

Memo

To: Mr. Eric Palm- Village Administrator, Village of River Forest

From: Jennifer M. Tammen- Municipal Advisor/Principal
Maureen Barry- Senior Municipal Advisor/Vice President

Date: April 10, 2017

Subject: Southeast Corner Lake Street and Park Avenue, River Forest, IL
Developer Solicitation – Project Initiation

We are looking forward to meeting with the Economic Development Commission (EDC) on April 12. Per our discussion, the purpose of the meeting is to discuss the EDC's vision for the process of soliciting interested parties to redevelop certain properties located at the southeast corner of Lake Street and Park Avenue (the Site). Before beginning outreach to the development community, we would appreciate the opportunity to discuss and get feedback with respect to our approach to the developer outreach and recruitment and the tasks and timing associated with same.

Input on Solicitation Approach

After reviewing the background materials provided regarding the site and the Village's prior developer solicitation efforts, we understand that the Village had issued three Requests for Qualifications/Proposals (RFQ/P) between 2010 and 2014. These solicitations yielded 1, 0, and 3 responses, respectively. Our understanding is that the Village had used similar approaches in these prior solicitation documents.

Ehlers recommends that the Village consider modifying its approach by issuing an RFQ to select a preferred developer. The preferred developer alone would then be invited to prepare and submit a proposal for the Site. We believe this approach could increase the likelihood of receiving multiple submittals from qualified developers/teams. It would also provide a framework in which the Village and the preferred developer can have dialogue on components related to community vision, priorities, and market realities, rather than a one-way, respond-and-react discourse. Other reasons to consider the RFQ-led process include:

1. This solicitation will be the fourth in seven years for the same properties. The real estate development entities included on the prior solicitations area are familiar with the Site and may be hesitant to invest in a process that requires the level of resources associated with engaging in a similar process (see #2 below).
2. Responding to RFPs carries with it a cost that is borne in large part by the developer. In recent years, we have heard that developers are more and more judicious with their resources when it comes to engaging in an open, competitive public process to secure a development site. An RFQ removes a significant portion of the cost burden and potentially enables more responses for the Village to select from and ultimately work with to develop a viable plan that can be implemented.



We would also appreciate your thoughts on the following questions, which will further inform the development of the solicitation approach and process:

- From your perspective, is it more important to select a preferred developer that is the best fit for the Village and then negotiate? Or is the financial proposal as important/more important as the fit/experience of the Developer?
- Besides the timing of the 2010 and 2011 RFPs in the economic recovery cycle, why do you think the solicitation received 1 and 0 responses, respectively? What do you see as the biggest success/challenge from the 2014 solicitation? Lesson(s) learned?
- What, if anything, do you think the Village needs to do differently in order to garner more responses from this solicitation?
- Are there any land uses or other site restrictions, etc., that the EDC believes the Village should specify in the solicitation document? Is there anything it wants to specifically encourage?

Timeline

We have drafted and attached a preliminary outline of tasks and timeframes associated with the recruitment of developers and the selection of a preferred developer. This timeline is intended for discussion and will likely be modified based on feedback from the EDC and staff. We have organized the approach into four district phases:

Phase 1 – Project Initiation

Phase 2 – Developer Identification & Roundtables

Phase 3 – Developer Solicitation (Request for Qualifications)




Phase 4 – Developer Selection

We are very excited to work with the Village on this important project and look forward to a productive discussion on Wednesday evening.

Attachment



Village of River Forest
 Southeast Corner Lake and Park Developer Identification and RFP
 Preliminary Timeline

-  = Deliverable
-  = Meeting
-  = Village Action / Approval

Phase/Key Tasks	2017												2018																																							
	March				April				May				June				July				August				September				October				November				December				January				February							
Week	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26	3	10	17	24	31	7	14	21	28	4	11	18	25	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	5	12	19	26
Phase 1 <u>Project Initiation</u>																																																				
Tasks																																																				
1.1 Project Initiation Meeting with Village Staff																																																				
1.2 Project Kick-Off Meeting w/ EDC																																																				
1.3. documents and responses, site configuration/assembly issues																																																				
Phase 2 <u>Developer Identification & Roundtables</u>																																																				
Tasks																																																				
2.1. Create invite list for RTs/Developer Solicitation																																																				
2.2. Develop RT meeting agenda, presentation materials, and discussion topics (EDC/Work Group Approval)																																																				
2.3. Village to draft and issue resident survey																																																				
2.4. Real Estate Community Roundtable Invitations/Meetings/Consolidate Feedback																																																				
Phase 3 <u>Developer Solicitation (Request for Qualifications)</u>																																																				
Tasks																																																				
3.1 Draft Solicitation Document (RFQ) for EDC/Work Group review																																																				
3.2. Meeting with EDC/Work Group to discuss feedback																																																				
3.3. Final draft RFQ - EDC recommendation to VBOT																																																				
3.4. VBOT approval of RFQ																																																				
3.5. Issue RFQ/RFP																																																				
Phase 4 <u>Developer Selection</u>																																																				
Tasks																																																				
4.1. Responses Due																																																				
4.2. Ehlers review responses and present to EDC (Select Shortlist, if necessary)																																																				
4.3. (Shortlisted) Developer Concept Presentations to EDC																																																				
4.4. EDC recommendation to VBOT on preferred Developer																																																				
4.5. VBOT selects preferred Developer to Submit Detailed Proposal																																																				
4.6. Preferred Developer Submits Proposal Due																																																				
4.7. Ehlers and Staff reviews submittal, pro forma																																																				
4.8. Preferred Developer Proposal Presentation to EDC, reviews with Ehlers' input/analysis																																																				
4.9. EDC recommendation to VBOT to Develop Term Sheet and Draft/Negotiate RDA																																																				
4.10. VBOT directs Staff/Consultant to Draft RDA																																																				
4.11. Staff/Ehlers to present Draft RDA to EDC, EDC Recommendation to VBOT to approve RDA																																																				
4.12. VBOT approves RDA																																																				

Projected timeframes and activities per the Agreement for Services/proposal and subsequent discussions with the Village.