



REQUEST FOR DEVELOPMENT PROPOSALS

DOUGLAS AND HILLSIDE WICHITA, KANSAS OFFICE OF URBAN DEVELOPMENT

PRE-SUBMITTAL CONFERENCE: JULY 14 2016

SUBMISSION DEADLINE: SEPTEMBER 2, 2016

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DOUGLAS AND HILLSIDE

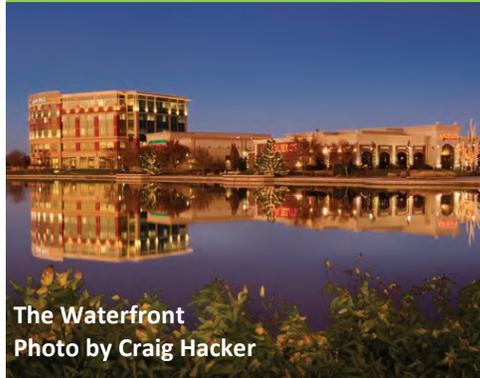


INTRODUCTION

The City of Wichita (“City”) is soliciting proposals to redevelop a prime City-owned site (the “Property”) within the College Hill Neighborhood, located northeast of the intersection of Douglas and Hillside Avenues. The Property represents an outstanding opportunity for a redevelopment that leverages existing City investment within an established and popular Wichita neighborhood.



WICHITA COMMUNITY PROFILE



The Waterfront
Photo by Craig Hacker



Paragon by Albert Paley
Photo by Craig Hacker



Keeper of the Plains

Over the past century, public/private partnerships have helped transform Wichita into a premier Midwestern city. One of Wichita’s first known economic development success stories dates back to the early 1870s. James R. Mead, one of Wichita’s founding fathers, met a group of cattle drovers at the Kansas/Oklahoma border and offered incentives to encourage them to take their stock to Wichita instead of another nearby city. This economic development offer began the long history of public/private achievements which helped Wichita develop into the largest city in the state and earned it the designation of the “Air Capital of the World.”

Wichita continues to build on its rich history and is nationally recognized for its low-cost, pro-business climate, highly desirable central location and status as a top global trade exporter. These qualities, in concert with economic development programs, provide the foundation for businesses to thrive. Wichita’s central location and outstanding transportation system provide convenient and economical access to markets across the country and internationally.

Wichita’s diverse cultural attractions are nationally renowned and rival other metropolitan areas of comparable size. The city offers a professional opera, symphony, ballet and music theatres as well as numerous cinematic and performance theatres that stand ready to impress with plays and independent, classic and new films. From traditional to contemporary, the city features a variety of art galleries and world-class museums. Accomplished local musicians and artists entertain and inspire on a monthly basis during the Final Friday art gallery crawl throughout the downtown area.

Outdoor recreational activities abound in Wichita. There are more than 4,300 acres of lush parks and greenways, tranquil botanical gardens, numerous golf courses and more than 102 miles of bike paths. The Arkansas River provides additional recreational opportunities and serves as the centerpiece of the annual Wichita River Festival. It is home to the iconic Keeper of the Plains sculpture, which, has become a symbol of Wichita and pays tribute to the Native Americans who first inhabited the area.

LOCAL NEIGHBORHOOD



Dillon's: Douglas and Hillside



Crown Uptown Dinner Theater

The northwest corner of Douglas and Hillside includes a Dillon's Grocery Store and Westlake Ace Hardware store. Many local retailers line Douglas Avenue. Many local restaurants and bars are within walking distance of the Property.

College Hill Neighborhood

The College Hill Neighborhood is a historic area with a strong community feel. The area contains many turn of the century to early 20th century homes with an active neighborhood association. The neighborhood is a walkable community. College Hill park and pool are located southeast of Douglas and Hillside.

Douglas Design District

The Property is also located within the Douglas Design District, which stretches from Washington to east of Oliver. Douglas Avenue is a main thoroughfare through Wichita, connecting east Wichita with the Downtown and Delano neighborhoods. The District is an eclectic mix of businesses with a concentration of design-focused offerings. It offers more than 300 locally owned businesses and includes local restaurants, coffee shops and salons.

The City of Wichita worked in partnership with key business, residential and community stakeholders along the Douglas Design District to create a long-term plan for the corridor. The plan includes streetscape and design elements to foster economic vitality along Douglas Avenue.



The Hillcrest



Delano Design District Concept

Title of Building
Caption of Photo Location and Looking direction



PROPERTY DESCRIPTION

The Property is outlined in red on the map above and consists of two parcels on either side of Victor Place, labeled Lots A and B. The two developable lots are within the historic College Hill Neighborhood. The total acreage between the two lots is approximately 4.6 acres. The site is situated northeast of the intersection of Douglas and Hillside, with approximately 157 feet of frontage on Douglas Avenue. Douglas and Hillside Avenues are lined with commercial establishments.

The College Hill Neighborhood, is an established neighborhood with mostly single-family dwellings mixed with duplexes. The Hillcrest, located across Douglas, is a premiere apartment tower owned by its residents as a co-op. Historically, Douglas, in this vicinity, was known as the “Uptown” area and still maintains a strong mix of retail/commercial uses including the Uptown Theater (dinner theater), several furniture stores, offices, a dance studio, and restaurants.

PROPERTY DETAILS

Lot A (3221 E 1st) is comprised of approximately 134,450 sf (3.09 acres). The property is clear of structures with remnants of a parking lot on portions of the property. The 2015 general tax obligation for the property was \$7,526.17 with an additional special assessment of \$52,883.29.

County Legal: LOT 1 BLOCK 2 PARKSTONE ADDITION

Lot B (3241 E Victor Place) is comprised of approximately 64,013 sf (1.47 acres). The property contains an 8,872 square foot office building on the west side. The 2015 general tax obligation for the property was \$12,850.86 with an additional special assessment of \$29,512.96

County Legal: LOT 1 BLOCK 4 PARKSTONE ADDITION

Map of Lots A and B are shown on page 6.

CITY INVESTMENTS

The City has invested over \$7,000,000 in the redevelopment of the area. The City's investment included reconstruction of Victor Place and Rutan Avenue, including public art at the entrances, utility relocation, landscaping and decorative lights in the right-of-way. Victor Place, east of Rutan, was converted into a public park with a fountain. The City developed a public parking lot east of Rutan, south of Victor Place.

The completed development projects include on street parking and landscaping along Rutan and Victor Place. The pocket park with fountain located on Victor Place, north of Rutan, is part of the redevelopment district. Maintenance for these common areas will be shared with all property owners within the District.



3241 East Victor Place Entrance Monument Douglas and Rutan

Original Development Concept
Bird's Eye View



Original Development Concept
Retail/Lofts at Douglas and Rutan



DEVELOPMENT HISTORY

The property is within a Tax Increment Financing (TIF) district, the Douglas and Hillside Redevelopment District. The District was established to remove blight from the area and provide new investment in the College Hill Neighborhood. Planned redevelopment of the area included construction of a 14-story tower consisting of 87 condo units, underground parking, 50 brownstone row houses and a 4 story development of residential flats with first floor retail along Douglas and Rutan. A link to a copy of the [TIF project plan](#) and site plan are available in the resources tab of this document and the [resources tab online](#).

The previous project stalled following the economic crisis in 2008/2009. The developer was able to complete work east of Rutan including the parking lot, pocket park with fountain and nine brownstones on the northeast corner of Victor and Rutan. Property on the east of Rutan remains part of the redevelopment and is currently owned by Legacy bank. The bank is actively marketing to sell the property it controls.

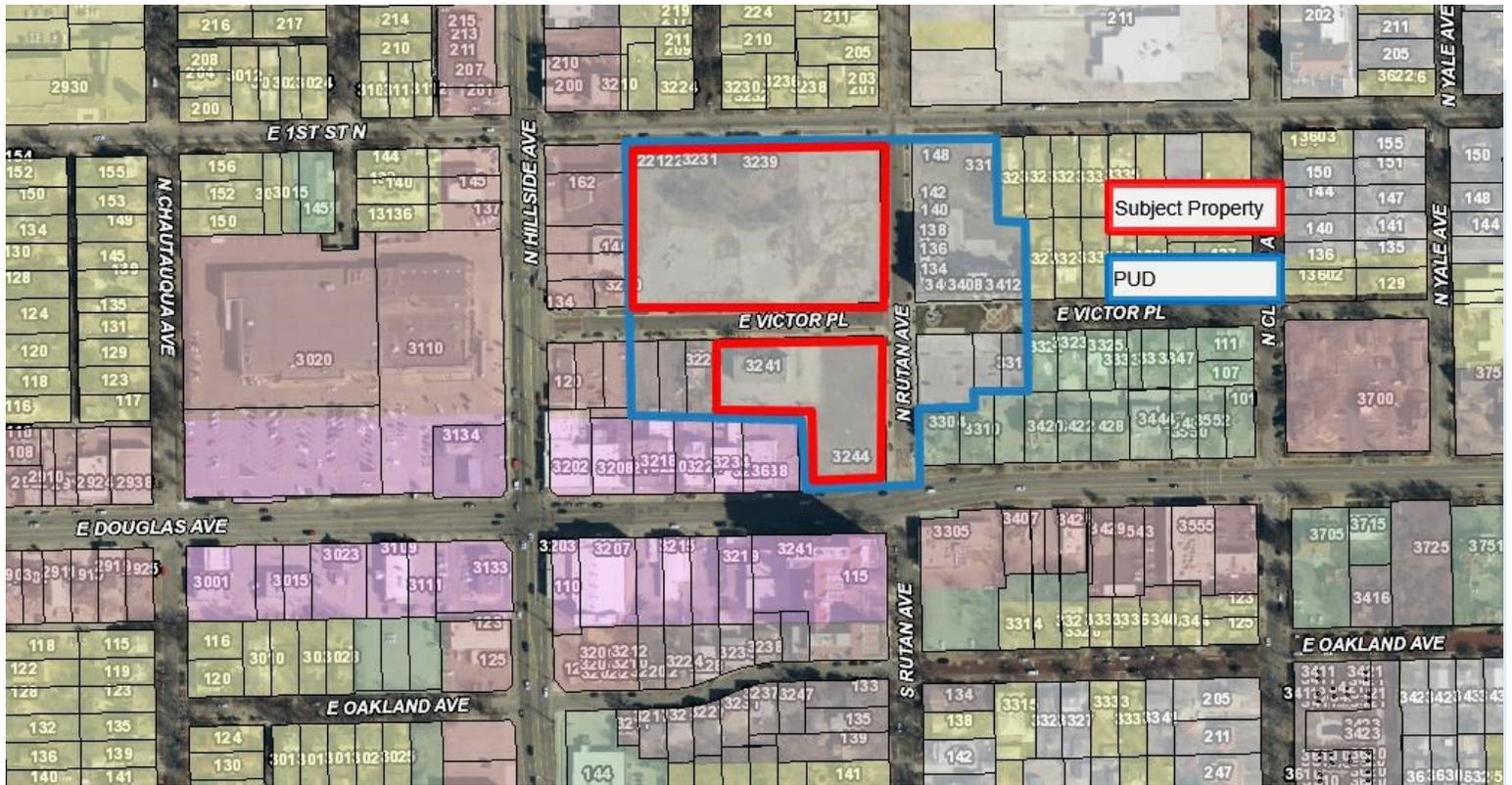
The property and zoning can support a variety of residential, retail and office uses.

CITY OBJECTIVES: MIXED-USE DEVELOPMENT

The objective of the RFP process is to select a private developer or development team that will develop the Property consistent with the design concept proposed in the Douglas and Hillside Project Plan. The preferred proposal would be for the use and development of the entire 4.6 acres. The City of Wichita may consider vacation of Victor Place to combine the two parcels if the vacation enhances the value and development of the area.

It is the City's desire to maintain the urban village concept originally proposed for the project providing for a multi-story, mixed-use walkable development. A mixed-use concept can include any combination of residential, retail, office and medical office uses. The development proposal should be designed to activate the block and neighborhood. Proposals shall include architecture that is aesthetically compatible with the surrounding neighborhood and adopted project plan.

Development proposals will be expected to create value for the City and neighborhood through the new construction and mixed uses. Any proposal will be expected to begin construction quickly and complete the project in a timely manner.



ZONING AND LAND USE

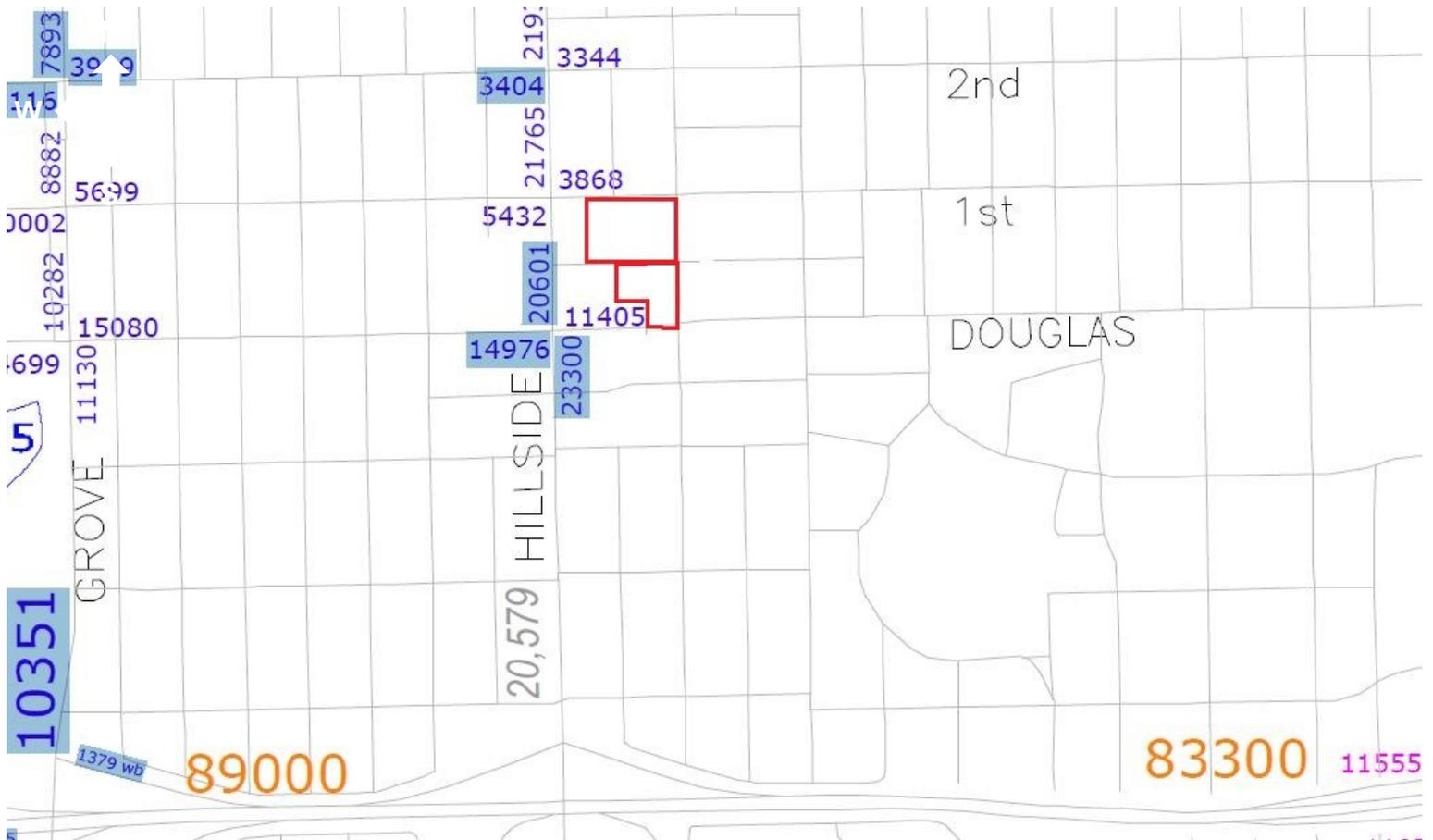
The Property is subject to a Planned Unit Development, PUD-26. A PUD is a flexible zoning district meant to take advantage of special site characteristics, locations and land uses. A link to [the PUD](#) is provided in the resources section of this document. The PUD provides for mixed use urban village development including commercial, office and a range of housing types. Architectural elements are designed to create the urban village feel. Design and use of the property is prescribed to conform with the unique characteristics of the surrounding College Hill Neighborhood.

The PUD allows for both commercial and residential use permitted within Neighborhood Retail (NR) zoning, except group residence, broadcast recording studio and pay day loans or similar speedy cash types of businesses. The gross floor area of commercial uses in the entire development cannot exceed 30,000 S.F. Restaurants are permitted within the PUD and cannot exceed 6,000 S.F.

All parcels are subject to a 10-foot setback, except where facing Douglas Avenue. Lot A allows for a maximum height of 300 feet to accommodate a 14-story high-rise. Lot B allows for a maximum height of 200 feet but is recommended to be no higher than four stories. All heights are to be reduced to 45 feet when within 70 feet of 1st Street. Commercial uses are prohibited from facing and being located within 70 feet of 1st Street.

Signage is to be per the Wichita Sign Code for NR zoning. Consistency in parking lot and lighting elements are to be incorporated. Landscaping would be per the Wichita Landscape Ordinance and done with a consistent plant palette.

The PUD may be amended for projects that do not fit the guidelines but are considered a higher and better use. The PUD provides flexibility of use and the City encourages a use that is consistent with the existing PUD.



TRAFFIC COUNT

Traffic counts surrounding the property are shown above. Traffic along Douglas Avenue is nearly 15,000 vehicles a day and Hillside Avenue has over 23,000 vehicles per day. Approximately one-half mile south of the Property, Kellogg (US 54/400) has traffic volumes that average 89,000 vehicles per day. Detailed information regarding [traffic counts](#) is available in the links on the Resources page in this document.



Original Project Plan Concept : Victor Place

PROPOSAL CONTENT AND FORMAT

Proposals must be succinct and include only the required information. To aid in the evaluation, all proposals must follow the same format and have sections tabbed as below:

A. Executive Summary

Provide a concise summary of the overall proposal.

B. Development Team

Detail and describe the proposed development team including, the master developer, architect, financial partners, and construction contractor. Demonstrate a track record of successfully financing, developing, completing and managing comparable projects.

- Identify the key individuals, companies and organizational structure of proposer.
- Identify roles and responsibilities of all proposal team members.
- List the proposer's experience with other successful development projects; include roles and responsibilities for these projects' team members, in addition to providing contact information for references for these other projects.
- Describe the Development Entity the proposer anticipates would contract with the City. The Development Entity must be organized and in good standing under the laws of the State of Kansas prior to entering into contracts with the City.

C. Financial Capacity

Provide clear and compelling information to demonstrate proposer's financial capacity to execute and complete the project successfully.

- Describe a clear strategy to fund all project costs.
- Specify and clearly describe all sources, types and amounts of equity, financing, grants and other funding sources for the proposed project.
- Provide documentation from potential lenders of interest in the Property.

D. Business Plan

Include an initial project budget and pro form

a. Demonstrate the proposed project's viability by including, to the extent possible, the following:

- Initial research / market demand data.
- Intended use of the Property.
- Initial development schedule with major milestones that addresses all phases of planning, entitlements, design, plan review, permits, construction and occupancy.
- Proposed tenants/buyers/operators for the completed project.
- Development costs, including all site acquisition, construction costs, soft costs, and contingencies.
- Operating pro forma, including all revenues, expenses, debt service, taxes, and other assessments for the first stabilized year of operations.
- Provide reasonable assumptions for all costs and revenues.
- Describe the proposed approach to providing parking for the project.
- Project timeline indicating start of construction and completion of construction.

E. Level of Return and Benefit

Describe the economic, fiscal, employment (construction and permanent), and other tangible public benefits generated by the proposal. Qualitative public benefits such as social or historic preservation goals may be included as support to well-defined quantitative benefits.

F. Consistency with Adopted Plans and Development Objectives

- Explain how the proposal is consistent with the adopted Douglas and Hillside Redevelopment Project Plan and Douglas Design District Neighborhood Plan.
- Clearly detail and define the project including:
 - Gross square footage of project and each proposed use.
 - Number of parking spaces and location.
 - Detailed cost estimates for all project components.
 - Provide a conceptual site plan and building elevations (color recommended).
 - Describe how the project will exist in context with the College Hill Neighborhood.

All proposals, including supporting documentation, are confidential until a selection is made by the City . All costs incurred in the preparation of this proposal are the responsibility of the proposer. The City reserves the right to issue supplemental information or guidelines relating to the RFP during the proposal preparation period, or to make modifications to the RFP. All proposals shall be considered firm offers for a period of 180 days following the due date. Once submitted, proposals may not be changed without written consent of the City. One (1) original and nine (9) copies of the proposal along with a PDF version on a flash drive or DVD shall be submitted by 5:00 P.M., September 2, 2016 to:

City of Wichita Purchasing Office
Attn: Purchasing Manager
455 North Main, 12th Floor
Wichita, KS 67202

PRE - PROPOSAL CONFERENCE

A pre-proposal conference will be held on July 14, 2016 at 2:00 in the City Council Board Room, City Hall, 455 North Main, Wichita, Kansas. Potential proposers are strongly encouraged to attend the pre-proposal conference to learn more about the Property, the development objectives, and the proposal evaluation process. A tour of the Property will immediately follow the pre-proposal conference at the Property, 3241 E. Victor Place.

PROPOSAL EVALUATION & INTERVIEWS

Interview selection will be made following a review of proposals received. The City reserves the right to interview and receive a formal presentation from only those development teams whose proposals best match the evaluation criteria. The City intends to select proposers for interviews on or around September 16. Interviews are anticipated to occur the week of September 26.

The City's objective is to select the best qualified development teams to undertake the tasks identified. The proposals will be evaluated on the basis of several factors, including:

1. Qualifications of the development team
2. Proposer's financial capacity to execute and complete the project successfully
3. Project timeline
4. Project viability, including operation and management of the project after construction
5. Level of return and benefit to the city
6. Consistency with adopted plans and development objectives

NEGOTIATIONS AND SELECTION PROCESS

Final selection of the development team(s) will occur on or around October 7. Upon selection of the best final proposal, the City will negotiate final business and performance terms with the selected development team(s). The commencement of negotiations does not commit the City to accept any or all of the terms of the proposal, and negotiations may be terminated by the City at any time, in which case the City reserves the right to enter into negotiations with other proposers. These negotiations may result in minor or material changes to the proposal, including both the business terms and the project. Successful negotiations will result in an award recommendation. Agreements addressing business terms and performance benchmarks will be entered into between the parties. The City reserves the right to reject, in whole or in part, any or all proposals. If deemed appropriate to achieve the goals for development of the Property, the City reserves the right to make no selection and re-issue and RFP. The terms and conditions of any development agreement resulting from this RFP process are subject to approval by the City.

RESOURCES

All additional reference documentation listed below can be found at <http://www.wichita.gov/RFQ>

1. City of Wichita Economic Development Brochure

<http://online.wichita.gov/urbandevbrochure/>

2. Greater Wichita Partnership Economic Development Assistance

<http://www.greatertwpartnership.org/>

3. Douglas and Hillside Project Plan

<http://wichita.gov/RFQ>

4. Douglas Design District

www.dddwichita.com

5. Douglas Design District Neighborhood Plan

<https://www.wichita.gov/Government/Departments/Planning/NR/Pages/DouglasDesignDistrict.aspx>

6. PUD 26

<http://wichita.gov/RFQ>

7. Wichita-Sedgwick County Unified Zoning Code

<http://wichita.gov/RFQ>

8. Douglas and Hillside Traffic Counts

<http://www.wichita.gov/Government/Departments/PWU/Pages/Traffic.aspx>



INQUIRIES:

Scot Rigby, Assistant City Manager
City of Wichita
City Hall — 13th Floor
455 N. Main St.
Wichita, KS 67202
(316) 268-4524
srigby@wichita.gov