

**Request for Proposals  
for  
Development of Third Street & Grand Boulevard Property  
Kansas City, Missouri**



**By the  
Kansas City Area Transportation Authority  
March 20, 2015**

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**Introduction**

This Request for Proposal (RFP) is made on behalf of the Kansas City Area Transportation Authority (KCATA). The Downtown Council (DTC) and the City of Kansas City are working with the KCATA on this RFP and will be providing resources and staff support to assist in this process.

The Kansas City Area Transportation Authority (KCATA) is the regional transit authority for the seven county bi-state (KS/MO) Kansas City metropolitan area. KCATA is an instrumentality of the States of Kansas and Missouri and has certain property tax exemptions that may be beneficial for development. KCATA, in cooperation with the Downtown Council and the City of Kansas City, Missouri (City), is seeking proposals for the highest and best use for the site located on 1.8 acres at the northeast corner of 3<sup>rd</sup> St. and Grand Boulevard in the River Market area of Kansas City Missouri.

The purpose of this RFP solicitation is to select a qualified developer or developers with proven experience, financial resources and professional expertise to create a high quality development on the site. The KCATA will consider multi-family, office, retail or any other development that contributes to the River Market Neighborhood, the betterment of Kansas City, Missouri and supports or enhances public transit. The KCATA wishes to remain in the development and receive a long term revenue stream for the organization. This revenue stream can be in the form of a proposed land lease, a joint venture position or other developer proposed agreement that minimizes liability and provides long term revenue to the KCATA.

The developer selection process will be conducted according to a single review and award process, by a Selection Committee consisting of representatives from the KCATA, Downtown Council and the City of Kansas City, Missouri. The selected project(s) will be subject to a development agreement with specific performance benchmarks. Proposals are to be submitted no later than May 1, 2015.

**Project Overview**

The proposed project should integrate transportation services and create an urban design framework that will:

- Promote high-density development that will be a catalyst for continued economic growth.
- Be integrated with the surrounding neighborhoods, and provide for greater connectivity with the region and amenities to improve the quality of life
- Be a multi-modal transportation connection and transit park and ride facility with improved amenities and access that can increase transit ridership
- Create a premier transit-oriented development site for the Kansas City region.

Upon selection, the KCATA, with the support of the Downtown Council and the City of Kansas City, will enter into negotiations for the proposed development project(s) with the selected developer(s). This solicitation is being made to all interested and qualified developers. Notices have been submitted through both local and national media and other known trade mediums and webpage's.

**Location and site map**

The 3<sup>rd</sup> and Grand Boulevard Site incorporates 1.8 +/- acres of land generally bounded by Second Street right-of-way and the Veolia Energy Plant property line to the North, Third Street to the South, Grand Boulevard to the West and Oak Street to the East. It is located within the Downtown Streetcar Transportation Development District (TDD), the River Market TIF Plan and the River Market Community Improvement District.



### **Background/Context**

The KCATA currently owns a 1.8 acre site at the northeast corner of 3<sup>rd</sup> Street and Grand Boulevard in the River Market area of downtown Kansas City Missouri. This site contains 193 public parking spaces operated by the City that are available for River Market businesses and transit. The site also accommodates and has facilities for local bus service and MAX bus rapid transit (BRT) services. The site is also served by Megabus via lease agreement with KCATA. Megabus is a low cost intercity bus

### **Background/Context (Continued)**

service that provides service from city center to city center. Future plans call for this site to possibly serve as a connection point between commuter rail, streetcar, trails, bus service and to continue to function as a transit park and ride facility and a site for parking for River Market.

With the planned investments near 3<sup>rd</sup> and Grand Boulevard (including a Streetcar stop), this site has the potential to become a significant transit oriented development (TOD) and multimodal center serving the Kansas City region. In 2013, KCATA reviewed possible TOD options for the site and prepared a report on the possible development options (Third and Grand, Transportation Hub Area Plan). The report was prepared with community input and contains examples of transit oriented developments. Developers are not bound by this report but are made aware of the options developed.

### **Existing Conditions:**

The project area is referenced in a number of significant public and private plans that the potential developer should consider in their response. These plans include, but are not limited to:

- The Greater Downtown Area Plan (2010)
- Bike KC Plan (2012)
- Second Street Infrastructure and Development Plan (2005)
- Grand Boulevard Streetscape Study (2011)
- Kansas City Walkability Plan (2005)
- Downtown Streetcar Plan (2012)
- Jackson County Commuter Corridor Alternative Analysis (2013)
- Smart Moves Regional Transit Vision (2008)
- Third and Grand Transportation Hub Area Plan (2013)
- Downtown Streetcar Station, Track and Vehicle Maintenance Facility Plans (2014)

### **Parking:**

The site currently contains a 193 space public parking facility. This is an agreement between the KCATA and the City of Kansas City. This agreement expires April 30, 2019 with ninety (90) days prior written notice. Presently, there is no charge to park, except when there are River market events and no overnight parking is allowed. Proposed development must honor the agreement or negotiate with the City and the KCATA to alter the arrangement.

### **Utilities:**

Third Street and Grand Boulevard are the primary utilities for steam (Veolia Energy), natural gas and water. Traversing the site is a 72-inch combined overflow sewer line 40-feet beneath the site. Due to its age, this sewer line may be constructed of brick arches and is fragile in nature. Future construction on the site will need to mitigate potential impacts caused by construction.

### **Zoning:**

The project site is currently zoned as Urban Redevelopment. This Urban Redevelopment District (URD) promotes the redevelopment and development of underdeveloped and/or blighted areas while ensuring that it is flexible enough to ensure that the purposes of approved redevelopment plans can be realized. Development standards and uses must be in conformance with the approved area plan and be compatible with the characteristics of the surrounding area.

### **Evaluation Criteria**

All potential applicants are urged to review the key proposal components identified below as they consider a project proposal(s). A more detailed listing of proposal requirements is contained later in this RFP.

## **Key Components**

Responses should include a detailed explanation of the quality of the proposed development, effect of the proposed development on transit goals of the KCATA and the City of Kansas City Missouri, terms and structure of the developer compensation and proposed revenue stream to the KCATA; financial capability of the proposed development team; client references; experience and representative projects of the potential development team; and total costs of the proposed development.

## **Project Financing**

All project proposals must include either a financing commitment letter or a letter of interest from a lender. Projects with a financing commitment letter will be given preference.

## **Project Financial Information**

All project proposals must include a budget (which shall detail both soft and hard costs), 10-year operating pro forma, and a sources & uses statement. Applicants must also clearly identify the proposed KCATA revenue stream, construction costs, any proposed lease or sales rates on a per square foot basis.

## **RFP Process and Submission Requirements**

The KCATA will conduct a single-phase RFP selection process of both the developer's qualifications and project proposal. Upon receipt of the proposals, KCATA staff will review each proposal to determine consistency with the submission criteria. Upon completion, the KCATA shall present each compliant proposal to the Selection Committee (The Committee). This process is designed to assist in the selection of the most qualified developer(s) with the capacity to plan, finance and implement the preferred project(s), and then to move forward with interviews, and developer selection according to following:

### **A. Submission Requirements:**

Please submit proposals to the address shown on page 6 hereof, one (1) original and five (5) copies of the following information as applicable:

1. Full legal name of institution, mailing address, phone numbers and email addresses.
2. List of corporate officers. (if applicable)
3. Name of contact person and title, along with direct contact information.
4. A cover letter signed by an authorized individual stating the applicant's interest in this RFP and approving the submittals requested herein.

### **B. Developer Qualifications:**

1. Financial capability and administrative capacity to undertake the project.
2. Overall quality of the development team as shown by their previous experience, as well as that of their principals and participants;

## **RFP Process and Submission Requirements (Continued)**

3. Expertise in developing high-quality, projects of similar scope and scale;



4. Caliber of proposed design professionals and design proposal;
5. Successfully structuring and implementing innovative public/private partnerships;
6. Proof of project financing (financing commitment letter or letter of interest);
7. Experience with development in the local Kansas City market;
8. Participation of minority and women-owned businesses in previous and current projects.

**C. Project Proposal:**

1. Description of proposed project.
2. Conceptual renderings of the proposed project;
3. Preliminary budget, 10-year operating pro forma, and the proposed sources and uses of funds;
4. Schedule of activities and completion;
5. Proposed form and amount of public assistance (if any), as well as the amount of any other public incentives approved or pending approval; and
6. At least one letter of neighborhood or community support; please also list any meetings held with neighborhood groups or neighboring businesses.

The Selection Committee will review both team qualifications and site proposals, and develop a short list of top candidates who will be invited to participate in a developer interview.

During the developer interviews, developers will be asked to submit and present their development proposal in keeping with the goals and criteria described in this solicitation. The Selection Committee will then evaluate the proposal(s) and make a recommendation for KCATA approval. The Selection Committee may also potentially recommend an alternate project(s), in case negotiations with the first Developer are not successfully culminated.

Notwithstanding its intention to select a developer and negotiate a development agreement, the KCATA reserves the right to reject any and all proposals submitted.

**Responses**

1. **Written responses to this RFP must be received at the address shown below by Friday, May 1, 2015.**

Sean O'Byrne  
Vice President  
Downtown Council  
1000 Walnut, Suite 200  
Kansas City, MO 64106  
(816) 421-1539 (Office)  
(816) 589-8913 (Cell)

No facsimile will be accepted.

2. Submittals should be clearly marked "**Third & Grand Boulevard Request for Proposals**".

**Responses (Continued)**

3. The Committee may issue written or electronic addenda regarding this Request to all RFP package recipients to clarify, comment, correct, or as otherwise required to facilitate the process.
4. No submittals will be accepted after the closing date listed above and no modifications to those already submitted will be permitted, with the exception of those cases where the Committee requests more information for clarification or enhancement purposes.
5. The Committee reserves the right to reject any and all responses to this RFP received either in whole or part, with or without cause. The Committee reserves the right to waive any requirement or informalities or deficiencies in any response if such action is deemed to be in the best interest of the City, and to request additional information or clarification from Proposers, or to allow corrections of errors or omissions.
6. One (1) original and five (5) copies of the written response package are required with this submission.
7. All submittals shall become the property of the KCATA, and, after selection process, will be a part of the public record.

### **Selection and Schedule**

Upon receipt of responses, the Selection Committee will review the submittals and may select a developer for the site. The Committee may determine that additional interviews are necessary to assist in the evaluation process.

The Committee will negotiate with the selected firm. If successful negotiations cannot occur, the Committee may negotiate with the next most qualified proposer.

Information contained within this RFP is presented as “to the best of our knowledge”. Developers are responsible to obtain all relevant information, and base their decisions upon their independent Due Diligence and not from information contained herein.

The KCATA will proceed with the most responsive and responsible proposer whose response, conforming to the RFP, is most advantageous to the KCATA, price and other factors considered. However, the Committee may, when in the KCATA’s best interest, reject any or all proposals or waive technicalities or informalities in any proposals received.

**Any questions concerning this RFP should be directed to Sean O’Byrne, Vice President, Downtown Council, 1000 Walnut Street, Suite 200, Kansas City, MO 64106; (816) 421-1539 [sean@downtownkc.org](mailto:sean@downtownkc.org)**

## **RFP Scoring Matrix**

<b>REQUIREMENTS</b>	<b>Bid ____</b>	<b>Bid ____</b>	<b>Bid ____</b>	<b>Bid ____</b>	<b>Bid ____</b>
1. Development Team					
2. Development Expertise					
3. Financial and Administrative Capacity					
4. Caliber of Design					
5. Successful Experience					
6. Project Financing					
7. Addressed Parking Issue					
8. Previous MBE/WBE Involvement					
9. Incorporates transit goals of the KCATA					
10. Project Description					
11. Conceptual Rendering					
12. Budget Proforma Sources & Uses					
13. Schedule Activities & Completion					
14. Proposed Revenue Stream to KCATA.					
15. Financial Commitment Letter					
16. Amount of Other Public Incentives					
17. Neighborhood Letters & Involvement					
Total					