



**CONFIDENTIAL
REQUEST FOR PROPOSALS**

DEVELOPMENT OPPORTUNITY

**TOWN OF MADISON, CT
ACADEMY SCHOOL PROPERTY**

Location: School Street, Madison, CT

Response Deadline: December 18, 2017



REQUEST FOR PROPOSAL

Academy School Property

1.0 RFP INTRODUCTION & TERMS

1.1 Introduction

The Town of Madison, CT, and its real estate advisor Colliers International (Colliers), are soliciting proposals for the long-term lease, or acquisition, and development of a 5.13-acre site, or portion thereof, located at 4 School St in Madison, CT. The subject property is located in the center of downtown Madison, approximately 250 feet east of the historic Madison Green and one block west of the Madison central business district along the Boston Post Road (U.S. Route 1).

The Academy School parcel (the "Site") includes an existing 53,500 gross square feet, three (3) story structure, a small parking and vehicular access area, baseball/softball fields, a basketball court, a playground, and open space. The building was erected originally in 1921 with an addition constructed to it in 1936. The building is currently vacant. The building was a former school and includes classrooms, areas for art and music, a media center and a combined gymnasium and theater area. A cafeteria and kitchen also exists within the existing building. Existing Floor Plans are attached to this RFP (Exhibit I). A phase I Environmental Site Assessment has been performed on the site. Additionally, a full building hazardous material assessment of the building has been performed and Asbestos Containing Material has been found within the existing building. Both reports included as attachments to this RFP (Exhibit II). The site will be turned over in a "as is" condition. Existing building condition information (Exhibit III), as well as Soil Sampling /Test Pits (Exhibit IV), have been developed and are also attached as an exhibit.

The location of the subject property has excellent access to existing shopping, dining, and entertainment options and is easy to reach by way of the downtown street network, the interstate highway (I95) and rail. Sidewalks exist around the subject property with walking access to all directions.

This parcel has been the subject of many town meetings and discussions. The Town of Madison commissioned a visioning session with town residents to solicit their feedback on what solution would make the most sense for the subject property (see attached Exhibit V). As a result of their involvement, the following issues were considered "ideal":

- A playground as well as some level of open space should remain, post development, on or very near the site.
- A mixed use building would be preferred (a chain store or 100% apartments or condominiums should not be considered)
- Maintain the shell of the original 1921 building (approximately 25,000 GSF)

- Provide a more attractive pedestrian connection between the Academy School property and the core of Madison Center to the east
- **The Town will be interested in all development options.**

Additionally, as a means to encourage economic development, the Town of Madison has long been involved in discussions and preliminary investigations regarding the possibility of providing an alternative to on-site septic systems to meet the wastewater demands in the central business district. If it could prove to be mutually beneficial to both parties, the Town of Madison is interested in exploring the potential for a public-private partnership to construct a wastewater treatment facility with sufficient capacity to serve the proposed development along with other properties within Madison Center.

It is the intent of the Town of Madison to include the residents of the Town in the selection process. A shortlist of selected recipients will have their proposals viewed by the Town at a Town Forum.

This Request for Proposal (RFP) is designed to provide responding firms (“Respondent(s)”) with sufficient information to respond to this Request for Proposal to purchase, or lease, the Project Site, or portion thereof, from Madison, CT and develop the Academy School site project as Madison’s development partner (the “Developer”).

Additional information about The Town of Madison may be obtained by visiting the website at:

www.madisonct.org

1.2 **RFP Terms and Conditions**

Respondents acknowledge that the Town of Madison reserve the right to accept or reject, at their sole discretion and without any explanation, any and all qualifications furnished in response to this RFP. The Town of Madison and Colliers are not obligated to accept any proposal package from any Respondent.

1.3 **Response Instructions**

Response Date

Responses to this RFP must be filed no later than 12:00 noon Eastern Time on December 18, 2017 and submitted to:

Marc Sklenka, Senior Director of Project Management
Colliers International
135 New Road
Madison, CT 06443
860-395-0055
marc.sklenka@colliers.com

Late responses will not be accepted.

Selection Timetable

The following dates are tentatively scheduled for the selection process, but are subject to adjustment at The Town of Madison’s discretion:

- ~~a) RFP Issue Date – 9/7/17~~
- ~~b) Qualification Due Date – 9/22/17~~
- ~~e) Qualification Review Period – 9/22/17 10/20/17~~
- d) RFP Issue Date – 10/23/17
- e) Pre-Proposal Briefing (not mandatory) – 11/3/17 @ 10AM (Location: Memorial Town Hall 8 Meeting House Lane)
- f) Proposal Due Date – 12/18/17
- g) Proposal Review Period – 12/19/17-2/8/18
 - (1) Public Workshop to review Proposals- Wk of 1/22/18
- h) Preferred Developer Tentative Designation – 2/12/18 (Selectmen Action)

Notification

All Respondents will be notified in writing of the Town of Madison's decision.

1.4 Confidentiality and Ownership

This RFP is both confidential and proprietary to the Town of Madison and Colliers International and Colliers reserves the right to recall the RFP in its entirety or in part. Each Respondent cannot and agrees that it will not duplicate, distribute or otherwise disseminate or make available this RFP or the information contained herein (other than that already existing within the public domain) without the express written consent of the Town of Madison and Colliers International. Notwithstanding the foregoing, each Respondent may make this RFP available to those employees who have a need to know of its contents in order to participate in the preparation of each Respondent's proposal in response to this RFP. Each Respondent's response to the RFP, including, without limitation, any and all work product and related documentation submitted with the response to the RFP (collectively, "Work Product"), shall be retained by The Town of Madison and Colliers.

1.5 Incurred Costs

Neither The Town of Madison nor Colliers is not responsible for any costs incurred by any Respondent for any act or undertaking in responding to this RFP.

1.6 Disclaimer of Warranties

The Town of Madison and Colliers disclaim any express or implied warranty as to the accuracy and/or sufficiency of any information, drawing, plans, specifications and other material furnished to any Respondent in connection with this RFP.

1.7 Notice to Colliers

If any Respondent, after having received and reviewing this RFP, elects not to respond for whatever reason, the Respondent is requested to notify Colliers of their intention to decline the invitation as soon as possible, but in any case, no later than 7 days after receipt of the RFP.

2.0 BASIC TERMS & CONDITIONS

2.1 Overview of Terms & Conditions

It is anticipated that the successful Respondent will enter into a Letter of Intent with The Town of Madison that will set forth the fundamental terms and conditions of the transaction, followed by a lease (if chosen) for the Project Site further detailing and memorializing the transaction terms. The terms & conditions included in this RFP are intended to serve as guidelines to assist Respondents in developing proposals that best reflect The Town of Madison's priorities for the transaction.

2.2 Transaction Priorities

The economic value of the transaction is a priority for the Town of Madison. However, in addition to the economic aspect of the transaction, The Town of Madison is especially interested in how the transaction can further its mission by providing partnership opportunities or other meaningful benefits to The Town of Madison. Respondents should specify how their proposal will provide any of the following:

- Consistency with residents input on the potential use;
- Opportunities to save the existing shell of the 1921 building
- Economic benefits to local businesses;
- Other quality of life benefits to The Town of Madison, consistent with the Plan of Conservation & Development Plan

2.3 Transaction Structure

The Town of Madison is open to any and all types of transaction structures. All viable options will be considered. Possible options are described below, but other potential structures that maximize the Town's assets and benefits the tax payers long term will be considered. Respondents should propose any and all suggestions:

Ground Lease / Project Site: The Town of Madison will consider proposals for the long-term, pre-paid ground lease of the Project Site, with a preferred term of seventy-five (75) years or less. The proposed ground lease must not be subordinated to any Project financing; The Town of Madison's ownership of the underlying fee interest must not be jeopardized in any way by the transaction.

Disposition: The Town of Madison will consider a complete disposition of the entire site, or portion thereof. The disposition price will be guided by fair market value, as well as the best value offered by the respondents. The developer will assume the site "as is". Any remediation costs will be the responsibility of the developer. Copies of existing environmental survey reports will be made available to the shortlisted developers.

Building(s): For this primary component of the Project, it is anticipated that the successful Respondent will be responsible for designing, financing, constructing, marketing (if/as applicable), operating, and maintaining the Building(s). Respondent will also bear primary responsibility for completing the regulatory approvals and permits required to construct the Building(s), but The Town of Madison will assist as appropriate during this process. Respondent will own the Building(s) for the term of the ground lease, which ownership will revert to The Town of Madison upon expiration of the lease, if accepted.

- Other Structure or variation of any of those conceptually described above.
- Potential P.I.L.O.T. (payment in lieu of Taxes) structures.

2.4 **Zoning:**

The property is located within the Madison Historic District as well as the Downtown Village District. Development proposals should adhere to the guidelines contained within these respective district regulations. Additionally, the proposals should be consistent with the Plan of Conservation & Development. The property is located within an R-2 residential zoning district; however, during the public outreach process, the Planning & Zoning Commission expressed interest in considering more intensive mixed-use development for the property. Development proposals need not adhere to the residential district regulations; however, responses shall include a statement summarizing possible regulation amendments that would be necessary to facilitate the project.

3 **SUBMISSION REQUIREMENTS**

3.1 **Proposed Development of the Parcel**

Please provide information in the form of graphics (Site Plans, Floor Plans, Elevations; Conceptual in nature) and accompanying narrative relative to your planned development. Information should include, but not limited to, the following:

- Proposed uses
 - % of Parcel to be developed
 - % of Parcel to remain “open space”
 - Residential _____ SF
 - Commercial (Type)_____ SF
 - Mixed Use (% of each)
 - Community Facility (if part of proposal)
 - Other Uses
- Creative thoughts towards property, e.g. creative deal structure, planning/design, schedule/phasing, etc.
- Sensitivity to surroundings, i.e. provide context diagrams, including historical/cultural references, local infrastructure, etc.
- Sustainability measures (proposed LEED program, if applicable)
- Any Zoning Modifications required to meet with the proposed development (The Town is committed to working with the selected developer on any zoning modifications required).

3.2 **Respondent’s Proposed Team**

Please provide a list of proposed development team members who would assist the Respondent in implementing the Project. Please include at a minimum: Architect, major Consulting Engineers, Environmental consultants, Construction Manager (note any legal and or financial ties to the respondent), and Legal Counsel.

3.3 **Letter of Intent**

Please provide a proposed Letter of Intent/Term Sheet describing the fundamental deal points of the proposed transaction. Include at a minimum in the proposal:

- Summary of transaction economics;
- Rent payment schedule; Alternatively PILOT program details
- Schedule of deposits;
- Term of ground lease (if applicable) and a schedule of payments, including initial up front monies
- Schedule of Project implementation;
- Guarantor of ground lease;

- Outline of Respondent/Madison responsibilities during project delivery;
- Specific responses to Madison’s priorities and special preferences outlined above;
- Any modifications proposed to the Project’s development program or configuration.

3.4 Credit References

- Financial Statements (un-audited, at this time)
- Letter of interest from Lender for Development & Construction Loan – acknowledging the general economic parameters of the loan request specific to this project. What is the probable range of lending? How much equity versus debt will the developer be required to carry? How will the construction loan proceeds generally be advanced, i.e. equity then debt, pari passu basis, etc.?
- Include borrowing history with each lender; note any defaults, late payments, judgements, etc.
- Venture structure, including JV participants and respective roles (financial), list all proposed institutions.
- Consent of Surety letter (for Payment & Performance Bond) if the Respondent is also the builder and/or self- performing any major portion of the work.
- If the Respondent is the builder, describe the Sub-Contractor Default Insurance program – what is the “loss” history.
- Describe any Public/Private partnerships and the financial structure.
- Provide details of any project undertaken with a P.I.L.O.T. (Payments in Lieu of Taxes) program – note defaults and/or late payments; as well as term and amounts.
- Lien history on projects due to late payments
- Describe prior completion guarantees - are the guarantors part of the Respondents present team; were there any issues.

3.5 Litigation History

Please provide a summary of any litigation activities your firm was involved within the last five (5) years-noting the disposition of each action.

3.6 Additional Information

Please provide any additional information that The Town of Madison and Colliers should consider when evaluating the Respondent’s proposal.

Selection Criteria

- Financial qualifications of proposed developer/lessee
- Economic benefit to The Town of Madison
- Responsiveness to other The Town of Madison priorities
- Other proposed terms

4 PROPOSAL SCHEDULE & COMMUNICATIONS

Eight (8) complete copies of your qualifications should be submitted to Colliers’ office on or before **December 18 at 12:00 noon** (“Deadline Date”) to:

Marc Sklenka
 Senior Director, Project Management
 Colliers International
 135 New Road
 Madison, CT 06443
 Phone: 860-395-0055

Email: marc.sklenka@colliers.com

Please also provide an electronic version of your complete qualifications on a CD/thumb drive or an email-able PDF document.

Please direct all questions in **writing** to:

Marc Sklenka
Senior Director, Project Management
Colliers International
135 New Road
Madison, CT 06443
Phone: 860-395-0055
Email: marc.sklenka@colliers.com

EXHIBITS:

Exhibit I: Existing Floor Plans

Exhibit II: Phase I ESA and Hazmat Survey

Exhibit III: Conditions Assessment

Exhibit IV: Test Pit Sampling

Exhibit V: Market Survey & Visioning Session
Results