

**CITY OF MEMPHIS
REQUEST FOR QUALIFICATIONS
FOR A COMMERCIAL AND RETAIL DEVELOPMENT PARTNER**



**FOR
THE CROSTOWN MOUND REDEVELOPMENT PROJECT**

**Solicitation No:
39262**

Date of Issue: February 13, 2019

**RESPONSE SUBMITTAL DUE
Wednesday, April 3, 2019 no later than 2:00 P.M. (Central Time)**

RFQ Issued by
City of Memphis – Division of Housing and Community Development
Jim Strickland, Mayor – Paul Young, Director
170 North Main Street
Memphis, TN 38103

An Equal Opportunity Employer and An Equal Housing Provider

Contents

	Page #
Invitation	3
Executive Summary	4
About the Crosstown Mound Redevelopment Project	5
About the Private Development Opportunity (PDO)	8
Submitting a Response to this RFQ	12
Selection Criteria and Resources	14
Exhibit A- Memphis 3.0 Plan.	15

RFQ AT A GLANCE

- Master developer for un-parceled Private Development Opportunity site (the “PDO”)
- Project-specific developer within un-parceled PDO

Planned Investments by City:

- A list of all potential incentives has been included below.

Zoning: The site has not been parceled or zoned at this time. There is currently a restriction on the use of this site that the City is working to have lifted by the State of Tennessee. The restriction prohibits all uses on the site except for public uses. The expected timeline to have these restrictions lifted is 6-9 months.

Transaction Structure: Disposition or Land Lease

RFQ:

Responses Due: Wednesday April 3, 2019 no later than 2:00 p.m. (CT)

Responses should be sent in a sealed envelope or mailing box with the developer’s name and Crosstown Mound RFQ #39262 written on the outside to:

City of Memphis
Tim Boyle, Interim Purchasing Agent
125 N. Main St., Room 354
Memphis, TN 38103

RFQ response MUST be submitted to participate in final RFP

Contact:

City of Memphis Real Estate Department
125 N. Main, Rm 568, Memphis, TN 38103
realestate@memphistn.gov
(901) 636-6673

Invitation

The City of Memphis (City), by and through its Division of Housing and Community Development (HCD), is pleased to announce a major development offering for Commercial and Retail developers for the City-owned land totaling approximately 8 acres on the site commonly known as the Crosstown Mound, which is centrally located in the heart of Memphis.

This Request for Qualifications (RFQ) is intended to provide an opportunity for interested developers and firms to demonstrate their interest, capacity, and capability to develop the commercial and retail components of the Crosstown Mound consistent with the vision and goals of the City of Memphis.

This invitation, together with its supplemental information, comprises the RFQ. The objective of this solicitation is to encourage prospective developers, development firms, and development teams to submit sufficient information so that the City of Memphis can select a list of development entities it determines to be “qualified.” These developers will then be invited to participate in a Request for Proposals (RFP) to further develop and refine their initial proposal to the City for the approximate 8 acres of un-parceled land, known as the Crosstown Mound Redevelopment Project.

Developers ***must*** respond to this RFQ to be eligible to participate in the RFP process later in 2019, although the City reserves the right to reopen this process if necessary. Final selection on the RFP is expected in the third quarter of 2019.

Project staff will hold an optional Pre-Submittal Meeting on Monday, March 4, 2019 at 2:00 p.m. (Central Time) to discuss this RFQ and answer questions. The meeting will be held at the Community Foundation of Greater Memphis located at 1900 Union Avenue, Memphis, TN 38104. The meeting will be live-streamed; send an email to livia.carter@memphistn.gov to receive a link.

The last day for questions will be Wednesday, March 27, 2019, and the last addendum will be posted by 5:00 p.m. (CT) on Monday, April 1, 2019. Responses to this RFQ are due to the City of Memphis on **Wednesday, April 3, 2019 no later than 2:00 p.m. (CT)**. Late responses will not be accepted.

The City of Memphis solicits your response to this request for qualifications to join us in this exciting project. We look forward to your submission.

CITY OF MEMPHIS' REQUEST FOR QUALIFICATIONS

Crosstown Mound REDEVELOPMENT PROJECT

1. EXECUTIVE SUMMARY

Today, Memphis is focusing that same vein of creativity to activate the Crosstown Mound, which consists of approximately 8 publicly-owned and strategically located acres in the heart of the City that are primed for development. This site is the linchpin between Memphis' most stable and successful neighborhoods: Midtown Memphis, which is home to Overton Park and Rhodes College, the Memphis Zoo, and has the highest density in the region, a large percentage of millennials, and high educational attainment; Crosstown, which is home to one of the most successful redevelopment projects in the nation, revitalizing over 1 million square feet of an abandoned Sears department store into a mixed use facility featuring apartments, restaurants and retail stores. This site offers a significant opportunity for success.

The City of Memphis has developed a comprehensive plan for growth, development, and improvement of our city, which can be viewed as Exhibit A- Memphis 3.0 Plan. This plan engaged over 15,000 community participants that developed short- and long-term policies and investments to improve neighborhoods, land use, transportation, environment, and economic opportunity.


The City of Memphis acquired this land from the state of Tennessee as excess right-of-way land from the nearby interstate. The City wishes to invigorate the Crosstown Mound through a mix of public and private investment. The City of Memphis has designated approximately 8-acres mixed-use private development – **the Private Development Opportunity (the "PDO")**. The City is seeking qualified developers to transform the PDO in a manner consistent with the City's vision for growth a walkable neighborhood consisting of a mix of single-unit and multi-unit housing, including attached, semi-attached, and detached. This neighborhood may additionally consist of mixed-use housing between 1-3 stories that encourages businesses to occupy the first floor on the corners of the development with access to intersections.

CROSTOWN MOUND IS WITHIN AN ACCELERATE ANCHOR NEIGHBORHOOD.

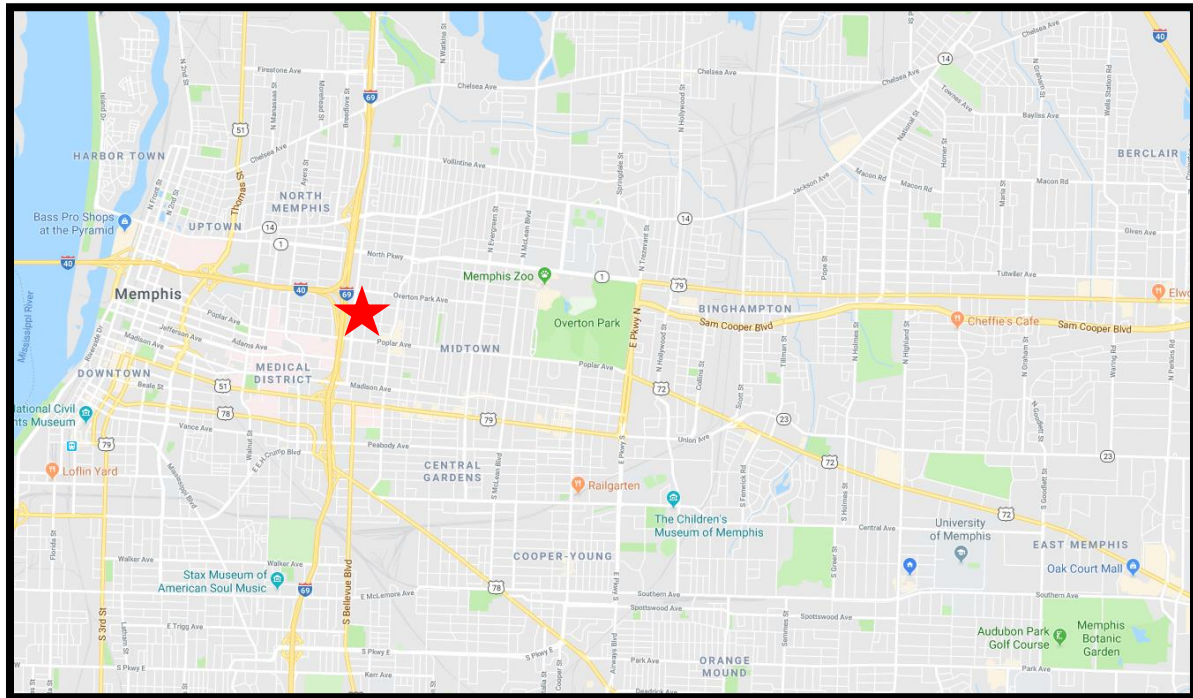
Anchors may need nurturing, primarily addressed through investments and actions of public and philanthropic agencies to attract market attention. Anchors may need to be sustained for communities that have reached maturity. Anchors designated for highest future growth are Accelerate anchors, where private and public resources mix to drive the most density and change.

The plan recommendations are as follows:

- Utilize financial redevelopment tools to encourage parking structures that incorporate mixed-use frontages.
- Decrease the minimum parking requirements.
- Increase cultural identity around anchors through public art and programming within public spaces.
- Improve roadway infrastructure at North Parkway and Cleveland to increase multimodal connectivity between North Memphis and Crosstown.



2. ABOUT THE REDEVELOPMENT AREA



The roughly 8 acres PDO currently neighbors several highly successful occupants and important anchors:

- Crosstown Concourse (one block north), which transformed an abandoned, massive Sears distribution building into a thriving vertical village, and the Broad Avenue Arts District (east), a unique destination for art, boutique shopping, and local eateries, are both quintessential examples of Memphis's love of adaptive revitalization of historic buildings and commercial strips.
- The Midtown district is home to many cultural attractions, institutions of higher education, and noteworthy pieces of architecture. The district is an anchor in Memphis' arts scene, including the Playhouse on the Square, the Hattiloo Theater, the Brooks Museum of Art, the Memphis College of Art, and the Levitt Shell.
- The upscale neighborhoods of Central Gardens (south) and Chickasaw Gardens (southeast) are within minutes from the PDO, as is Rhodes College (northeast), ranked #51 among Liberal Arts Colleges by the U.S. News & World Report in 2018.
- Cooper Young is a flourishing historic neighborhood to the south of the Crosstown Mound, just below Central Gardens, that includes a thriving restaurant and business district and hosts the annual Cooper Young Festival, one of the largest and most-anticipated one-day festivals in Tennessee.
- Overton Park, home of the Memphis Zoo which attracts more than one million visitors per year, is located less than two miles away, as is Overton Square, a revived and thriving

entertainment district that is also now the city's theater district.

- Downtown Memphis is more than the 6.5-square miles defined as the Central Business Improvement District (CBID). It is the area's fastest growing residential neighborhood with a sense of community that is unrivaled. Downtown is the Memphis brand. It is Beale Street, the mighty Mississippi, the Orpheum and the National Civil Rights Museum. With established publicly-traded companies and aspiring startups sharing the same spaces, Downtown is an incubator for good ideas and great collaborations.
- The Union Avenue corridor has been the primary commercial artery for the core of Memphis almost since the inception of the city and shows no sign of sacrificing its primacy with multiple commercial and one significant multi-family residential project underway ("The Citizen" at Union Ave and McLean Boulevard, an adaptive reuse of an old Holiday Inn being developed by Belz Enterprises, one of the South's largest commercial and industrial real estate developers).

The City intends to work with all these business districts and this new mixed-use development at the PDO to champion mutual and symbiotic growth.

Connectivity

The PDO is located in the heart of Memphis and Shelby County and is a convenient destination for a large 10-county geographic region of 1.3 million people. The site is bounded on the north by Overton Park Ave, on the east by N Claybrook St, on the south by Peach Ave, and on the west by N Bellevue Blvd. It is also less than two miles from all three of the City's interstates/expressways: I-240 to the west, I-55/69 to the southwest, and the Sam Cooper Expressway to the east, which also connects to I-40.

The PDO is currently accessible to public transportation, private vehicles, taxis, alternative transportation (Uber, Lyft, etc.), and bicycle traffic. The PDO is centrally located within the City of Memphis. There are interstates, bus routes, walk/bike trails and the Memphis International Airport all within 15 minutes of the site.

Planned Infrastructure Improvements Surrounding PDO

New Traffic Signal Modernization at the following intersections:

- N Parkway @ Watkins- Construction 2019-2020
- Overton Park @ Cleveland- Construction 2023-2024
- Poplar @ Cleveland- Construction 2023-2024
- N Parkway @ Bellevue- Construction 2024-2025
- Poplar @ Bellevue- Construction 2023-2024

Roadway Infrastructure Improvements:

- N Watkins/Cleveland between Somerset and Overton Park Ave- Construction 2023-2024

Plans call to update roadway infrastructure to improve multimodal connectivity and safety including enhanced ADA/Pedestrian crossings and facilities, bicycle facility protection, traffic calming, improved street lighting and traffic signals, and street furniture. This project was identified as an Accelerated Anchor in the Memphis 3.0 Comprehensive Plan.

Overton Park Neighborhood Greenway:

- Overton Park Ave, Bellevue Blvd to Kenilworth Place- Construction 2023-2024

The project will install an on-street bikeway along Overton Park Avenue to improve access between Overton Park and neighborhoods to the west as well as the protected bike lanes on Cleveland St. The project will include neighborhood greenway (a.k.a. Bicycle Boulevard) designs, traffic calming devices, and enhanced on-street pedestrian crossings.

CMAQ Watkins Presley On-Street Project:

- Watkins/James to Elvis Presley/Brooks- Construction 2023-2024

This project will fill in the connectivity gaps by adding appropriate bicycle facilities along North Watkins Street, Cleveland Street, South Bellevue Boulevard, and Elvis Presley Boulevard.

Bicycle Access to Transit Project:

- Watkins/Cleveland/Bellevue, between Frayser Blvd and Ball Rd- Construction 2019-2020

The Bicycle Access to Transit Project seeks to strengthen the synergy between transit service and bicycles. The project includes the installation of secure bike storage facilities along existing MATA transit routes and at select transit facilities. The City and MATA have selected the targeted routes based on existing bicycle ridership and crossover to transit service, and neighborhoods or corridors with high potential for greater crossover. The new bike storage facilities will allow transit riders to securely store a bike at or adjacent to a transit stop.

MATA's fixed-route bus fleet is now fully equipped with on-board bike racks that can hold two bikes. MATA is in the process of upgrading to racks with a capacity to hold three bikes. New storage facilities will allow MATA riders to securely store bikes at their destination stop after exiting, or at their stop of departure in the event that the bus' bike rack is at capacity.

MATA and the City anticipate the installation of approximately 400-500 units of bicycle storage facilities consisting of a mix of standard bike racks, bike corrals, and bike lockers. See the attached map for general locations.

Crosstown Corridor Superstop Enhancements:

- Poplar & Cleveland Intersection- Construction 2020-2021

MATA bus service's most frequented entry points besides its three transit centers occur at "Superstops," intersections at which more than 100 people board buses daily and riders can transfer between different routes. The Crosstown Corridor Superstop Enhancements (CCSE) project seeks to provide new shelters, new signage, increased sidewalk space, improved crosswalks, and new curb ramps for its riders at "Superstops" along the middle of Route 42 Crosstown's path. Route 42's trajectory on Bellevue, Cleveland, and Watkins between Lamar Avenue and Jackson Avenue features five Superstop intersections (Lamar-Bellevue, Cleveland-Union, Cleveland-Madison, Cleveland-Poplar, Watkins-Jackson) and a potential sixth Superstop near the soon-to-be-opened Crosstown Concourse that provide transfers from Route 42 to ten of MATA's most traveled routes. Currently, riders often need to cross busy thoroughfares to transfer all these Superstops and in some cases, MA TA has been unable to place shelters due to the lack of safe and accessible pedestrian infrastructure all these intersections.

CCSE would increase safety and improve accessibility and ease of travel for riders and all pedestrians by making improvements to pedestrian crossings and by installing additional shelters and other amenities at these key locations with high numbers of transit boardings and transfers. This project is scalable. If MATA and the City of Memphis are unable to receive the full amount of funds requested, the project will address as many of the intersections listed as possible with the funding provided. The project will conform to other developments and improvements subscribed by the City of Memphis and the Tennessee Department of Transportation.

Land Use and Zoning

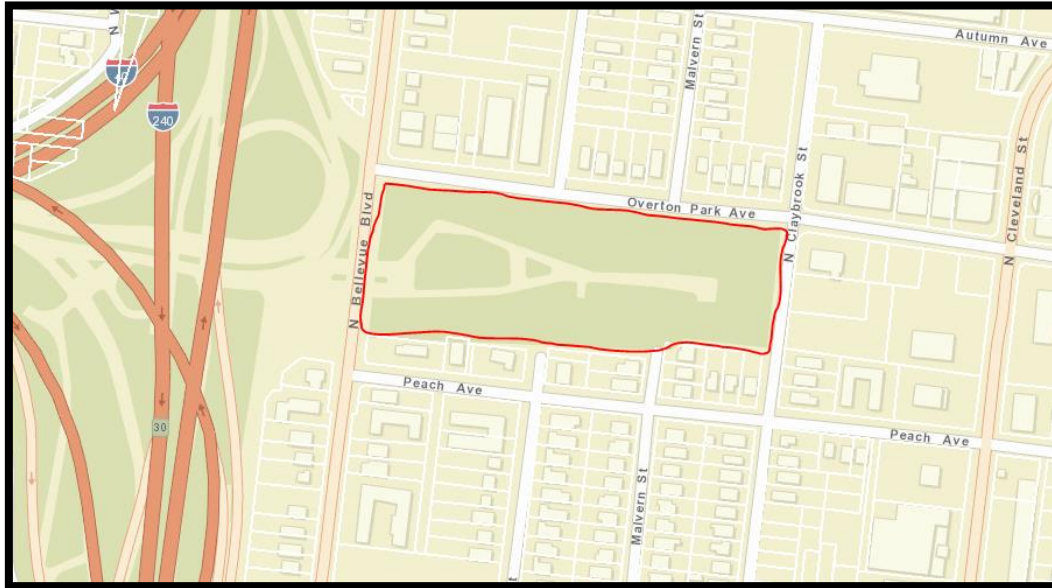
The property is not zoned at this time, but it is expected that the proposed land uses will conform with the types of activities outlined by the City's recent comprehensive plan, Memphis 3.0 (Exhibit A). This property has not been parceled and currently has restrictive uses placed by the State of Tennessee. The primary restriction disallows all land uses, other than public use. The City is working to have these restrictions modified or released by the State. The expected timeline to have these restrictions modified or released is 6-9 months.

3. ABOUT THE PRIVATE DEVELOPMENT OPPORTUNITY (PDO)

Description of PDO Site

The City of Memphis has designated an area for redevelopment consisting of roughly 8 acres that front Overton Park Ave, N Bellevue Blvd, and N Claybrook St – the Private Development Opportunity site (the "PDO"). This area is on the southern side of the new Crosstown Concourse mixed use re-development that boast over 1 million square feet of space and home to a brewery,

high school, condos, restaurants, coffee shops, and much more. The PDO also includes close access to Interstate 40 & 240, which includes visibility from millions of vehicles per week.



Public Contributions to PDO

Supportive Infrastructure: TBD

Use of City Funds: It is anticipated that the overwhelming majority of funds used to develop the PDO will not originate from the City of Memphis. To the extent that City funds are used, those funds will be subject to all the usual procedures, requirements and restrictions of the City’s procurement policies.

MWBE Participation: This project may be subject to the requirements of the City of Memphis Ordinance #5384, which establishes the Equal Business Opportunity (EBO) Program. The Ordinance may be accessed on the City’s website at www.memphistn.gov under the “Business” tab, then click on “Contract Compliance”. The intent of the EBO Program is to increase the participation of M/WBEs in the City’s procurement activities.

Incentives: The City of Memphis has provided a list of potential incentives that may be applicable to the redevelopment of the Crosstown Mound. We encourage respondents to complete all of the relevant research into each of these programs to determine if these incentives could be applied, based on the type of development they are proposing. The City does not warrant that any or all of the incentives will be applicable to the proposed development.

FINANCING INCENTIVES

Development Loan Program – *Downtown Memphis Commission*

<https://www.downtownmemphiscommission.com/financial-incentives/>

Exterior Improvement Grant – *Downtown Memphis Commission*
<https://www.downtownmemphiscommission.com/financial-incentives/>

Downtown Core Sidewalk Repair Loan Program – *Downtown Memphis Commission*
<https://www.downtownmemphiscommission.com/financial-incentives/>

Inner City Economic Development Loans – *Economic Development Growth Engine (EDGE)*
<http://www.growth-engine.org/business-assistance/tax-incentives/>

EDGE Impact Fund – *Economic Development Growth Engine* <http://www.growth-engine.org/business-assistance/tax-incentives/>

Appraisal Gap Program – *Tennessee Housing Development Agency (THDA)* <https://thda.org/business-partners/gap>

Affordable Housing Program – *Federal Home Loan Bank of Cincinnati (FHLB)*
<https://www.fhlbcin.com/community-investment/affordable-housing-program/>

Zero Interest Fund Program – *Federal Home Loan Bank of Cincinnati*
<https://www.fhlbcin.com/community-investment/other-programs/zero-interest-fund/>

Housing and Economic Development Incentives – *Memphis Light, Gas & Water*
[http://www.mlgw.com/images/content/files/pdf/IncentivePoliciesforHousing\(1\).pdf](http://www.mlgw.com/images/content/files/pdf/IncentivePoliciesforHousing(1).pdf)

Economic Development Incentives – *Tennessee Valley Authority* <https://www.tvasites.com/Business-Benefits/Incentives.aspx>

Pre Development Grant – *Memphis Medical District Collaborative*
<https://www.mdcollaborative.org/real-estate>

TAX INCENTIVES

Low Income Housing Tax Credits (4% noncompetitive or 9% competitive) - *Tennessee Housing Development Agency (THDA)* <https://thda.org/business-partners/lihtc>

Multi-family Tax-Exempt Bond – *Memphis Health Educational and Housing Facility Board (HEHFB)*
<http://www.memphishehf.com/snapshot/>

Payment in Lieu of Tax (PILOT) – *Memphis Health Educational and Housing Facility Board (HEHFB)*
<http://www.memphishehf.com/snapshot/>

Downtown Property PILOT – *Downtown Memphis Commission*
<https://www.downtownmemphiscommission.com/financial-incentives/>

Community Builder PILOT – *Economic Development Growth Engine* <http://www.growth-engine.org/business-assistance/tax-incentives/>

Destination Retail PILOT – *Economic Development Growth Engine* <http://www.growth-engine.org/business-assistance/tax-incentives/>

Expansion PILOT – *Economic Development Growth Engine* <http://www.growth-engine.org/business-assistance/tax-incentives/>

Fast Track PILOT – *Economic Development Growth Engine* <http://www.growth-engine.org/business-assistance/tax-incentives/>

Jobs PILOT – *Economic Development Growth Engine* <http://www.growth-engine.org/business-assistance/tax-incentives/>

Tax Increment Financing - *Community Redevelopment Agency*
<http://www.shelbycountyttn.gov/123/Community-Redevelopment-Agency>

Tax Exempt Industrial Revenue Bonds – *Economic Development Growth Engine (EDGE)*
<http://www.growth-engine.org/business-assistance/tax-incentives/>

Industrial Revenue Bond – *Economic Development Growth Engine (EDGE)* <http://www.growth-engine.org/site-selectors/resources/>

Municipal Industrial Development Board Tax Increment Financing (TIF) – *Economic Development Growth Engine (EDGE)* <http://www.growth-engine.org/business-assistance/neighborhood-businesses/>

Minority Participation: TBD

Insurance: This project will be subject to insurance requirements set by the City’s Department of Risk Management. Additional information about insurance coverage will be provided in the RFP that is to follow this RFQ, and the final requirements shall be determined during lease negotiations with the selected developer. All coverages and carriers must be approved by the City’s Department of Risk Management prior to execution of any agreements stemming from this RFQ. Required coverage may include, but may not be limited to, Worker’s Compensation, Automobile Liability, Commercial General Liability, Liquor Liability, Pollution Liability, Umbrella Liability, and Property Insurance for buildings and equipment. The selected developer may be required to ensure that their contractors, subcontractors and tenants maintain the same, similar, or additional insurance policies.

Development Goals and Vision

The City of Memphis is seeking a development proposal for the PDO which will:

- A Development Team that is inclusive of Minority/Women Business Enterprise with at least contract value for construction firms and maintenance/service firms 25% minority and/or women owned. Higher consideration will be given to proposals with a higher percentage M/WBE participation.

- Develop land uses that contribute to the vision established through Memphis 3.0 Comprehensive Plan (Excerpt in Appendix A).
- If jobs are created, the new jobs should pay a living wage for employees.

4. SUBMITTING A RESPONSE TO THIS RFQ

The City is seeking a partnership with developers, development firms, and/or development teams that have experience in developing, financing, marketing, selling, and managing projects of similar size, scope, and nature, as the project outlined herein. Compliance with state and federal statutory directives, publicly funded budgets, and project schedules will be considered essential, as well as the respondent’s ability to demonstrate sufficient funding capacity to complete the project.

A response submission to this RFQ **must** include the following:

1. **Cover Letter/Concept Proposal:** A cover letter signed by Respondent that provides a summary/statement of the concept for the PDO and the Respondent’s team. Respondent should note whether their submission is for the entire PDO, a project-specific development of a portion of the PDO, the Mid-South Coliseum, or some combination thereof.
2. **Respondent’s Team Information:** A description of the anticipated team structure and staff. A primary contact person for the team must be provided. Include current resumes of key individuals with direct project responsibility. Describe the specific role/responsibility each would play in the project as well as experience these individuals have in similar projects identified in the “Relevant Project Experience” section below. It is understood that it is very early in the process and it may not be possible to designate all team members at this point and that team members may change over time. However, key project management and planning team members should be identified. Please include the intended legal structure of your entity and overall team organization if possible.
3. **Relevant Project Experience:** Describe current and previous experience of the team with regard to comparable developments in size, magnitude, and use. This information should include project descriptions, photos or plan copies (if available), dates completed, Respondent’s role, financing sources, duration of development process, and other key information. Also, include contact names, addresses, phone numbers, and other key information.
4. **Preliminary Development Concept:** Respondent should describe its approach to managing the planning, design approvals, financing, phasing, development, construction, and operation of other similar development projects. This should include vision, master plan, and implementation schedule. It should include preliminary development concepts for the site and similar development projects, particularly if they were executed in collaboration with the public sector.

5. **Financial Capacity:** While a price proposal is not required at this stage, Respondent should provide evidence and supporting documentation of the development team’s financial condition and capability to finance development. The City will be interested in financial resources used for similar past projects, financing sources and structures of past projects, and experience developing on publicly-owned land. The City of Memphis will not sign nor will be a guarantor for any private debt or required financing for the PDO.

Respondent should submit all necessary materials to demonstrate that they meet the qualifications, including descriptions, drawings, renderings, brochures, documentation of completed comparable projects, resumes, qualifications and experience of development firms and key individuals on the development team, financial documentation, and general marketing materials for relevant projects.

In addition to the qualities of the developer and/or the development team, the City desires a proposed concept that positively benefits the community. To this end, Respondent should include information on any discipline deemed appropriate, including, but not limited to:

- Architect (experience with sustainable and adaptable development preferred)
- Real Estate Broker
- Planner
- Civil Engineer
- General Contractor
- Marketing / Sales Support
- Financial Partner
- Commercial or Retail partner
- Any other partnerships or relationships deemed by the respondent to be appropriate

Response Submission

Responses to this RFQ should be sent in a sealed envelope or mailing box with the developer’s name and Crosstown Mound RFQ #39262 written on the outside and should contain the following:

- 1 electronic/digital copy on CD/flash drive
- 1 hard copies

Responses should be addressed to:

Crosstown Mound Redevelopment Project

Responses should be delivered to:

City of Memphis
125 N. Main St., Room 354
Memphis, TN 38103

Delivery contact is Tim Boyles, Interim Purchasing Agent, (901) 576-6107

Deadline for responses is Wednesday, April 3, 2019 no later than 2:00 p.m. (Central Time).

Developers must respond to this RFQ in order to be invited by the City to participate in a Request for Proposals (RFP) to further develop and refine their initial proposal to the City for the PDO. The City reserves the right to reopen this RFQ process if necessary. Final selection from the RFP is expected in the third quarter of 2019.

****Responses to submitted RFQs are scheduled to be sent by June 30, 2019****

For questions about this RFQ Contact:

City of Memphis Real Estate Department
125 N. Main, Rm. 568, Memphis, TN 38103
Realestate@memphistn.gov
(901) 636-7763

Selection Criteria

Responses to this RFQ will be evaluated according to the following criteria and each must be addressed in the submittal:

- Completeness of response;
- Quality and success of previous development projects;
- Supportive of City's vision for the Crosstown Mound Redevelopment Project;
- Quality of professional experience and background of individual project team members, particularly as it relates to public/private partnerships; and
- Experience with similar and relevant developments.
- May request interview with development team

We look forward to receiving your proposal to work with the City of Memphis to generate increased vibrancy in the Crosstown area of Memphis.

Exhibit A- Memphis 3.0 Plan

To view the full, public draft of the Memphis 3.0 plan, visit:

https://www.dropbox.com/s/ff4xw25wa2cxyf4/Memphis_3.0_Plan_PUBLIC_DRAFTUpdated01092019.pdf?dl=0