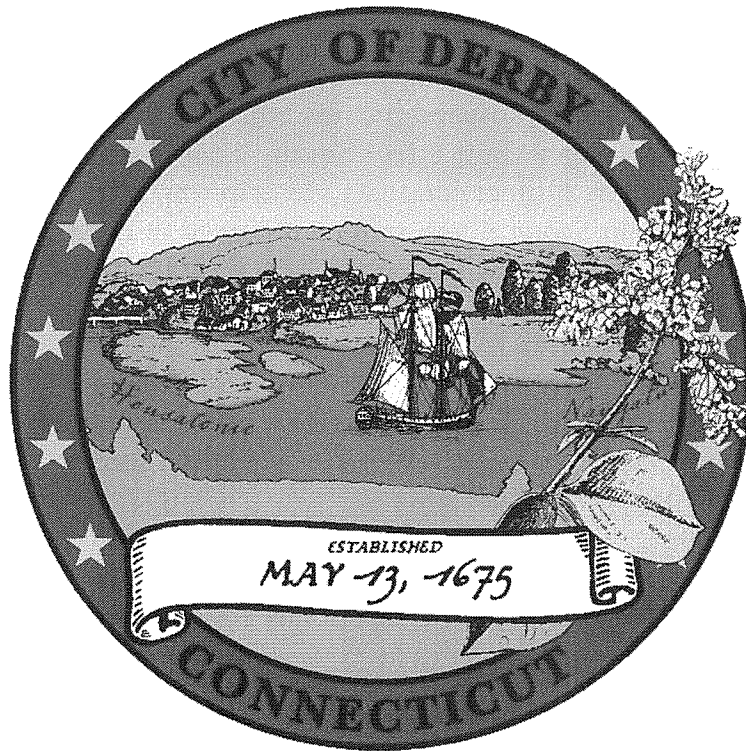


Developer Request for Proposals

Main St. South TOD Development Project



Issued by:
City of Derby
1 Elizabeth St.
Derby, CT 06418

July 24, 2023

Marc J. Carofalo
MARC J. CAROFALO, NTA

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LEGAL NOTICE
CITY OF DERBY, CONNECTICUT
TOD Opportunity
Developer Request for Proposals
Main Street South, Derby CT

The City of Derby hereby invites proposals to purchase and develop approximately 9 acres of city-owned parcels adjacent to the Route 34 and the Housatonic River known as Main Street South. Sealed responses containing developer qualifications, project concepts, description, and renderings for the redevelopment of Main Street South will be received at the Town Clerk's office, 1 Elizabeth Street, Derby CT until 12:00 p.m. on Thursday, August 24th 2023

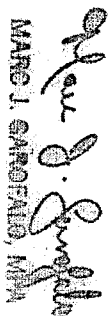
The RFP package may be obtained on the City's website at www.derbyct.gov/bids. Additional information can be obtained from Roger Salway, Economic Development Director, 1 Elizabeth Street, Derby CT 06418, 203-841-5608, rsalway@derbyct.gov.

The City of Derby reserves the right to reject any and all responses to this RFP, advertise for new RFP responses, or accept any RFP response deemed to be in the City's best interest.

A response to this RFP should not be construed as a contract nor indicate a commitment of any kind. The RFP does not commit the City to pay for the costs incurred in the submission of a response to this RFP or for any costs incurred prior to the execution of a final contract.



Walter Mayhew, Chief of Staff
City of Derby

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DEVELOPER REQUEST FOR PROPOSAL

PROJECT OVERVIEW, OBJECTIVE, INFRASTRUCTURE & GUIDELINES

Overview

The City of Derby is seeking qualified developers for a key redevelopment site located adjacent to Main Street / Route 34. This site, known as Main St. South, will be approximately 9 acres. The selected developer will first enter into a developer agreement and/or Memorandum of understanding with the City. After coordinating with the City in the planning of the project, completing its due diligence and other requirements, it will enter into an agreement to purchase this site and create a top-quality mixed-use project as outlined in this RFP.

Project Objective

To use the experience, scope, and talent of a qualified development firm to achieve a viable and comprehensive development of the Main St. South as outlined.

The City of Derby is looking for innovative ideas including, but not limited to:

1. The creation of a project that will be a mixed-use, transit-oriented development to include upscale housing with two and three-bedroom units, a hotel, and commercial/professional/retail space, which shall include at least 6,000 square feet to be provided to the city without cost for construction and lease/rent on an on-going basis excepting utilities for use as a Senior Center.
2. Development that will foster a downtown area feel and atmosphere with direct pedestrian access from Main Street / Route 34 to all buildings that front Main Street / Route 34 in order to stimulate additional business and development in the downtown.
3. Initiate a design that will complement and enhance other recently completed projects further revitalizing the area as a transit-oriented center with uses such as office, retail, restaurant, or other such commercial/retail purposes.
4. Follow City guidelines to enhance the architectural character and site development values of the neighborhood. The site plan and architectural details should comply with or exceed the existing Planning and Zoning Commission design guidelines.

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Infrastructure

The redevelopment site is served by sewer and water mains. It is anticipated that these facilities will be adequate to support a range of development activities, but the selected developer will be expected to conduct its own due diligence. Natural gas is available to the site from Eversource, electric power is provided to the site by United Illuminating and cable from COMCAST.

Development Guidelines

The City is looking for this site to be redeveloped in a manner that is consistent with the Plan for Conservation and Development ([DERB_POCD-Color_2016_06_09_ADOPTED_FINAL-1.pdf](#) ([nvcogct.gov](#))). To be precise, we are looking to partner with a development firm that can use its experience, scale, scope, and talent to achieve a viable and comprehensive development of the approximately 9-acre parcel in the center of the Derby. The City of Derby is looking for innovative ideas including, but not limited to the following:

1. A project that will be mixed-use, creating housing units, including two and three-bedroom units, job opportunities, and shopping opportunities near the Train Station and Downtown Derby.
2. Create a pedestrian scale and a sense of place in the downtown area, as well as stimulate additional development in the area.
3. Initiate a design that will complement and enhance other recently completed projects by continuing the revitalization of the area as a transit-oriented center with uses such as office, retail, restaurant, or some combination thereof.
4. Provide for the City to retain a portion of the parcels to allow convenient access to the Train Station, and a direct means of access to the adjacent Greenway.
5. A design that will complement its surroundings and the development of the planned commuter rail service and be in conformity with the provisions of the CCD-1 zone, the Derby's Downtown zone.

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SELECTED DEVELOPER'S RESPONSIBILITIES

This section describes in general the anticipated responsibilities of the selected preferred developer in the redevelopment. Following the selection of the developer, these responsibilities will be more specifically defined and detailed in a development agreement to be negotiated between the City and the selected developer.

The selected developer will (at a minimum):

1. Negotiate with the City and present a developer agreement and or MOU within 45 days of selection. The developer agreement will define a process that will subsequently lead (subject to terms, conditions, and approvals), to the execution of a purchase and sale agreement for the property. The City anticipates that the developer will sign off as the responsible party for any remediation and pay short and long-term remediation costs in excess of City secured grants for this purpose. A working remediation budget and schedule must be agreed upon by the City and Developer and be included as part of the final development agreement.
2. Initiate a marketing effort to seek project tenants.
3. Explore sources for project financing.

RFP SUBMISSION REQUIREMENTS AND SCHEDULE

Respondents should place the required information in a three-ring binder and label and tab each one of the sections for easy and consistent reference. The sections required for submission are outlined below. Developers who have not visited the site will be provided a site walk-through by appointment.

1. **Title page.** The title page should show the respondent's name, RFP title, and date of submittal.
2. **Letter of introduction.** Within one page, the respondent should include the name, address, and statement of whether the respondent is an individual, partnership, corporation, joint venture, special-purpose entity, or other entity. The letter should also provide the name of the person(s) authorized to make representations for the respondent and his or her phone number. The person authorized to represent the proposal should sign the letter.
3. **Project approach.** Briefly describe, in general, the respondent's approach to the design, finance, construction, and management of projects similar. Include a discussion of the developer's expectations regarding public financial assistance and how the developer will interact with the City throughout the development process.

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FRANC J. GAROFALO, MAYA

4. **Relevant project experience.** Provide previous project descriptions that include the scope, type of development, building use(s), cost, completion date relative to schedule, renderings or pictures, and geographic location of each project. The City is most interested in projects completed in the past seven years. Identify finance and development partners for each project and the amount of financing for each project. Also, describe the role the respondent performed in the development partnership. Emphasis should be placed on experience and involvement in relevant redevelopment projects. (see EVALUATION OF REQUEST FOR PROPOSAL section for more detailed information)
5. **History of respondent and key team members.** Identify the legal entity that will serve as the principal in the proposed redevelopment and provide a brief history of that entity and the parent company, if applicable. Provide resumes of the key individuals who will be responsible for managing the project. Describe the level of commitment of each member of the development team. Also, describe any litigation in which the respondent or a major team member was/is a defendant (past 5 years or pending) or any bankruptcy filing by them or any entity they controlled (minimum 10 years).
6. **Financing capability.** Provide an estimate of the finances needed to complete the project as envisioned on a timely basis and a demonstrated capacity to secure private capital and financing to do so.
7. **Project marketing and management expertise.** Provide a summary of the respondent's experience with marketing and ongoing management of projects of similar character and complexity to the Main Street South project.
8. **References.** Provide financial and development references (name, title, entity, telephone number, and contractual relationship to respondent) that can be contacted at this time with respect to current and past project development experience. These should include at least two banking references. Before final selection, additional financial information will be required.
9. **Conceptual Design Plan.** Prepare a detailed conceptual design plan that should include a general design narrative that provides a general overview of the intended development and identifies the parcels to be included in the development. Additionally, the developer should include a parcel development narrative for each parcel intended to be developed, which should include the intended type of development for each parcel, the approximate footprint and vertical height of the buildings in each parcel, the percentage of green space to be maintained, and renderings depicting the intended finished development.

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- 10. Price.** The proposal should contain an offer to purchase indicating the dollar value the developer is willing to pay for the property intended to be developed and any conditions associated with the offer to purchase. The dollar value of the offer to purchase will be compared to a fair market value established by an appraisal obtained by the city and any associated conditions. As stated there will be transfer act considerations with respect to the sale and the buyer will be expected to sign on as the responsible party regarding any environmental liability as previously outlined.
- 11. Tax Relief.** Any requested tax relief from local real estate taxes must be based on the amount of the investment, and community impact
- 12. Contingencies.** State the contingencies of the offer including any financing and due diligence contingencies.
- 13. Project Schedule.** Provide a schedule from the time of entering into an initial agreement with the City to the projected completion date with all phases and timeframes included.

EVALUATION OF REQUEST FOR PROPOSALS

The following criteria will be used to evaluate responses to this RFP:

1. Demonstrated ability to access and obtain private equity and debt for development projects in the last five years. Each respondent will receive two points for developments of at least \$100 million up to a maximum of six points. Each respondent will receive one point for developments of at least \$50 million and less than \$100 million up to a maximum of three points. (Maximum point award – 9 points)
2. Experience working with projects of similar scope, nature, and complexity including brownfields projects. For each completed project that is at least 9 acres in scope, up to a maximum of three, the respondent will be awarded two points. For each such development of at least 9 acres that is mixed-use containing residential and either commercial/professional office or retail space of at least 6,000 sq. ft., up to a maximum of three, an additional point will be awarded. If the respondent has a completed project that includes a hotel an additional point will be awarded. If the respondent has a completed project that includes brownfield remediation an additional point will be awarded. (Maximum point award – 11 points)
3. Demonstrated quality of design and construction in previous projects. Points will be awarded by rank, based on the ranking of the members of the review committee. Rubric scoring points will be awarded to the top five respondents by rank in reverse order meaning the top-ranking respondent will receive five points, the second four, and so on. In the event of a tie, the points in question will be summed and divided by the number of respondents that have tied. (Maximum point award – 5 points)

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Marc J. Garofalo
Marc J. Garofalo, Mayor

Summed Tax Relief	Rubric Points Awarded
0-10	10
11-20	8
21-30	6
31-60	4
61-100	2
101-150	1

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MARC J. GAROFALO, MBA

9. Price. Each respondent will be awarded scoring points based on the table below. (Maximum point award – 7 points)

Total Purchase Price	Rubric Points Awarded
\$9 million or more	7
\$7,000,001 - \$8,999,999	5
\$5,000,001 - \$6,999,999	3
Less than \$5 million	1

The review committee may award up to two additional points based on the time frame/schedule submitted with a proposal if it is considered to be significantly better than the pool of responses received by the review committee.

The review committee may subtract up to two points based on contingencies submitted with the proposal if they are considered to be significantly more restrictive when compared to the pool of responses received by the review committee.

The evaluation of submittals in response to this RFP does not constitute any form of commitment from the City. It is anticipated that each submittal will be evaluated based on the information submitted plus any other independent information developed by the City. The City reserves the right to request clarification or additional information from a respondent if necessary.

Background / General Information

The intent of this RFP is to attract a proposal by a financially qualified development entity that will use its experience, scope, and talent to achieve a viable downtown-based comprehensive development of this approximate 9-acre parcel. The City envisions conveyance will include provisions for access by the Army Core of Engineers to the levy and Derby Greenway.

The development parcel will likely be conveyed as five parcels divided by an access street (U Street in the Project Map - Appendix A). The City will consider alternative development proposals. However, it is highly desired by the city that all parcels be included with each proposal. Proposals that do not include the five parcels based on the scoring employed will be valued lower than proposals that do. Additionally, any developer submitting a proposal that does not include all five parcels will need to demonstrate, to the satisfaction of the City, why the deletion of a parcel from the project is in the long-term best interest of the City for them to be considered.

The redevelopment project should generate substantial new tax revenue and be a catalyst for the redevelopment of the surrounding area. The development plan should include concepts and discussion for development on these sites. The City has existing zoning regulations that govern the redevelopment project's reuse. Development proposals should not be limited by previous plans and look to abide by current zoning. The City will consider all offers and will evaluate them based on the project goals and the evaluation criteria stated herein. Also, the City will consider developer recommendations concerning the location and design of the Main Street South project provided the design meets the City objectives for Main Street South, to provide additional vehicular access to and to provide a future means of access from Main Street to the Greenway and Train Station.

Main Street South is a site consisting of several parcels, some of which were acquired by the state as part of the Route 34 widening project, which the city will acquire. The City is currently in the process of acquiring Lot 3 which is a known brownfield site. The City will work with the State of Connecticut and the Federal Government to classify the contamination that exists and secure funding to bring about remediation.

Community Profile

Derby is an attractive growing suburban community with a population of approximately 12,420 residents. It is an outstanding business location because it is near the geographic center of the state and at the confluence of major highways including Route 34 and Route 8 with easy access to Route 15 (Merritt Parkway). Derby is nestled at the confluence of the Naugatuck and Housatonic Rivers, in close proximity to the major cities of New Haven, Waterbury, Danbury, and Bridgeport. As a result, Derby provides access to a labor force of people that can commute without encountering the traffic congestion of the larger urban areas. Additionally, the multi-modal Derby-Shelton Train Station not only provides access to the New Haven / Waterbury rail line but also transportation to New Haven using the CT Transit bus service and Bridgeport using the Greater Bridgeport Transit Authority bus service. With the planned \$25 million in grant money approved for the Derby-Shelton Train Station, these options will be greatly expanded. 57% of occupied homes are single-family, and 43% are multi-family. Owners live in 75% of Derby's 3,727 single-family homes, and renters live in 51% of its 2,808 multifamily homes.

LIMITATIONS AND GENERAL CONDITIONS

The City of Derby reserves the right to reject any and all responses to this RFP, advertise for new RFP responses, or accept any RFP response deemed to be in the City's best interest. A response to this RFP should not be construed as a contract nor indicate a commitment of any kind. The RFP does not commit the City to pay for the costs incurred in the submission of a response to this RFP or for any costs incurred.

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PROJECT MAP – APPENDIX A

