

REQUEST FOR PROPOSALS

PROPERTY ACQUISITION AND DEVELOPMENT 318 W. LAKE STREET SOUTH LYON, MICHIGAN 48178

INTRODUCTION

The City of South Lyon (the "City") is seeking proposals for the purchase and development of a single family residential structure on City-owned property located at 318 W. Lake Street in South Lyon (the "Property"). Parcel ID# 21-19-456-026.

The City will select the purchaser/developer (the "Respondent") which presents the best overall proposal based on the property acquisition price, design and compatibility of the proposed residential structure to the neighborhood, the financial ability of the purchaser to develop the Property in accordance with the City's objectives, and the qualifications and experience of the proposed developer. See City Website at southlyonmi.org for additional information.

The City reserves the right to accept any proposal, reject any proposal, or waive irregularities for any reason or no reason at all. The City also reserves the right to award a contract for all of the project, a portion of it, or none at all.

Respondents must submit three hard copies of the proposal to the South Lyon Clerk no later than **4:00 pm on Monday, October 1, 2021**. Proposals shall be submitted in a sealed envelope clearly marked "Proposal: 318 W. Lake Street" and can either be mailed or delivered to:

City of South Lyon
Clerk's Office
335 S. Warren St.
South Lyon, MI 48178

PROPERTY OVERVIEW

The Property is currently zoned R-3 one-family residential and is owned by the City of South Lyon. The request is to have a new single-family residence developed on the Property. The residential structure shall be a two-story home that is compatible with the adjoining properties in the immediate neighborhood. Please see attached ordinance which pertains to residential development for infill properties.

PURCHASE PRICE

Each proposal must include a proposed purchase price for the purchase of the Property in its submission package.

EVALUATION AND SELECTION PROCESS

City Administration will review all Proposals. The City may obtain assistance from consultants to provide recommendations and evaluations only. In accordance with the schedule set forth below, the City may consider a “short list” of Respondents.

While the City reserves the right to accept or reject any and all Proposals, a number of finalists may be selected and asked to provide additional information, including financial qualifications and more detailed concept plans for the development of the property. The additional information will facilitate the final selection of the successful Respondent. Further, the additional information will allow the City to select a Respondent financially able to perform on the contract and proceed with a development perceived to be positive for the City as well as the community at large. It is important to note that the highest price may not necessarily represent the proposal that the City determines in its sole discretion to be, in its totality, in the best interest of the City or the public.

The City may elect to interview a Respondent regarding the details of a Proposal.

Selection Criteria

Proposals will be evaluated using the following criteria:

<u>Overall Concept Strength</u> – Overall strength of Proposal and alignment to market conditions, including manner in which the proposed project achieves the City's development objectives, and compliance with infill guidelines.	25%
<u>Financial Strength of Proposal</u> - Depth and credibility of financial pro-forma, ability to deliver identified financial sources, and capacity of development principals-ability to finance Proposal, including demonstrated ability to procure financing and complete projects on schedule and within budgetary assumptions.	25%
<u>Proposed Work Plan</u> - Alignment of Proposal with the development objectives outlined in the RFP. Proposals must include information on the schedule anticipated by the Respondent, including timing for site plan development and arranging construction financing.	20%
<u>Past involvement with similar projects(s)</u> – Demonstrated experience in design and completion of rehabilitation projects of similar scale and complexity.	15%
<u>Local Participation</u> – Degree to which Proposal and/or development team incorporate local vendors, demonstrate an understanding and prioritization of the community in which the Property is located.	15%

The finalists will be notified following the deadline for submission. The City may request that the finalists make revisions to their proposals that the City deems necessary to select the successful Respondent.

In the event that the evaluation process does not result in the selection of a definitive Respondent and Proposal, the City, at its sole option, may choose to initiate negotiations with any other qualified Respondent, reopen the entire RFP process, or pursue any other avenues for the sale and development of the Property deemed appropriate by the City.

Proposal Submission Guidelines

The following guidelines are provided for standardizing the preparation and submission of Proposals.

Proposal should be printed on 8 ½-inch by 11-inch paper, with an easy to read font size and style. Conceptual Plans for the Property shall be dimensioned and be to scale and can be on a larger paper size if needed.

The Proposals shall contain the following information in the order listed:

1. **Introductory Letter:** This letter should identify the name of the proposed purchaser/developer, whether an individual, partnership or corporation, along with the Purchase Price. It shall include the full names and address of all parties who will be the principal investors or owners of the Property and who will become party to any contract or agreement. This letter shall include a statement acknowledging the requirements of the RFP, referring to any exceptions proposed to these requirements if there are any.
2. **Project Description:** The Respondent shall provide a brief description of the proposed development of the Property, expected date to begin construction, the estimated cost to construct, and target sale price. The Respondent shall provide conceptual plans which shall include square footage and materials of the proposed residential structure. Respondent shall include a statement that he/she fully understands the City's site plan approval process that must be followed.
3. **Qualification and Experience:** A general description of the Respondent's organization and current and past construction experience. An organizational chart of the members of the construction team should be included along with a designation of the individual who is responsible for day-to-day planning and development activities for the overall project team. The Respondent shall provide a listing of similar residential projects currently underway or completed within the past three (3) years.
4. **Letters of Reference:** The Respondent shall provide a letter of reference/support from: financial, legal and public sector sources, including telephone and email addresses for each reference.
5. **Project Expected Timeline:** The Respondent should also include a preliminary time table along with action steps needed to undertake and complete the project. Including start and completion dates and other key dates as identified for action. The Proposal must include deadline by which the project will be initiated and completed.

6. **Supporting Information:** This section may include any graphs, charts, photos, resumes, references, etc. in support of the Respondent's qualification and/or Project plans.

RFP Timetable

ACTIVITIES

RFQs Available for Distribution
Walkthrough of Property
Deadline for Submission
Oral Interviews (if necessary)
Final Selection

DATE

August 1, 2021
September 1, 2021
October 1, 2021
Week of October 18th
On or before November 1st

RESPONDENT'S RESPONSIBILITY

1. **Property Inspection** – The Property will be sold "AS IS." The City makes no warranty or representation regarding the condition of the Property offered within this RFP. Each Respondent shall be responsible for visiting the Property and shall inspect and become fully acquainted with its conditions. Failure to do so will not relieve the Respondent of his/her obligations to comply with all terms and conditions necessary to carry out the provisions of the purchase agreement and/or land development contract. The City will make arrangements to have one public site inspection on **September 1, 2021 10:00 am**. For this inspection, please meet in the City Council Chamber, South Lyon City Hall, 335 S. Warren St., South Lyon, Michigan. After a short meeting, a site visit will be conducted.
2. **Qualifications of Respondent** – The City may make such investigations as it deems necessary to determine the ability of the Respondent to acquire the Property and perform the development under the conditions as provided for herein. Respondents shall furnish the City with all pertinent information and data for this purpose. The City reserves the right to reject any Proposal if the evidence submitted by, or investigation of, such Respondent fails to satisfy the City that the Respondent is properly qualified or able to carry out the obligations as contemplated herein. Conditional Proposals will not be accepted.
3. **Security Deposit** – Each Proposal must be accompanied by a certified check in the amount of (\$1,000). Such certified check will be used as a non-refundable deposit toward the purchase price of the Property as soon as City Council approves the sale of the Property. All deposits will be returned to the unsuccessful Respondents immediately upon approval of the successful Respondent by City Council. If the successful Respondent shall neglect or refuse to execute a contract within thirty (30) days after written notice by the City that the Proposal has been accepted, the amount of the deposit shall be forfeited to the Respondent as liquidated damages for such refusal.

4. **Closing and Performance** – The successful Respondent will be expected to suggest a proposed closing date in the Proposal that may be subject to change by the City. The closing will require execution of all legal documents, agreements and contracts as may be required to consummate a complete sale, including payment for acquisition of the Property and other required agreements that will need to be executed to guarantee development in accordance with the terms and conditions as outlined herein and as may be negotiated with the successful Respondent. The City will convey by quit claim deed and will provide evidence of title and the title insurance. Upon conveyance, the Property may be subject to taxation, as well as federal, state and municipal laws; easements and restrictions of record.
5. **Withdrawal of Proposals** – Proposals may not be withdrawn for a period of sixty (60) calendar days after the date of opening unless the consent of the City is given. Negligence on the part of the Respondent in preparing the proposal confers no right for withdrawal of the proposal after it has been opened.
6. **Ownership and Signatures** – All Proposals must contain the complete legal names and signatures of the Respondent(s) who are to become the legal owner(s) and who are proposing to acquire and develop the property. These should be the persons who will have an interest in the Title to said property and who will be involved in the complete execution of all Title work and other legal documentation that will be necessary to properly complete the transaction of sale and development agreements. All Proposals must contain the full signatures of the parties authorized to bind the Respondent to its provisions, be dated and witnessed and contain the full legal address and telephone number of all parties connected therewith.

RESERVATIONS OF RIGHTS / NOTICES / DISCLAIMERS:

The City reserves the right to reject any and all Proposals and to select the Proposal it deems is in the best interests of the City, even if it not the highest purchase price.

While every reasonable effort has been made to ensure the accuracy of all information included in this RFP describing requirements for the development proposal, or which will be provided to the applicant, the City makes no representation, warranty or guarantee as to the completeness or accuracy of information provided. All information provided by the City is made available for the sole convenience of the Respondents. Each Respondent shall rely upon its own inspection, investigation and analysis of the Property and resources available, and/or deemed necessary or prudent in the evaluation of the Property and corresponding proposal. It is the purchaser's sole responsibility to determine suitability for development for the purposes set forth herein. All proposals will be subject to applicable laws, ordinances and regulations.

This RFP is not a legally binding document, but merely an invitation to submit Proposals based on the guidelines and terms provided herein. The City shall not be under any obligation to any party unless and until the City and any Respondent that may be selected enter into a legally binding Purchase Agreement and/or Development Agreement, approved and executed by the City subsequent to all required approvals by City Council.

In no event shall the City be responsible for any cost, expenses, or any other type of expenditure incurred by or on behalf of any Respondent in connection with this RFP or a Respondent's investigation of the Property or the negotiation of a Purchase Agreement, and/or Development Agreement, regardless whether such Purchase Agreement, and/or Development Agreement are executed. The Respondent shall be solely and wholly responsible for all such costs, expenses and fees.

The City will make every effort, but provides no guarantee, to provide notice of amendments or modifications to this RFP to all Respondents. In the event that such notice is not provided, or not received, no additional rights shall be granted to any Respondent regarding the Property. If a Proposal or part of a Proposal contains a misrepresentation of any information, whether by omission or directly, either willful or inadvertent, it may be cause for immediate elimination of the Respondent from further consideration.

No fees or commission will be paid by the City to parties acting as agents, brokers, consultants or contractors as part of this transaction.

All proposals and supplemental materials shall become the property of the City after submission. After submission, no proposals or supplemental materials will be returned. The City shall retain the right to share concepts and terms submitted by one Respondent with other Respondents.

The City encourages the utilization of qualified local businesses and workers and / or vendors where reasonably feasible.

ITEMS INCLUDED

City of South Lyon Zoning Map, a plot plan that indicates the dimensions of the property, a photo of the vacant piece of property, and an aerial of the property that was taken prior to the demolition of the structure that use to sit on the property. And information and regulations pertaining to the R-3 Zoning District, and residential redevelopment infill regulations.

QUESTIONS:

Questions on this RFP are to be directed by email to Paul Zelenak, City Manager, at pzelenak@southlyonmi.org. Such contact shall be for clarification purposes. All questions received will be answered in a timely fashion and the answers may be provided to all other Respondents.