Mixed-use Development
Request for Proposals (RFP)

RFP No. N1-2019

Elevate Rapid City, City of Rapid City
Proposals Due: Wednesday, August 21, 2019, 2:00pm MDT

Elevate Rapid City is seeking proposals from qualified developers (individuals or firms) interested in presenting a viable design and development concept for a mixed-use development on parcels of real estate located in Downtown Rapid City, South Dakota owned by the City of Rapid City ("Site").

1. Background/Purpose

This Request for Proposal (RFP) is issued by the Elevate Rapid City (hereinafter referred to as the “Elevate”). The purpose of this RFP is to enter into exclusive negotiations for a Development Agreement with a qualified offeror(s). The resulting Development Agreement from this RFP will require the awarded offeror(s) to construct private development which may include the sale and/or lease of City-owned property.
The Site includes one City-owned parcel of real estate comprising half of the block bounded by St. Joseph Street, 5th Street, 6th Street and the mid-block alleyway. The Site is approximately 1.29 acres (140’ x 400’) and consists of the property identified as Parcel 12PD018. The Site is currently being used as a surface parking lot with approximately 140 spaces. See Exhibit A.

2. Schedule

The below schedule represents the Elevate’s best estimate of the sequence and timing of events that will be followed for this RFP. If the timing of a component is delayed the rest of the schedule may be modified.

The approximate RFP schedule is as follows:

- RFP posted on Elevate Rapid City Website: July 8, 2019
- Letters of Interest Due: August 5, 2019
- Deadline for submission of RFP Questions: August 12, 2019
- Proposals Due: August 21, 2019
- Elevate issues notice of selection: September 2019
- Proceed with negotiation of Development Agreement: Fall 2019

3. Guiding Principles

- Elevate is interested in receiving proposals from offerors having the financial resources and vision to create a unique addition to the heart of Downtown Rapid City.
- Elevate is interested in competitively priced purchase offers. Elevate may also consider long-term lease arrangements if it determines that a lease of the Site is in the best interests of Elevate.
- Proposals should describe in general terms the anticipated schedule for the project and specifically when the following milestones could be obtained: (i) approval of a final Site plan and all other required approvals; (ii) commencement of construction; and (iii) completion of project with certificate of occupancy issued.
- Offerors may seek additional agreements with neighboring property owners to assemble more land to better accommodate the requirements of this RFP. Any such agreements must be stated in the response and verified with a letter of consent from the property owner(s).
- The Site is made available as-is.
- The Site is located within the CB [Central Business] Zoning District, described within Chapter 17.16 of the City of Rapid City Code of Ordinances.
- Proposals should incorporate the provisions of the applicable zoning districts (including the City’s Design Guidelines), and with applicable provisions of the City’s Comprehensive Plan. Access to the City Code and the Comprehensive Plan may be obtained through the City’s website.
- Proposals must evidence the offerors’ familiarity with urban design principals, with emphasis on pedestrian-friendly street edges and landscaping. Specifically, interested offerors must design a development in accordance with the goals and objectives of the 2014 Comprehensive Plan.
- Monolithic; continuous facades spanning the length of a block should be avoided. The façade and overall structure, or massing, should be articulated individually and the details and scale of
openings should change along the length of the building, including a mixture of retail and commercial uses along St. Joseph Street.

- Elevate would consider a permanent closure of the alleyway to vehicular traffic in connection with an approved mixed-use development plan. Offeror would be required to bear the cost of relocation and undergrounding of utilities and would be required to pay fair market value for the land within the vacated right-of-way.

4. Public Finance Incentives

The project may be eligible for:

- Discretionary tax abatement consistent with South Dakota law and City ordinances.

5. Due Diligence

It is expected that each Offeror, at the Offeror’s expense, will conduct its own research, analysis and due diligence needed to submit a proposal, negotiate, and sign a development agreement. Background materials provided by Elevate are believed to be accurate but should be verified by the Offeror.

Answers to questions of general applicability to all Offerors as well as background materials pertinent to this project will be posted on the project website (www.elevaterapidcity.com) and updated from time to time.

6. Proposal Requirements

Proposing Offeror must incorporate a vertical mixed-use development that recognizes the value of the Site’s central location in Downtown Rapid City, inclusive of on-site parking facilities. A proposal that provides public parking spaces in addition to incorporating the parking demand of the development is highly desirable.

The Proposal should address the following:

a. The type or types of development proposed, the approximate size, the preferred placement on the site and the preferred exterior materials. The Offeror should present a concept of the project demonstrating the Offeror’s understanding of Elevate’s goals. Note, the response does not require full design development, but the concept plan should be developed sufficiently for the evaluation committee to judge the proposal’s site orientation, anticipated exterior materials and general viability.

b. Analysis of downtown Rapid City’s market demand for the proposed use(s), basis for that demand and why the proposed use(s) will be successful.

c. Anticipated lease rates and/or selling prices for the private development.
d. The specific site(s) and parcel(s) proposed for the development. If the proposed site is other than the identified city-owned site, Offeror must identify how control of the site(s) and parcel(s) will be acquired.

e. An offer to purchase the Site, including the purchase price offered by the Offeror or proposed annual lease amount and desired terms.

f. The anticipated budget for the proposed private development.

g. A pro forma financial analysis that demonstrates the feasibility of the proposed project.

h. The projected sources and uses for the private development included anticipated capital and financing sources and the anticipated terms of the financing sources. Where applicable please provide evidence of qualification for anticipated financing (e.g. lender’s letter of support/interest).

i. Anticipated number of parking spaces that will be generated and how accommodated within the development. The parking stalls required for the private use(s) and whether some or all of the required spaces must be separately accessed, reserved or specially sized.

j. Proposed vehicular ingress/egress, including service, from surrounding streets.

k. The projected schedule for the private development including time for design, financing, approvals, bidding, construction and lease-up or sale of the developed property. Also please identify whether any portions of the proposed private development will be staged or staggered in time.

l. The proposed team for the private development, the team leader, biographies for key team members, and relevant experience for team members and firms.

m. List at least (3) three examples of similar developments that the Offeror has successfully completed.

n. The name and contact information for no fewer than (4) four professional references.

o. List of any key contingencies and unknowns affecting the proposed private development (e.g. site assembly, financing, regulatory approvals, street vacation, pre-leasing, utilities, current occupant relocation, etc.).

p. Other assistance, insight or coordinated efforts that the offeror will need from Elevate to support success of the private development.

A complete proposal package will address each of the above items. Respondents are encouraged to review the Rapid City Downtown Area Master Plan for relevant information about market demand for housing, economic development priorities, parking.

7. Evaluation Criteria

In order to be considered for selection, Offerors must submit a complete response to this RFP. One (1) original and three (3) copies of each proposal along with an electronic copy of the proposal on CD or flash drive either in Microsoft Word or PDF format must be submitted to Elevate as a complete sealed proposal.

In addition to the Guiding Principles identified in Section 3, above, the following factors will be of priority for Elevate in reviewing development proposals for this Site:

a. Aesthetic potential and appeal of the proposed development and its complementary nature of the proposed project with neighboring properties. **20 points**
• Whether the Proposal is likely to achieve a high-quality mixed-use development that enhances the architectural character and the economic viability of the city (e.g., tax revenues, jobs provided on-site, public parking offered on-site, etc.).

b. Overall feasibility of proposed development including demand for the proposed use(s), sizing, timing and competitive properties that exist or are planned. **25 points**

• The Offeror should present a concept of the project demonstrating the Offeror’s understanding of Elevate's goals and include the following information:
  i. Mixed-use development
      1. Total building size (GSF)
      2. The amount of street level commercial space (GSF)
      3. The number of dwelling units
  ii. Parking requirements:
      1. Number of private parking spaces
      2. Number of publicly available parking stalls

• The response should outline how the Proposal is likely to achieve substantial financial benefit to the City of Rapid City; both in the short term, through compensation received from a sale of the Site, and longer term, whether through various tax revenues or other means.

c. Experience, structure and leadership of the Proposing Team. **20 points**

• Qualifications and Experience of the Offeror and team, including investors, designated project manager(s), etc. Such experience may be demonstrated through references and through information as to other projects of similar scope and size successfully implemented by the Offeror.

d. Offeror’s capital and financing source(s). **25 points**

• Financial ability to complete the project in a timely manner. Such ability may be demonstrated by presenting recent financial statements or through a statement of financial sufficiency from a known and established bank that demonstrates the financial capacity to carry out the project.

e. Number of public parking spaces provided. **10 points**

• Functionality of the parking facility including ingress/egress, security, and operation with surrounding street traffic.
  • Financial benefit to the public parking system.

The total number of points used to score this RFP is **100**

8. RFP Submission Process and Procedure

Offerors must provide a comprehensive response to the information requested in Section 6 – Proposal Requirements. Each proposal must include a complete set of answers to the proposal requirements and be in the same sequence as they appear in Section 6. If necessary, an Offeror must provide supporting narrative and documentation when responding. Proposals are due by Friday day, August 16, 2019, 2:00 p.m. MDT.

a. Proposals must include the complete name and address of Offeror’s firm and the name, mailing address, and telephone number of the person Elevate should contact regarding the proposal.
b. Proposals must confirm that the Offeror will comply with all provisions in this RFP. The proposal must disclose any instances where the Offeror or any individuals working on the contract has a possible conflict of interest and, if so, the nature of that conflict.

c. Proposals must be signed by a company officer empowered to bind the company. The Offeror’s failure to include these items in the proposals may cause the proposal to be determined to be nonresponsive and the proposal may be rejected.

d. Proposal Submission:

Offerors must submit one (1) electronic copy, and fourteen (14) hard copies of the proposals in sealed envelopes or packages.

Envelopes or packages containing proposals must be clearly addressed as described below to ensure proper delivery and to avoid being opened by Elevate before the deadline for receipt. Envelopes or packages must be addressed as follows:

Elevate Rapid City  
Attention: Terri Haverly  
Request for Proposals (RFP: Mixed-use Development)  
RFP No. N1-2019  
525 University Loop, Suite 100  
Rapid City, SD 57701

Proposals must be received by Elevate at the location specified no later than 2 p.m., Mountain Daylight Time, on August 21, 2019. Proposals will not be publicly read at the opening.

Offerors assume the risk of the method of dispatch chosen. Elevate Rapid City and the City of Rapid City (“City”) assumes no responsibility for delays caused by any delivery service. Postmarking by the due date will not substitute for actual proposal receipt by Elevate. An Offeror’s failure to submit its proposal prior to the deadline will cause the proposal to be rejected.

9. Proposal Information

a. Authorized Signature: An individual authorized to bind the Offeror to the provisions of the RFP must sign all proposals.

b. City Not Responsible for Preparation Costs: Elevate will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

c. Conflict of Interest: Offerors must disclose any instances where the firm or any individuals working on the contract has a possible conflict of interest and, if so, the nature of that conflict (e.g. employed by the City of Rapid City). Elevate reserves the
right to cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the Offeror’s proposal. Elevate’s determination regarding any questions of conflict of interest is final.

d. **Offeror’s Certification:** By signature on the proposal, the Offeror certifies that it complies with:

- The laws of the state of South Dakota.
- All applicable local, state, and federal laws, codes, and regulations.
- All terms, conditions, and requirements set forth in this RFP.
- A condition that the proposal submitted was independently arrived at, without collusion.
- A condition that the offer will remain open and valid for the period indicated in this solicitation, and any condition that the firm and/or any individuals working on the contract do not have a possible conflict of interest (e.g., employed by the City of Rapid City).

If any Offeror fails to comply with the provisions stated in this paragraph, Elevate reserves the right to reject the proposal, terminate the contract, or consider the Contractor in default.

e. **Offer Held Firm:** Proposals must remain open and valid for at least 60 days from the deadline specified for submission of proposals.

f. **Amendments to Proposals and Withdrawals of Proposals:** Offerors may amend or withdraw proposals prior to the deadline set for receipt of proposals. No amendments will be accepted after the deadline unless they are in response to Elevate’s request. After the deadline, Offerors may make a written request to withdraw proposals and provide evidence that a substantial mistake has been made. Elevate may permit withdrawal of the proposal upon verifying that a substantial mistake has been made and Elevate may retain the Offeror’s proposal guaranty or other type of proposal security, if one was required.

g. **Alternate Proposals:** Offerors may not submit alternate proposals for evaluation.

h. **Joint Ventures:** Joint ventures are acceptable. If submitting a proposal as a joint venture, the Offeror must submit a copy of the joint venture agreement that identifies the principals involved and its rights and responsibilities regarding performance and payment. Joint ventures submitting proposals must establish contractual responsibility rests solely with one company or one legal entity. Each submittal should indicate the entity responsible for execution on behalf of the joint venture.

10. **Proposal Evaluation & Interviews**

Upon review of the proposals, Elevate will score the proposals and may short list and interview the highest ranking proposals in order to develop a final score. Upon completion of the interviews, the highest ranking proposal may be asked to enter into contract negotiations with Elevate. If an agreement
cannot be reached with the highest-ranked proposal, Elevate may suspend negotiations and move to negotiations with the next highest-ranked proposal. The same process may be repeated with the other ranked proposals if no such agreement can be reached. Elevate reserves the right to not select a proposal as part of this process if an agreement cannot be reached or for any other reason.

a. **Right of Decision:** Elevate shall have the final authority and discretion to make a selection based upon the qualifications and proposals, responsibility and capabilities of respondents, the fairness of price and other factors. Any decision by Elevate shall be final.

b. **Right of Rejection:** Elevate reserves the right to reject any proposals, in whole or in part, Proposals received from debarred or suspended firms will be rejected. Elevate may reject any proposal that is not responsive to all of the material and substantial terms, conditions, and performance requirements of the RFP.

Elevate reserves the right to reject any proposal determined to be nonresponsive and to reject the proposal of any Offeror determined to be nonresponsive. Elevate also reserves the right to refrain from making an award if it determines it to be in its best interest.

c. **Clarification of Offers:** In order to determine if a proposal is reasonably amenable for award, communications by Elevate or the proposal evaluation committee are permitted with any Offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal and determine responsiveness to the RFP requirements. Clarifications may not result in a material or substantive change to the proposal. The initial evaluation may be adjusted because of a clarification under this section.

d. **Contract Negotiation:** After final evaluation, Elevate intends to negotiate with the highest ranked proposal(s). Negotiations, if held, will be within the scope of the request for proposals and limited to those items that would not influence the ranking of proposals.

If contract negotiations are commenced, they will be held at City Hall, 300 6th Street, Rapid City, SD 57701 at a date and time to be determined.

If contract negotiations are held, the Offeror will be responsible for all costs including its travel and per diem expenses.

e. **Failure to Negotiate:** Elevate may terminate negotiations with the highest-ranked Offeror and commence negotiations with the next highest ranked Offeror, if the selected Offeror:

- Fails to provide the information required to begin negotiations in a timely manner.
- Fails to negotiate in good faith.
- Indicates it cannot perform the contract within the budgeted funds available for the project.
- If the Offeror and Elevate, after a good-faith effort, cannot come to terms.

f. **Special Conditions:** Excluding proprietary information, the proposal of the Offeror awarded the exclusive negotiation rights are deemed public records and will be available once negotiations have concluded. In addition, Elevate shall maintain a “Register of Proposals” which shall contain
the names of firms who submitted a proposal and the name of the firm who was awarded the contract; however, the proposals of the submitting firms not chosen for negotiation are nonpublic records and will remain confidential.

11. Contact Person

Questions concerning the RFP, or the review process may be directed to Ms. Terri Haverly, by mail at Elevate Rapid City, 525 University Loop, Suite 100, Rapid City, SD 57701; by email at admin@elevaterapidcity.com; or by phone at 605-716-0003.

12. Additional Information

The following information is provided as additional background:

- Elevate Rapid City Strategic Plan (2018)
- Plan Rapid City, Comprehensive Plan (adopted April 2014)
- Rapid City Downtown Area Master Plan (September 2016)
- Downtown Parking Study and Strategic Plan (December 17, 2017)
- Summer Nights Recommendations, Rapid City, South Dakota (March 2014)

Please access the following Dropbox link to view or download these documents: www.elevaterapidcity.com.
EXHIBIT A

SITE LOCATION
## EVALUATION SUMMARY

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<th>Name of RFP:</th>
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<td>RFP Number:</td>
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<td>Vendor Being Evaluated:</td>
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<td>Evaluator’s Names:</td>
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<td>Date:</td>
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### RFP Technical Evaluation

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<tr>
<th>Selection Criteria</th>
<th>Maximum Points by Category</th>
<th>Score</th>
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<tbody>
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### RFP Total