

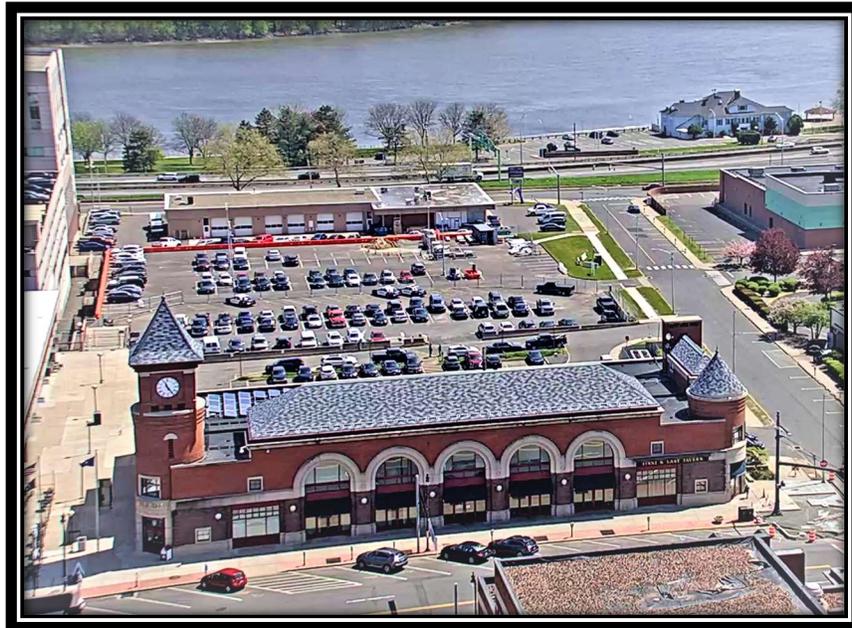
Request for Developer Qualifications

City of Middletown, CT



Opportunity Zone Sites

60 Dingwall Drive, 222 Main Street, & 195 deKoven Drive



Issued by:
City of Middletown, Connecticut

Date: February 24, 2020
Due Date April 17, 2020

The City of Middletown requests qualifications of developers for purchasing and developing a 1.5-acre City-owned parcel at 60 Dingwall Drive and the potential of two adjacent sites including the parking lot of 222 Main Street, which is currently occupied by the Middletown Police Department (City Property) and a 1-acre site (195 deKoven Drive), which is owned by ATD Realty LLC and may be included in the final proposal.

The documents comprising the Request for Qualifications (RFQ) may be obtained on the City's website, www.Middletownct.gov, 245 deKoven Drive, Middletown, CT 06457 during normal business hours. Each proposer is responsible for checking the City's website to determine if the City has issued any addenda and/or additional supplemental documents, needed to complete its proposal in accordance with the RFQ as modified by the addenda.

For additional information, please contact Joseph Samolis, Director of Planning, Conservation and Development, 860.638.4843, joseph.samolis@Middletownct.gov.

The City of Middletown reserves the right to reject any and all responses to this RFQ, to advertise for new RFQ responses, or to accept any RFQ response deemed to be in the best interest of the City.

A response to this RFQ should not be construed as a contract nor indicate a commitment of any kind. The RFQ does not commit the City to pay for the costs incurred in the submission of a response to this RFQ or for any costs incurred prior to the execution of a final contract.

Date: February 24, 2020

City of Middletown, Connecticut

DEVELOPER REQUEST FOR QUALIFICATIONS

60 Dingwall Drive, 222 Main Street, & 195 deKoven Drive

I) INTRODUCTION

Overview

The City of Middletown (“The City”) is seeking qualified developers for redeveloping 60 Dingwall Drive and, potentially, two contiguous sites located at 195 deKoven Drive, 222 Main Street, Middletown. These sites are approximately 1.5 acres, 1.0 acres and 1.0 acres respectively. They have scenic and panoramic views of the Connecticut River in both the northern and southern directions. Each parcel is in the City’s federally designated Opportunity Zone and are in the heart of Middletown’s thriving downtown.

The selected developer will first enter into a developer agreement and/or Memorandum of Understanding with the City (MOU). City staff will work with the developer to plan the project, complete its due diligence and develop a final design. The parties will enter into an agreement to purchase the City’s site(s) and construct a commercial project which could comprise residential, commercial and/or office space. The developer may include the private site in the project.

The City Opportunity Zones offer developers a low-risk project due to the City’s extremely economically vibrant and historically iconic downtown, close affiliation with Wesleyan University and major employers including Pratt and Whitney, Middlesex Health and the Community Health Center. This site can become the key connection between the City’s Urban Commercial Center and the future Riverfront Development that is slated to be complete in the coming years.

Middletown’s classic New England downtown is the heart of the City where visitors and residents enjoy more than 60 restaurants, dozens of retailers and entertainment venues. It is walkable to Wesleyan University, major employers Middlesex Health hospital and the Community Health Center and multiple engineering and legal firms, among others. The downtown have vibrant mix of uses including but not limited to retail, restaurants, services, professional offices, and residential units.

Middletown’s employers bring in more than 10,000 workers daily from a regional employment base of more than 800,000 residents living in a 10-15 mile radius around the Downtown.

The City is experiencing a riverfront renaissance, with more than \$60 Million already invested in decommissioning the riverfront wastewater treatment facility and increased and improved public infrastructure along the City’s existing park.

Objective

The City is seeking public-private partnership in providing an iconic development which will bring people and business to downtown, provide places for people to live and work and become a regional attraction. The City is looking for creative ideas including, but not limited to:

Developing the site for mixed uses including housing, offices, shopping, entertainment and dining.

A project which will provide the public with a place where it can gather and enjoy the River. Access to the river should be considered.

A building which will fit in to the context of the City's vibrant and historic downtown in both scale and design.

The project shall include a public parking component.

The Sites

The targeted site is 60 Dingwall Drive, owed by the City. The site sits in the heart of Middletown's classic New England downtown with its 60+ restaurants, 50+ retailers and service providers and mix of apartments and offices.

The site at 60 Dingwall Drive is currently a surface parking lot used by both City employees and the public. In 2018, the City tore down the 2-story garage which stood there since the 1960s. We have completed some environmental studies (see below).

The site at 222 Main Street is also owned by the City. The building is split between a restaurant and the Middletown Police Department. MPD parks its Department and personal vehicles on the nearly 1-acre lot which is behind the building and contiguous to 60 Dingwall Drive. This site may be included in the proposals.

ATD Properties, LLC owns the 0.9-acre on 195 deKoven Drive. It operates an auto related business which up-fits cars with new technology, amenities and the like. This site faces the River and opens up vistas to it for the main site. The owner has entertained offers for purchase and development, which have fallen through because of a lack of comprehensive design for the property.

Taken together, the three sites comprise nearly 3.5 acres which overlook the Connecticut River in both directions and provides access to both Middletown's classic downtown and its Riverfront via Harbor Park.

Infrastructure

The sites have complete utilities, being served by Eversource Electric and Gas, and the Middletown Water and Sewer Division. These facilities should be adequate to support the

proposed development, but the selected developer will be expected to conduct its own due diligence.

Development Guidelines

The City is looking for this site(s) to be developed within the regulations of the City's B-1 Zone. This zone is a broad, downtown business district zone which allows, by right, most typical downtown uses. We are seeking a development firm which has the talent, creative skill and financial capability to finance, design and successfully construct a project which will maximize the use on the site, fit into the City's iconic downtown and attract people and businesses.

II) SELECTED DEVELOPER'S RESPONSIBILITIES

This section describes in general the anticipated responsibilities of the selected preferred developer in the redevelopment of 60 Dingwall Drive and/or 222 Main Street and/or 195 deKoven Drive. Following the selection of the developer, these responsibilities will be more specifically defined and detailed in a development agreement to be negotiated between the City and the selected developer.

The selected developer will (at a minimum):

Negotiate with the City and present a developer agreement and/or MOU within 45 days of selection. The developer agreement will define a process that will subsequently lead, subject to terms, conditions and approvals, to executing a purchase and sale agreement for the City's property(s). Extensions may be granted upon mutually agreed upon terms.

Solicit Public Input from the community regarding ideas and concerns for the development.

Submit a plan for the project in coordination with the City's departments which have cognizance over developments, building and construction.

Initiate a marketing effort to seek project tenants.

Secure financing sources for the entire project.

III) RFQ SUBMISSION REQUIREMENTS AND SCHEDULE

Submission Requirements

The City intends to select a developer based on review and evaluation of the information submitted in response to this RFQ and interviews with both the developer and references the developer submits. The City is not seeking a detailed redevelopment program and financial plan at this time. Rather, the City seeks a development concept and information concerning the respondent firms' accomplishments, capabilities, and experience. Respondents should

place the required information in a three-ring binder and label and tab each one of the sections for easy and consistent reference.

Each Statement of Qualifications should be organized in the following order:

- 1. Title page.** The title page should show the respondent's name, RFQ title, and date of submittal.
- 2. Letter of introduction.** The respondent must send a one-page letter which includes the name, address, and statement of whether the respondent is an individual, partnership, corporation, joint venture, special-purpose entity, or other entity. The letter must indicate the name of the person(s) authorized to make representations and sign for the respondent and his or her, email address, physical address, cell phone number and landline number, if any. The person authorized to represent the proposal should sign the letter.
- 3. Project approach.** Briefly describe, in general, the respondent's approach to the design, finance, construction and management of projects similar to Middletown's. Include a discussion of the developer's expectations regarding public financial assistance and of how the developer will interact with the City throughout the development process.
- 4. Relevant project experience.** Provide previous project details that include scope, building use(s), cost, financing, including any public investment and geographic location for each project completed. Identify finance and development partners for each one. Also, describe the role the respondent performed in the development partnership. Emphasis should be placed on experience and involvement in relevant redevelopment projects.
- 5. History of respondent and key team members.** Identify the legal entity that will serve as the principal in the proposed redevelopment, and provide a brief history of that entity and the parent company, if applicable. Provide resumes of the key individuals who will be responsible for managing the project. Describe the level of commitment for each member of the development team. Also, describe any litigation in which the respondent or a major team member was/is a defendant (past 5 years or pending) or any bankruptcy filing by them or any entity they controlled (minimum 10 years).
- 6. Financing capability.** Provide credible current information regarding the respondent's capacity to secure private capital and financing sufficient to complete the proposed project in a timely basis.
- 7. Project marketing and management expertise.** Provide examples of the respondent's marketing plans for completed projects and on-going management of projects of similar character, size and complexity to the Middletown project.
- 8. References.** Provide financial and development references (name, title, entity, telephone numbers, and contractual relationship to respondent) who can be contacted at this time with

respect to current and past project development experience. These should include at least two banking references and 2 – 4 senior public officials who were intimately involved with completed projects. Before final selection additional financial information may be required.

9. Concept plan. Prepare a detailed concept plan and a discussion of the planned use of the property.

10. Price. The proposal should state what the developer's considerations are when negotiating the price of the City's lots.

11. Contingencies. State the contingencies of the offer including any financing and due diligence contingencies.

12. Project Schedule. Provide a schedule from the time of entering into initial agreement with the City to projected completion date.

IV) QUALIFICATION SCHEDULE

The following is the schedule for this developer RFQ process:

Release of RFQ, including supplemental documents on 2/24/2020.

Site walk with Department of Planning, Conservation, and Development Staff on March 13, 2020. To be held at 60 Dingwall Drive at 10am.

Additional supplemental information and addenda will be released, as available, and will be available only directly from the Director of Purchasing on request.

Statements of Qualifications due by 4:00 PM, April 17, 2020

City Review and interviews with selected Developers.

Selection of Preferred Developer.

Ten (10) complete paper copies of the Statement of Qualifications and one electronic copy, as outlined above, must be submitted to:

Joseph Samolis
Director of Planning, Conservation and Development
City of Middletown
245 deKoven Drive
Middletown, CT 06457

The submittal package must be received at the above office by 4:00 PM on April 17, 2020.

Respondents (and related entities) are expected to be current with any taxes, fees or other funds owed to the City of Middletown.

The evaluation of submittals in response to this RFQ does not constitute any form of commitment from the City of Middletown. It is anticipated that each submittal will be evaluated based on the information submitted plus any other independent information developed by the City. Middletown reserves the right to request clarification or additional information from a respondent if necessary.

V) ADDITIONAL SITE DETAILS



*The garage in this photograph was demolished in 2018

Here are the details:

- City Lots:** 1) 1.5 acres located at 60 Dingwall Drive, surface parking lot
<http://gis.vgsi.com/MiddletownCT/Parcel.aspx?pid=38>
2) 1 acre located at 222 Main St., parking lot for the Police Department
<http://gis.vgsi.com/MiddletownCT/Parcel.aspx?pid=64>

Private Lot: 1.0 acres located at 195 deKoven Drive, auto up-fitter
<http://gis.vgsi.com/MiddletownCT/Parcel.aspx?pid=878>

Zoning: B-1 Downtown – allows retail, restaurant, residential, office and mixed-use by right

Amenities: The site is walkable to restaurants, shops, apartments, entertainment venues and major employers -
Wesleyan University - 3,500 + students and staff

Middlesex Health - 2,800+ hospital staff
Community Health Center HQ - 200+ staff.

It is a block to the entrance of riverfront Harbor Park.

Current Use: The City's sites are parking lot for our employees, the Police department and the public. A company which installs premium automotive accessories occupies the private site. The owner has entertained offers in the past.

Reports: The City has completed environmental reports on the site. We share these reports with potential developers.

A recent residential market assessment showed a pent-up demand for 400 residential units. <http://middletownct.gov/DocumentCenter/View/4868/Centerplan--Downtown-Strategic-Market-Anaylsis--Mixed-Use-Development-2014-PDF>

This is a concept redevelopment plan for the site and adjoining properties. <http://middletownct.gov/DocumentCenter/View/4846/CenterPlan--Arcade-Garage-and-Metro-Square-Concept-Development-Plan-Phase-3-2014-PDF>

The City commissioned a concept design for expanding Harbor Park past downtown. <http://middletownct.gov/DocumentCenter/View/4829/Project-for-Public-Spaces--Final-Riverfront-Report-2014-PDF>

Staff has developed local and regional economic and development Census data which is available on demand.

Incentives: The City has a full range of incentives that insure the right developer can make a proper ROI while the City's tax payers get a return on their investment.

Here is the link to Middletown's Business Incentive Policy:
<https://www.ecode360.com/8366130>

Partners: The City has a full partner in the Middlesex County Chamber of Commerce, the State's largest at nearly 2,500 members. Together we insure a smooth transition to the City. Other partners include Wesleyan University, Middlesex Community College, Liberty Bank, Middlesex Health, Pratt & Whitney Aircraft and a host of non-profits and neighborhood groups.

VI) PROCESS

The City's land use processes are swift, certain and smart. The Planning and Zoning Commission meets twice monthly while all other land use commissions meet monthly. Staff will work with you upfront to insure your project receives swift approval from all departments and commissions and receives a timely vote from the Common Council.

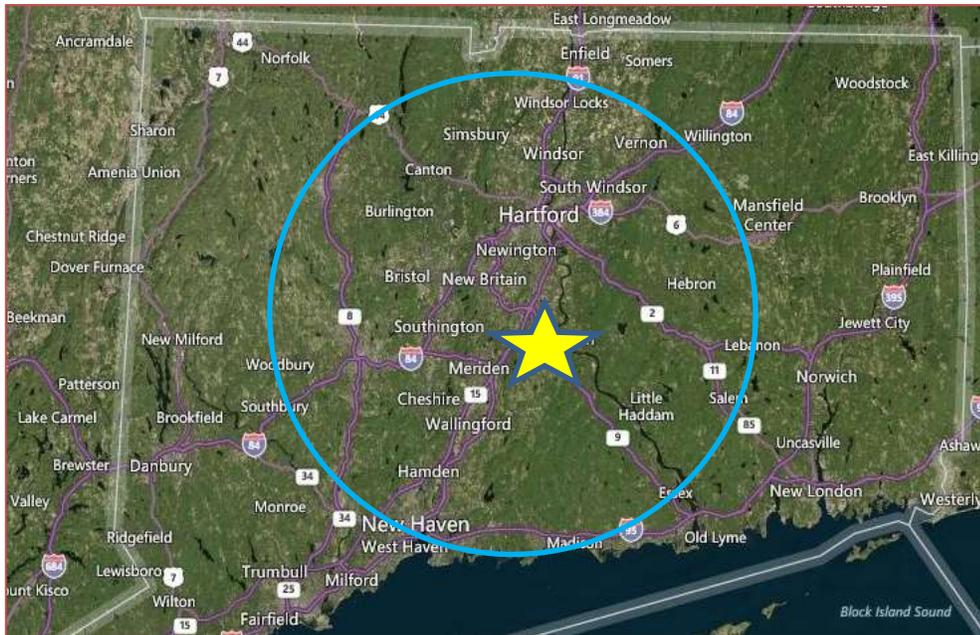
The approval process, given there are no complications, can be completed in one month. The Common Council meets on the first Monday of the month following the process. The City and developer finalize and execute the contract after the Common Council approval.

VII) LIMITATIONS AND GENERAL CONDITIONS

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VIII) CITY OF MIDDLETOWN PROFILE

30-Mile Commute: 908,000 Jobs



Major Employers

Pratt & Whitney Aircraft:	3,600+ employees
Middlesex Health:	3,200+ employees*

Wesleyan University:	3,500+ staff and students*
Middlesex Community College:	3,000+ staff and students
Community Health Center:	300+ employees*
12 Engineering Firms:	500+ employees
Downtown: 120 restaurants, retailers:	1,000+ employees*
Liberty Bank:	600+ employees
FedEx Ground	700+ employees

(* Indicates walkable to the site)

10 Mile Radius Data

Total Population:	273, 071
Average Household Income:	\$104, 420
Labor Force:	135,393
College Educated:	83,192
Business Establishments:	12,219
Consumer Expenditures:	\$2.5 Billion

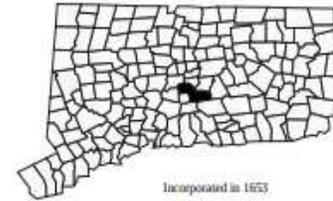
(Source: CERC, 2018-19)

Middletown, Connecticut

CERC Town Profile 2019 *Produced by Connecticut Data Collaborative*

Town Hall
P.O. Box 1300
Middletown, CT 06457
(860) 344-3401

Belongs To
Middlesex County
LMA Hartford
Lower CT River Valley Planning Area



Incorporated in 1653

Demographics

Population

	Town	County	State
2000	43,167	155,071	3,405,565
2010	47,648	165,676	3,574,097
2013-2017	46,747	164,110	3,594,478
2020	49,855	170,518	3,604,591
'17 - '20 Growth / Yr	2.1%	1.3%	0.1%

	Town	County	State
Land Area (sq. miles)	41	369	4,842
Pop./Sq. Mile (2013-2017)	1,140	444	742
Median Age (2013-2017)	37	45	41
Households (2013-2017)	19,187	66,599	1,361,755
Med. HH Inc. (2013-2017)	\$63,914	\$81,673	\$73,781

	Town	State
Veterans (2013-2017)	2,483	180,111

Age Distribution (2013-2017)

	0-4	5-14	15-24	25-44	45-64	65+	Total
Town	2,581 6%	4,036 9%	8,430 18%	13,012 28%	11,938 26%	6,750 14%	46,747 100%
County	7,042 4%	17,570 11%	20,717 13%	36,566 22%	52,019 32%	30,196 18%	164,110 100%
State	186,188 5%	432,367 12%	495,626 14%	872,640 24%	1,031,900 29%	575,757 16%	3,594,478 100%

Race/Ethnicity (2013-2017)

	Town	County	State
White Alone, Non-Hispanic	32,486	138,523	2,446,049
Black Alone	6,339	8,442	376,240
Asian	2,639	4,780	156,450
Native American	121	265	9,385
Other/Multi-Race	2,109	4,832	294,408
Hispanic or Latino	4,315	9,612	551,916

	Town	County	State
Poverty Rate (2013-2017)	11.3%	7.2%	10.1%

Educational Attainment (2013-2017)

	Town	County	State
High School Graduate	9,360 30%	673,582 27%	27%
Associates Degree	2,515 8%	188,481 8%	8%
Bachelors or Higher	11,530 36%	953,199 38%	38%

Economics

Business Profile (2018)

Sector	Units	Employment
Total - All Industries	1,360	27,576
23 - Construction	103	710
31-33 - Manufacturing	61	4,615
44-45 - Retail Trade	126	1,779
62 - Health Care and Social Assistance	171	6,483
72 - Accommodation and Food Services	116	1,579
Total Government	51	4,589

Top Five Grand List (2018)

	Amount
Eversource (FKA CL&P)	\$153,182,470
Aetna Life (Including lessors)	\$92,236,640
Kleen Energy Systems LLC	\$63,984,690
United Technologies	\$51,197,230
Middletown Power LLC	\$44,450,060
Net Grand List (SFY 2016-2017)	\$3,328,681,459

Major Employers (2018)

Pratt & Whitney	FedEx Ground
Middlesex Health	Connecticut Valley Hospital
Community Health Center	

Education

2018-2019 School Year

	Grades	Enrollment
Middletown School District	PK-12	4640

Smarter Balanced Test Percent Above Goal (2017-2018)

	Grade 3		Grade 4		Grade 8	
	Town	State	Town	State	Town	State
Math	47.3%	53.8%	45.8%	51.3%	25.5%	43.0%
ELA	50.7%	53.1%	47.0%	54.9%	38.3%	56.1%

Pre-K Enrollment (PSIS)

	2018-2019
Middletown School District	117

Rate of Chronic Absenteeism (2017-2018)

	All
Connecticut	10.7%
Middletown School District	9.7%

4-Year Cohort Graduation Rate (2017-2018)

	All	Female	Male
Connecticut	88.3%	91.8%	85.1%
Middletown School District	90.3%	95.5%	85.6%

Public vs Private Enrollment (2013-2017)

	Town	County	State
Public	84.0%	87.0%	86.8%
Private	16.0%	13.0%	13.2%

Middletown, Connecticut

CERC Town Profile 2019



Connecticut
Economic
Resource Center

Government

Government Form: Mayor - Council

Total Revenue (2017)	\$166,355,000	Total Expenditures (2017)	\$151,716,000	Annual Debt Service (2017)	\$16,127,000
Tax Revenue	\$109,846,000	Education	\$93,117,000	As % of Expenditures	10.6%
Non-tax Revenue	\$56,509,000	Other	\$58,599,000	Eq. Net Grand List (2017)	\$4,904,971,237
Intergovernmental	\$45,596,000	Total Indebtedness (2017)	\$92,642,000	Per Capita	\$105,533
Per Capita Tax (2017)	\$2,569	As % of Expenditures	61.1%	As % of State Average	69.9%
As % of State Average	87.6%	Per Capita	\$1,993	Moody's Bond Rating (2017)	Aa2
		As % of State Average	79.3%	Actual Mill Rate (2017)	33.30
				Equalized Mill Rate (2017)	24.35
				% of Net Grand List Com/Ind (2017)	19.7%

Housing/Real Estate

Housing Stock (2013-2017)

	Town	County	State
Total Units	21,223	75,938	1,507,711
% Single Unit (2013-2017)	45.0%	70.8%	59.2%
New Permits Auth (2017)	18	237	4,547
As % Existing Units	0.1%	0.3%	0.3%
Demolitions (2017)	8	25	1,403
Home Sales	NA	1,191	21,880
Median Price	\$228,500	\$283,700	\$270,100
Built Pre-1950 share	25.3%	25.1%	29.3%
Owner Occupied Dwellings	10,091	49,088	906,798
As % Total Dwellings	52.6%	73.7%	66.6%
Subsidized Housing (2018)	4,691	6,619	167,879

Distribution of House Sales

	Town	County	State
Less than \$100,000	NA	35	536
\$100,000-\$199,999	NA	145	5,237
\$200,000-\$299,999	NA	405	6,681
\$300,000-\$399,999	NA	329	3,863
\$400,000 or More	NA	277	5,563

Rental (2013-2017)

	Town	County	State
Median Rent	\$1,094	\$1,132	\$1,123
Cost-burdened Renters	48.0%	50.8%	52.3%

Labor Force

	Town	County	State
Residents Employed	25,218	89,811	1,827,070
Residents Unemployed	1,047	3,267	78,242
Unemployment Rate	4.0%	3.5%	4.1%
Self-Employed Rate	6.7%	11.2%	10.0%
Total Employers	1,360	5,433	122,067
Total Employed	27,576	68,827	1,673,867

Connecticut Commuters (2015)

Commuters Into Town From:		Town Residents Commuting To:	
Middletown, CT	5,069	Middletown, CT	5,069
Meriden, CT	1,274	Hartford, CT	2,466
New Britain, CT	833	New Haven, CT	873
Cromwell, CT	706	Meriden, CT	872
Portland, CT	700	Wallingford, CT	785
Haddam, CT	607	Cromwell, CT	750
East Hampton, CT	599	East Hartford, CT	681

Quality of Life

Crime Rates (per 100,000 residents) (2017)

	Town	State
Property	1,609	1,777
Violent	110	228

Distance to Major Cities

	Miles
Hartford	14
Providence	67
New York City	91
Boston	100
Montreal	280

Disengaged Youth (2013-2017)

	Town	State
Female	3.1%	4.2%
Male	0.1%	5.6%

	Town
Library circulation per capita	5.83

Residential Utilities

Electric Provider
Eversource Energy (800) 286-2000
Gas Provider
Eversource Energy (800) 989-0900
Water Provider
Municipal Provider (860) 343-8085
Cable Provider
Comcast Middletown (800) 266-2278