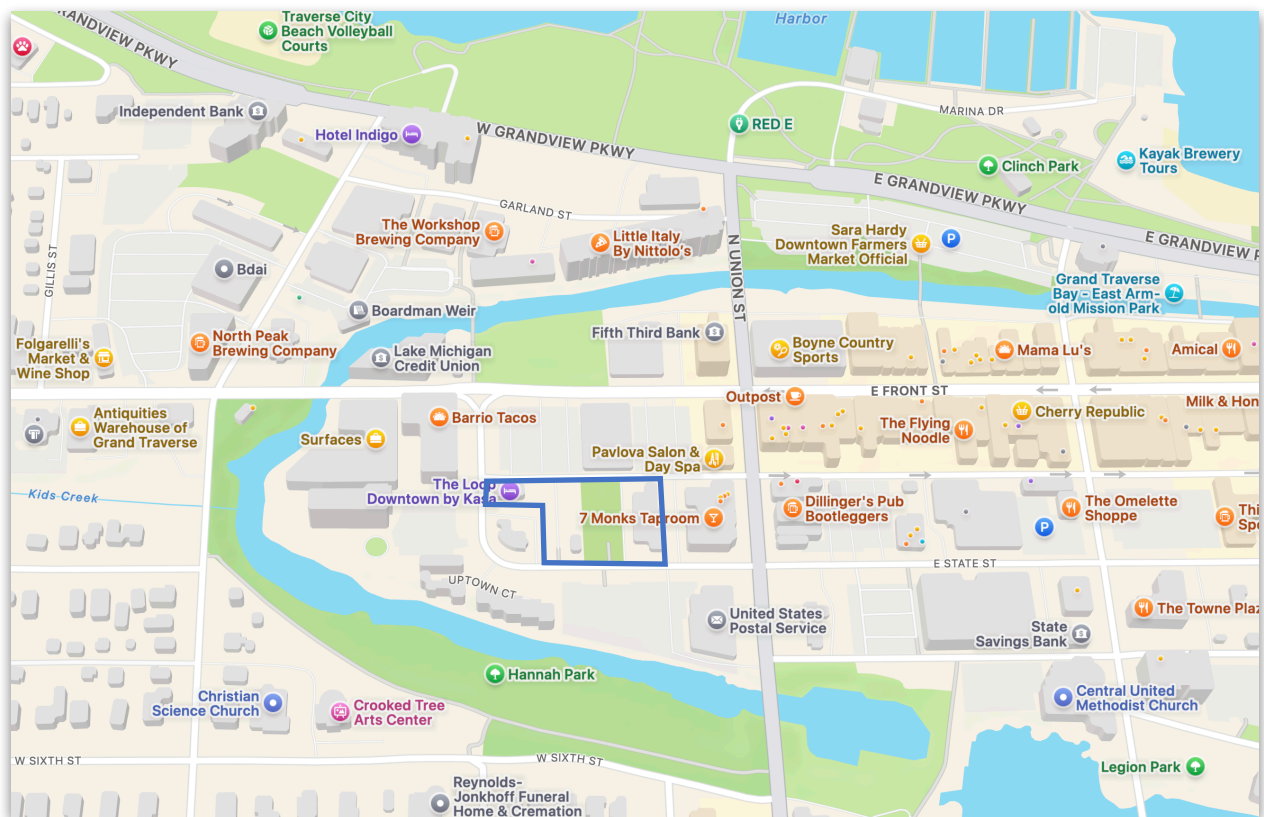
<b>Rental</b>	<b>Median Rent</b>	<b>Rental Gap</b>
	\$1,695	2,671
<b>For-Sale</b>	<b>Median Home Price</b>	<b>For-Sale Gap</b>
	\$392,500	7,102

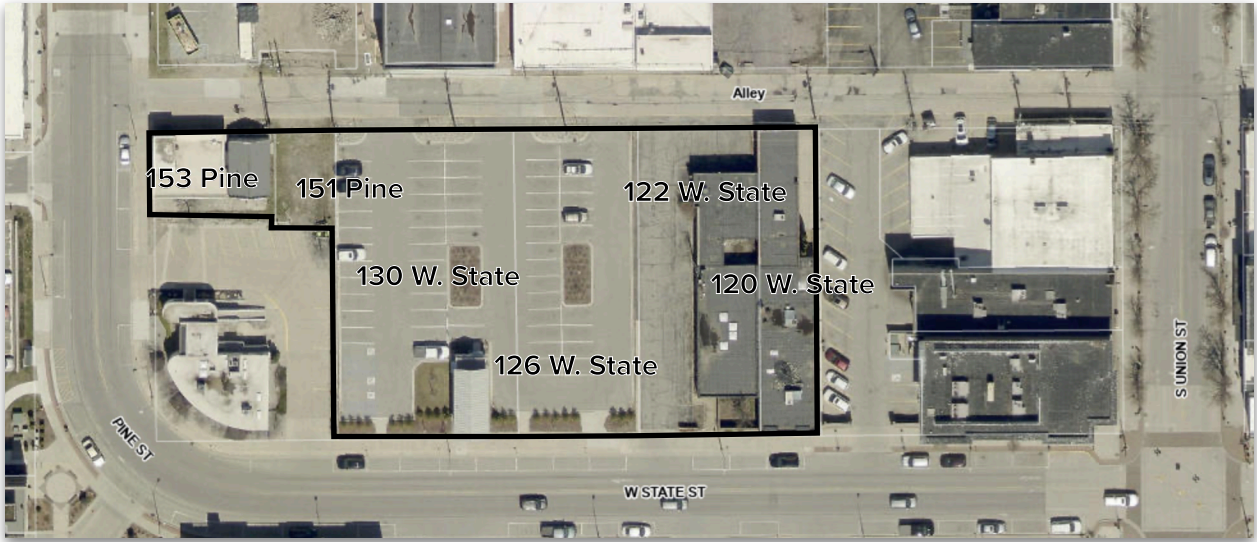
Source: Housing North, February 2026

## Property Details

The subject property includes six parcels located in downtown's active West End. A number of projects under development are increasing the demand for parking on this side of downtown. These include two new hotels, two mixed-use buildings that include retail, and over 100 residential units. The site is within walking distance of food markets, a pharmacy, and many other services, shops, and restaurants. Additionally, the neighborhood is well served by transit, including the Bay Line, a free and frequent service connecting Meijer and East Bay shopping with Downtown. Further information on dimensions and identified environmental conditions is available in the exhibits.

## Site Location





### Subject Site Parcels

Address	Parcel ID	Acres
153 Pine (formerly 115 Pine)	28-51-794-021-00	0.07
151 Pine (formerly 136 W State)	28-51-794-018-00	0.04
130 W State (includes what used to be known as 128 W State)	28-51-794-017-01	0.38
126 W State (formerly 124 W State)	28-51-794-013-02	0.25
122 W State	28-51-794-014-01	0.25
120 W State (formerly 118 W State)	28-51-794-012-00	0.13
		<b>1.12</b>

Source: Traverse City Tax Parcel Viewer

## Public Engagement

Public outreach process is a critical component of this project. The City seeks to ensure that residents, businesses, stakeholders, and partner agencies have meaningful opportunities to understand the project, provide input, and remain informed throughout the planning process. It is envisioned that at least one public meeting, jointly hosted by the City and the chosen developer, will be held to share details of this effort, and gain input on elements that are not clarified in this RFP.

## Development Process

Upon selecting a qualified developer, the City anticipates entering into an agreement allowing for due diligence. The **City of Traverse City** offers a **pre-submittal meeting** where developers can get initial feedback on their proposals and contact utility and permit providers. The meetings include representatives from the City Planning/Zoning, Municipal Utilities, Engineering, and Fire departments, and the Grand Traverse County Building Department.

### Utilities

The site is well-served by water, sewer, gas, and electricity.

*Water and Sewer:* The City provides water and sewer. Please note that the City has a [stormwater ordinance](#) and will seek proposals that creatively mitigate site stormwater.

*Electricity and Internet:* Traverse City Light and Power (TCLP) provides electricity and can offer fiber internet to all properties. In addition, TCLP offers a voluntary green rate and net metering to help reduce your project's carbon footprint.

*Building Electrification:* The City has a [building electrification policy](#) that articulates how a project like this must be energized.

*Gas:* Gas service is provided by DTE Energy; quotes are available by calling 1-800-533-6220.

### Master Plan and Zoning

*Master Plan:* This property sits in the Commercial Core as identified in the City of Traverse City Master Plan. This designation allows for high-density mixed-use development. This district is envisioned to “be a social and economic center by providing a mix of commercial, office, residential, and public uses.”

*Zoning:* The sites are all located in the C4-c, Regional Center district, which is permissive as to uses allowed. Any development must comply with development regulations, including Charter Section 28, which governs buildings over sixty feet in height. The City has [established a policy for enforcing and administering these regulations](#).

## Available Incentives

The following list of available incentives includes resources that may be available. Each one comes with its own set of requirements and conditions.

**Brownfield TIF:** Brownfield TIF may be available through the Grand Traverse County Brownfield Redevelopment Authority to support remediation, due care, and other activities for any environmental conditions at the site. Any use of TIF that requires a new plan or an amendment to

a Brownfield Plan is subject to a public vote. Please see the [Implementation Policy for TIF Amendments](#) for more information.

**City PILOT:** In addition to the payment-in-lieu-of-taxes (PILOT) program offered through MSHDA, the City of Traverse City has its [own PILOT policy](#).

**City NEZ:** The City of Traverse City is open to considering Neighborhood Enterprise Zone status for a project if it meets its [NEZ standards](#).

**EGLE Site Assessment Grant:** The Traverse City Downtown Development Authority is the recipient of a \$1,000,000 grant that can be used for environmental assessment activities. Some of this grant has been expended.

**TCLP:** Traverse City Light & Power offers incentives for commercial projects. [Learn more on their website](#).

## Proposal Requirements, Criteria, & Process

### Proposal Format

The City of Traverse City will review and evaluate all complete proposals in response to this request for proposals (RFP) to identify and engage with qualified developers interested in developing these lots. An initial response to this RFP must include the following information:

- **Letter of Interest:** Provide a letter of up to three pages identifying the development team and including a statement of the team's vision for the site, specifying how it meets the stated goals of the RFP.
- **Concept Plans and Renderings** of a vision for the site development.
- **Description of public parking.** Describe the number of spaces, the ownership, and any pricing commitments.
- **Description of targeted housing.** Describe the number, ownership type (owned versus rental), and pricing commitment. The City intends to enforce proposed rents and a prohibition on short-term rentals with a deed restriction.
- **Purchase or Lease:** Provide a purchase price or lease terms. Offers below appraised value may be entertained based upon alternate or additional consideration offered in the proposal. Examples include but are not limited to deed restrictions that offer a public benefit to the City.
- **Development Experience/Portfolio:** Provide a brief description of past projects of a similar nature completed by the development team. At most, twenty pages, please. 11 x 17 sheets will count as two pages. Include a description of the projects, cost, completion date, and references.
- **Earnest Deposit:** The selected purchaser will be expected to post earnest funds of \$20,000 that will be used to cover the City's initial cost of developing and executing an agreement. Any portion used by the City is non-refundable.
- **Financial Viability:** Demonstrate the team's financial ability to undertake the proposed project, and provide a pro forma showing the project's viability. This section should include an analysis of how the City's policies, referred to in this RFP, impact the investment and adherence to other project goals.
- **Resumes** of the firm and lead team members, as well as designers and architects.

- **References** for similar projects, preferably from municipalities.
- **Proposed Timeline** based on the suggested schedule below.

The City of Traverse City may seek additional information upon receipt of a development proposal. Additionally, The City reserves the right to accept or reject any or all proposals, waive irregularities and to accept the proposals either on an entire or individual basis that is in the best interest of the City. The City may run background reviews of the development team. The RFP and responses shall not be considered a legally binding agreement. Upon selecting a qualified development team, the City will enter into a predevelopment agreement including purchase price, earnest deposit, due diligence period, and other terms.

Any questions regarding this request for proposal should be sent to [tcmanage@traversecitymi.gov](mailto:tcmanage@traversecitymi.gov) by the deadline listed below. All proposals must be submitted by email in a PDF format to Kim Sheridan at [tcmanage@traversecitymi.gov](mailto:tcmanage@traversecitymi.gov) by 12:00 p.m. (noon), Eastern Daylight Time, on June 11, 2026.

### **Project Criteria**

The City will evaluate proposals based on the evaluation rubric, included as Exhibit 5. The proposal must include a prohibition of short-term rentals

### **Schedule for Review and Selection**

RFP released:	April 13, 2026
Deadline for questions	April 28, 2026
Pre-bid meeting	May 1, 2026 (10:30 am)
Deadline for addenda	May 8, 2026
RFP proposals due	June 11, 2026
Finalist interviews	June 30, 2026
City Commission selection of successful proposal	July 6, 2026

## Background Exhibits

1. DDA's Mixed-Use Development Schematic Design Narrative, March 2024
2. Police Substation Specifications
3. [City Commission Objectives and Key Results, January 2026](#)
4. March 21, 2018 Property Surveys
5. Water and Sewer Utility Map
6. West State Street Redevelopment Property Remedial Investigation Status Report, March 2024
7. Evaluation Rubric