

B

RFP Response

Sale of the Michigan State Fair Grounds

July 18, 2012

Development Submission

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Details of Proposed Development

Detroit is a proud and vibrant city with a rich history of economic successes. Recognizing that the sale of the former Michigan State Fairground property (MSFG) is another opportunity for success, we have assembled a team of individuals with extensive experience developing housing, retail, entertainment and mixed use properties. Our proposal is to develop the Michigan State Fairground property into an economically transformative destination for living, shopping and entertainment in the City of Detroit.

We propose a dynamic plan to transform the former Michigan State Fair grounds into a catalyst of regional economic growth.

A Design Narrative

The Michigan State Fairground is steeped in the memories of generations of Detroiters and Michiganders, who attended the Fair over many decades.

Its pivotal location along the Woodward Corridor, on Detroit's northern boundary, adjacent to Ferndale and the Metro towns to the north, creates an ideal potential to serve as a destination to the populations to the north and south, and bridging the '8 Mile' divide.

Historical Context and Heart of the Development

Our Proposal Concept acknowledges the historic context and identity in the collective memory of the community and values it as a site asset. It immediately imbues the project with a "sense of place". Certain selected landmark elements on the site have therefore been identified for preservation, renovation, and reincorporation in the exciting new development.

Building on this basis of memory and tradition, a carefully designed blend of potential uses at this strategic location will reactivate this site as a renewed Detroit beacon, another symbol of the groundswell of a re-emerging Detroit.

The "Districts Diagram" attachment reveals the underlying organization of the anticipated uses, into zones of use types, while the "Site Plan" attachment provides the proposed urban layout, with more specific detail relative to street layout, building types, parking, recreational community areas and public parks.

At the very heart of the site is the imposing, existing 'Coliseum', a significant icon in terms of its high visibility and architectural image, associated with memories of the State Fair. It faces onto an established park, with impressive old growth trees. Preservation of these elements establishes a core, rooted in the tradition of the site.

The Coliseum has the potential to be re-purposed for a variety of public or business uses. Particularly appealing is the idea of a creative interior build-out as an Incubator Center

for new and emerging business endeavors. This adaptive re-use would provide the support and infrastructure for business start-ups, guiding them through the critical transformation from 'idea' to 'viable company'. This function would contribute to Detroit's economic activity in reality, but further, it is symbolically a metaphor for the rebirth of the both the Site and the City.

Associated uses include seminars and small conferences, including the potential for hosting business retreats, where companies could develop their employees through motivational and team-building programs.

The adjacent 'Joe Dumars Fieldhouse', echoing the historic architectural imagery of the Coliseum, and providing complementary recreational opportunities for the above-mentioned business uses and the community, is envisaged as a participant in the proposed new development.

Preservation and enhancement of the "Central Park", provides a green, shady lung at the heart of the site, and in addition establishes the focus of a network of pedestrian boulevards, pocket parks and public spaces that ensure a pedestrian-friendly environment, with a continuum of green space threading throughout the site.

South of the central parks and adjacent to each other are two further iconic landmarks, the original Bandshell and the cable-suspended 'Dodge' Automotive Pavilion. Retaining these elements provides the anchor to an open air community facility, for local music, neighborhood events, and promotions.

The new infrastructural layout is strongly based on the existing street grid of the site, capturing potential cost advantages, and also capturing the memories associated with the historic street names.

Connectivity to the Neighboring Urban Fabric

The discussion above relates to the history and heart of the site, but a priority for achieving successful integration with the surrounding neighborhoods and urban fabric is the careful consideration of how the site edges engage the adjacent context.

Eight Mile Road, the Northern boundary:

- Establish a strong retail presence, with restaurant outlots and major retail tenants, enjoying excellent visibility from the high traffic Eight Mile artery.
- Reinforce the retail zone initiated by the 'Gateway project', already under construction.
- Complement the existing activities along this metropolitan commercial corridor.
- Easy primary access at the existing traffic turn-around, and onto 'Blue Ribbon Blvd', leading to the heart of the site.
- Secondary access directly to out lots.

Woodward Avenue, the Western boundary:

- Ideally suited to mixed use development, with high visibility and convenient access off Woodward to the first floor retail and business functions.

- Two to three floors of residential or office accommodation, above the first floor, enjoy views over the site to the east or the densely forested Woodlawn cemetery to the west.
- Primary vehicular access at the existing 'Great Lakes Blvd' entry, proceeding along a retail-lined boulevard towards the heart of the site, with a focal termination at the proposed Luxury Theater Complex, a prime destination, attracting patrons from towns north and south of the site. The theater completes the Entertainment, Business and Public core of the site, arrayed around the central park.
- Existing transit station, providing a bus terminus, serving the site.
- Pedestrian boulevard entering the site at the south west corner, originating at a new public plaza area, where an urban signage pylon will announce the redeveloped historic Detroit landmark site.
- The existing DNR pocket park will vacate its location on Woodward, but its purpose as a public green zone will be served by the significant network of parks and public recreational areas planned for the body of the site.

State Fair Road, the Southern boundary:

- Residential zone, incorporating Multi-family Townhomes and a Senior Living Complex, extends from east of the Bandshell to the new recreation park at the East end of the site.
- The recreation park provides a natural green buffer zone between the railway and the residential zone. It incorporates space for outdoor living for the residential population, including retention/detention ponds, trails, a community pavilion, gazebos and sports activities.
- Potential for connectivity with the existing residential neighborhood and senior living community on the south side of State Fair Road.
- Immediately north of the residential zone is the vibrant Public Market, housing a permanent meat and produce market, with facility for arts and crafts fairs, flea markets, antique shows and similar events. It's directly accessible to the residents and forms a transition zone to the entertainment, business and retail center of the site.

Chicago-Detroit-Pontiac, Canada Railway, the Eastern boundary:

- Develop a train station, providing railway access to the site, adding a further mode of transport connectivity to the metropolitan area, and activating the fourth side with a further entry point.
- Major retail backs onto the railway line at the northern end, shielding the site, and concealing the service activity supporting the retail function.

*
Which
or
both?
*

Creating Jobs

The size of the MSFG, along with scale and scope of our project which includes retail, housing and mixed use developments, the number of jobs and the type of jobs created are an estimation based on previous developments. Potential jobs created include retail, construction, building maintenance, property management, security and food service.

Pay range and job classifications are variables. For example, the adjacent mixed retail development located at 8 Mile and Woodward, the Detroit Gateway Marketplace project is 350,000 square feet of mixed retail space. Their estimated numbers for retail jobs is 900 full and part time retail positions. Using these estimates, retail space is one job per 389 square feet of retail space. Our retail, housing and mixed use proposed project is roughly in excess of 500,000 square feet which translates into 1,300 or more retail jobs, building maintenance and management jobs, including part time and full time positions.

Jobs created within the development would range as follows:

- Retail and service positions will be part-time jobs, pay range is \$9.50 -15.00 per/hr. hour. Building maintenance and building leasing positions range from \$12- 25.00 per/hr. These would be considered permanent positions.
- Management retail positions will be full-time positions, these would be considered salaried employees, pay in the range of \$36,000-125,000 per/yr depending on the type of retail. Building management positions will range \$24,000-75,000 per/yr depending on the residents per building, are also considered permanent positions.
- Based upon this model, part-time and full-time jobs will fall within this pay range. Our proposal will provide a significant job creation plan along with a significant economic impact locally within Detroit's communities.
- Our project will create substantial and considerable full time construction jobs of approximately 600 workers onsite and another 600 offsite workers for fabrications, structural steel, etc. Additional 600 or more jobs would be from specific trades such as Electricians, Plumbers, Carpenters, Glazers and Roofers. Each trade will be eligible for pay based upon agreed to terms under the General Contractor agreement.
- These jobs will include initial demolition projects for some of the existing structures which includes both structural demolition and refurbishing select buildings. Because of the age and condition of the MSFG property, updated utilities, improved infrastructures, water and sewer systems, effective and efficient road redesign including an emphasis on pedestrian pathways be designed, contracted and completed.

New Taxes

Estimated tax revenue generated by our project is based on a general calculation of yearly store sales divided by square footage. As an example, a 75,000 square foot store with 5MM in sales per/yr generates \$300,000 in State sales tax revenue. Using the same calculation, our project has available over 500,000 square feet of mixed use retail, with estimate revenues of approximately 33MM per year with a total of 1.98MM possible State sales tax revenue. Property taxes on the MSFG are an unknown based on an assessment of the property in current value terms. Local taxes, county taxes and any other types of tax revenue generated based upon the completion of the development is gross taxation would be based on projected stabilized market value of the project multiplied 50% multiplied by the millage rate of the City.

Sources and Uses Statement

The members of the development team will provide the required equity for the Project. Additional funding will be provided by conventional commercial bank credit and bond financing.

Project Timing and Completion Schedule

The development will be constructed in sequenced, specific and timely phases. The first phase involves the northeast section of the property, along 8 mile. This includes the 'Big Box' retail and Movie Theatre as well as smaller restaurants along the 8 mile corridor. Including the Amtrak station, located just south of the retail phase development. Construction will begin simultaneously on the Senior Housing and Multi family housing. Our construction would include an upgrade to the Mass Transit Hub located on the Woodward side of the property. The next phase of the project would be the remaining central and west pieces of the property. Ultimately, the northwest side of the property would be developed along north and south of the main access road leading east through the property from Woodward.

All road, pedestrian pathways, bike lanes and infrastructure will begin immediately following demolition and infrastructure updates and repair. The entranceway from Woodward, this will coincide with initial Phase of the project. Each main entry point will be completed at the outset of the project to allow for the greatest access to the property.

We have attached -4- sample bid sheets, work schedules and hour estimates for each Phase of our proposal.

See attached documentation.

| Div | BID PACKAGES | SQUARE FOOTAGE | Unit | TRADE HOURS / SF | TOTAL TRADE HOURS | AVG. CREW SIZE | DAYS OF WORK |
|----------|----------------------------------|----------------|------|------------------|-------------------|----------------|--------------|
| 2 | Site Work | 355000 | sf | 0.006 | 2,130 | 6 | 44 |
| 3 | Foundations | 355000 | sf | 0.030 | 10,650 | 15 | 89 |
| | SOG & Elevated Flr Slabs | 355000 | sf | 0.025 | 8,875 | 10 | 111 |
| 4 | Masonry - Exterior | 355000 | sf | 0.130 | 46,150 | 20 | 288 |
| | Masonry - Interior | | | | 0 | | |
| 5 | Structural Steel | 355000 | sf | 0.025 | 8,875 | 10 | 111 |
| | Misc Metals | | | | 0 | | |
| 6 | Carpentry | 355000 | sf | 0.045 | 15,975 | 7 | 285 |
| 7 | Combine Façade (Div 4, 7, 8 & 9) | | | | 0 | | |
| | Damproofing | | | | 0 | | |
| | Metal Wall Panels | | | | 0 | | |
| | Roofing | 355000 | sf | 0.020 | 7,100 | 10 | 89 |
| 8 | Overhead Coiling Doors | | | | 0 | | |
| | Windows, Curtain Walls Etc. | 355000 | sf | 0.025 | 8,875 | 6 | 185 |
| | Glass & Glazing - Interior | | | | 0 | | |
| 9 | MS, Drywall & Acoustic | | | | 0 | | |
| | Flooring Combinations | | | | 0 | | |
| | Carpeting | | | | 0 | | |
| | Vinyl Tile | | | | 0 | | |
| | Terrazzo | | | | 0 | | |
| | Resinous Flooring (2 - coat) | | | | 0 | | |
| | Gymnasium Wood Floor | | | | 0 | | |
| Painting | | | | 0 | | | |
| 10 | Building Specialties | | | | 0 | | |
| 11 | Equipment | | | | 0 | | |
| 12 | Furnishing | | | | 0 | | |
| 13 | Special Construction | | | | 0 | | |
| 14 | Conveying Equipment | | | | 0 | | |
| 15 | Mech - HVAC & Plumbing | 355000 | sf | 0.040 | 14,200 | 6 | 296 |
| | Mech - Plumbing & Hydronic | | | | 0 | | |
| | Mech - HVAC Only | | | | 0 | | |
| | Fire Protection | 355000 | sf | 0.010 | 3,550 | 3 | 148 |
| 16 | Electrical | 355000 | sf | 0.050 | 17,750 | 7 | 317 |

TOTALS

355,000

144,130

| | | | | |
|--------------------------------|----------------|---|-------|-----------------|
| Total Building SF = | <u>355,000</u> | = | 59 | Avg Head Count |
| Density (1,000 - 20,000) | 6000 | | 107 | Peak Head Count |
| Avg Head Count (Thrs/Month) 59 | 173 | = | 10236 | Thrs/Month |
| Total Project Tradehours = | <u>144,130</u> | = | 14.08 | Months |
| Tradehours/Month | 10,236 | | | |
| Tradehours/SF = | <u>144,130</u> | = | 0.41 | Thrs/SF |
| | 355,000 | | | |

| Div | BID PACKAGES | SQJARE FOOTAGE | Unit | TRADE HOURS / SF | TOTAL TRADE HOURS | AVG. CREW SIZE | DAYS OF WORK |
|-----|----------------------------------|----------------|------|------------------|-------------------|----------------|--------------|
| 2 | Site Work | 160000 | sf | 0.006 | 960 | 6 | 20 |
| 3 | Foundations | 160000 | sf | 0.030 | 4,800 | 15 | 40 |
| | SOG & Elevated Flr Slabs | 160000 | sf | 0.025 | 4,000 | 10 | 50 |
| 4 | Masonry - Exterior | 160000 | sf | 0.130 | 20,800 | 20 | 130 |
| | Masonry - Interior | | | | 0 | | |
| 5 | Structural Steel | 160000 | sf | 0.025 | 4,000 | 10 | 50 |
| | Misc Metals | | | | 0 | | |
| 6 | Carpentry | 160000 | sf | 0.080 | 12,800 | 10 | 160 |
| 7 | Combine Façade (Div 4, 7, 8 & 9) | | | | 0 | | |
| | Damproofing | | | | 0 | | |
| | Metal Wall Panels | | | | 0 | | |
| | Roofing | 160000 | sf | 0.030 | 4,800 | 10 | 60 |
| 8 | Overhead Coiling Doors | | | | 0 | | |
| | Windows, Curtain Walls Etc. | 160000 | sf | 0.020 | 3,200 | 6 | 67 |
| | Glass & Glazing - Interior | | | | 0 | | |
| 9 | MS, Drywall & Acoustic | 160000 | sf | 0.180 | 28,800 | 16 | 225 |
| | Flooring Combinations | 160000 | sf | 0.030 | 4,800 | 6 | 100 |
| | Carpeting | | | | 0 | | |
| | Vinyl Tile | | | | 0 | | |
| | Terrazzo | | | | 0 | | |
| | Resinous Flooring (2 - coat) | | | | 0 | | |
| | Gymnasium Wood Floor | | | | 0 | | |
| | Painting | 160000 | sf | 0.040 | 6,400 | 8 | 100 |
| 10 | Building Specialties | 160000 | sf | 0.006 | 960 | 4 | 30 |
| 11 | Equipment | 160000 | sf | 0.006 | 960 | 4 | 30 |
| 12 | Furnishing | 160000 | sf | 0.006 | 960 | 4 | 30 |
| 13 | Special Construction | | | | 0 | | |
| 14 | Conveying Equipment | | | | 0 | | |
| 15 | Mech - HVAC & Plumbing | 160000 | sf | 0.140 | 22,400 | 14 | 200 |
| | Mech - Plumbing & Hydronic | | | | 0 | | |
| | Mech - HVAC Only | | | | 0 | | |
| | Fire Protection | 160000 | sf | 0.030 | 4,800 | 4 | 150 |
| 16 | Electrical | 160000 | sf | 0.140 | 22,400 | 14 | 200 |

TOTALS

160,000

147,840

| | | | | | |
|-----------------------------|----|----------------|---|-------|-----------------|
| Total Building SF | = | <u>160,000</u> | = | 64 | Avg Head Count |
| Density (1,000 - 20,000) | | 2500 | | 115 | Peak Head Count |
| Avg Head Count (Thrs/Month) | 64 | 173 | = | 11072 | Thrs/Month |
| Total Project Tradehours | = | <u>147,840</u> | = | 13.35 | Months |
| Tradehours/Month | | 11,072 | | | |
| Tradehours/SF | = | <u>147,840</u> | = | 0.92 | Thrs/SF |
| | | 160,000 | | | |

| Div | BID PACKAGES | SQUARE FOOTAGE | Unit | TRADE HOURS / SF | TOTAL TRADE HOURS | AVG. CREW SIZE | DAYS OF WORK |
|-----|----------------------------------|----------------|------|------------------|-------------------|----------------|--------------|
| 2 | Site Work | 160000 | sf | 0.006 | 960 | 6 | 20 |
| 3 | Foundations | 160000 | sf | 0.030 | 4,800 | 15 | 40 |
| | SOG & Elevated Flr Slabs | 160000 | sf | 0.025 | 4,000 | 10 | 50 |
| 4 | Masonry - Exterior | 160000 | sf | 0.130 | 20,800 | 20 | 130 |
| | Masonry - Interior | | | | 0 | | |
| 5 | Structural Steel | 160000 | sf | 0.025 | 4,000 | 10 | 50 |
| | Misc Metals | | | | 0 | | |
| 6 | Carpentry | 160000 | sf | 0.045 | 7,200 | 7 | 129 |
| 7 | Combine Façade (Div 4, 7, 8 & 9) | | | | 0 | | |
| | Damproofing | | | | 0 | | |
| | Metal Wall Panels | | | | 0 | | |
| | Roofing | 160000 | sf | 0.020 | 3,200 | 10 | 40 |
| 8 | Overhead Coiling Doors | | | | 0 | | |
| | Windows, Curtain Walls Etc. | 160000 | sf | 0.025 | 4,000 | 6 | 83 |
| | Glass & Glazing - Interior | | | | 0 | | |
| 9 | MS, Drywall & Acoustic | | | | 0 | | |
| | Flooring Combinations | | | | 0 | | |
| | Carpeting | | | | 0 | | |
| | Vinyl Tile | | | | 0 | | |
| | Terrazzo | | | | 0 | | |
| | Resinous Flooring (2 - coat) | | | | 0 | | |
| | Gymnasium Wood Floor | | | | 0 | | |
| | Painting | | | | 0 | | |
| 10 | Building Specialties | | | | 0 | | |
| 11 | Equipment | | | | 0 | | |
| 12 | Furnishing | | | | 0 | | |
| 13 | Special Construction | | | | 0 | | |
| 14 | Conveying Equipment | | | | 0 | | |
| 15 | Mech - HVAC & Plumbing | 160000 | sf | 0.040 | 6,400 | 6 | 133 |
| | Mech - Plumbing & Hydronic | | | | 0 | | |
| | Mech - HVAC Only | | | | 0 | | |
| | Fire Protection | 160000 | sf | 0.010 | 1,600 | 3 | 67 |
| 16 | Electrical | 160000 | sf | 0.050 | 8,000 | 7 | 143 |

TOTALS

160,000

64,960

| | | | | | |
|-----------------------------|----|---------|---|-------|-----------------|
| Total Building SF | = | 160,000 | = | 36 | Avg Head Count |
| Density (1,000 - 20,000) | | 4500 | | 64 | Peak Head Count |
| Avg Head Count (Thrs/Month) | 36 | 173 | = | 6151 | Thrs/Month |
| Total Project Tradehours | = | 64,960 | = | 10.56 | Months |
| Tradehours/Month | | 6,151 | | | |
| Tradehours/SF | = | 64,960 | = | 0.41 | Thrs/SF |
| | | 160,000 | | | |

| Div | BID PACKAGES | SQUARE FOOTAGE | Unit | TRADE HOURS / SF | TOTAL TRADE HOURS | AVG. CREW SIZE | DAYS OF WORK |
|-----|----------------------------------|----------------|------|------------------|-------------------|----------------|--------------|
| 2 | Site Work | 160500 | sf | 0.006 | 963 | 6 | 20 |
| 3 | Foundations | 160500 | sf | 0.030 | 4,815 | 15 | 40 |
| | SOG & Elevated Fir Slabs | 160500 | sf | 0.025 | 4,013 | 10 | 50 |
| 4 | Masonry - Exterior | 160500 | sf | 0.130 | 20,865 | 20 | 130 |
| | Masonry - Interior | | | | 0 | | |
| 5 | Structural Steel | 160500 | sf | 0.025 | 4,013 | 10 | 50 |
| | Misc Metals | | | | 0 | | |
| 6 | Carpentry | 160500 | sf | 0.045 | 7,223 | 7 | 129 |
| 7 | Combine Façade (Div 4, 7, 8 & 9) | | | | 0 | | |
| | Damproofing | | | | 0 | | |
| | Metal Wall Panels | | | | 0 | | |
| | Roofing | 160500 | sf | 0.020 | 3,210 | 10 | 40 |
| 8 | Overhead Coiling Doors | | | | 0 | | |
| | Windows, Curtain Walls Etc. | 160500 | sf | 0.025 | 4,013 | 6 | 84 |
| | Glass & Glazing - Interior | | | | 0 | | |
| 9 | MS, Drywall & Acoustic | | | | 0 | | |
| | Flooring Combinations | | | | 0 | | |
| | Carpeting | | | | 0 | | |
| | Vinyl Tile | | | | 0 | | |
| | Terrazzo | | | | 0 | | |
| | Resinous Flooring (2 - coat) | | | | 0 | | |
| | Gymnasium Wood Floor | | | | 0 | | |
| | Painting | | | | 0 | | |
| 10 | Building Specialties | | | | 0 | | |
| 11 | Equipment | | | | 0 | | |
| 12 | Furnishing | | | | 0 | | |
| 13 | Special Construction | | | | 0 | | |
| 14 | Conveying Equipment | | | | 0 | | |
| 15 | Mech - HVAC & Plumbing | 160500 | sf | 0.040 | 6,420 | 6 | 134 |
| | Mech - Plumbing & Hydronic | | | | 0 | | |
| | Mech - HVAC Only | | | | 0 | | |
| | Fire Protection | 160500 | sf | 0.010 | 1,605 | 3 | 67 |
| 16 | Electrical | 160500 | sf | 0.050 | 8,025 | 7 | 143 |

TOTALS

160,500

65,163

| | | | | | |
|-----------------------------|----|---------|---|-------|-----------------|
| Total Building SF | = | 160,500 | = | 36 | Avg Head Count |
| Density (1,000 - 20,000) | | 4500 | | 64 | Peak Head Count |
| Avg Head Count (Thrs/Month) | 36 | 173 | = | 6170 | Thrs/Month |
| Total Project Tradehours | = | 65,163 | = | 10.56 | Months |
| Tradehours/Month | | 6,170 | | | |
| Tradehours/SF | = | 65,163 | = | 0.41 | Thrs/SF |
| | | 160,500 | | | |

Highest value to State, Local Communities

With our proposed development plan, the value for both state and the local communities is the realization of an economic expansion taking place within an area void of opportunity for so many Detroit residents. Our value is the ability to revitalize the Michigan State Fairground property into a destination for living, for shopping and for entertainment. Our plans are to bring smart retail options, current and modern housing choices and a variety of entertainment opportunities that are available to other communities around the state and found throughout the country. The proposal, our team of developers, our financial resources combined with our determination provides both State officials and community members with a substantial proposal that can be successful. Our experience developing properties with the ability to execute our proposals effectively will provide remarkable amount of creditability between the business sector and the communities in Detroit as an opportunity for current growth and future business expansion. This development moves from talking about what could possibly happen in Detroit, to a discussion about what will happen in Detroit and how we will get there as a Community, a City and as a State.

Summary

Detroit is a proud and vibrant city with a rich history of economic successes. Recognizing that the sale of the former Michigan State Fairground property (MSFG) is another opportunity for success, we have assembled a team of individuals with extensive experience developing housing, retail, entertainment and mixed use properties. Our proposal is to develop the Michigan State Fairground property into an economically transformative destination for living, shopping and entertainment.

We propose a dynamic plan to transform the former Michigan State Fair grounds into a catalyst of regional economic growth. Our proposal is not only about Detroit, but extends regionally; re-establishing the vital economic link to Detroit and its metropolitan neighbors. Our proposal for development underscores a basic framework to identify, compliment and connect to the existing economic revitalization taking place within the City of Detroit, the Metropolitan region and throughout the State of Michigan.

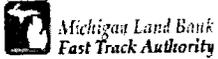
DNR/Amtrak/Remaining Structures

The DNR pocket park located along the western boundary at Woodward and State Fair Drive will be kept and incorporated into the existing plan. We propose to update the features and the redesign of the parcel of park as part of our overall development proposal.

Our proposal includes an Amtrak commuter/rail station located along the eastern edge of the property. A modern designed rail station will be an integral part of the entire plan by allowing the passengers of the Amtrak rail service safe and convenient access to the station and parking options that currently do not exist. Our development team and architects will engage the appropriate governing parties to craft a safe, inviting rail station to utilize the train service that provides travel options throughout Detroit, Michigan and the continental United States and Canada.

All structures with the exception of the Coliseum, the Joe Dumar's Field house, the State Fair Band shell and the Dodge pavilion will be demolished and removed from the site. With the history and nostalgia associated with the Fairgrounds, our development team has determined that the aforementioned structures deserve to remain and evolve into the redevelopment of the property itself. Our design utilizes their characters, features and architecture elements within the development.





Board of Directors:

Heidi A. Alcock
Regina T. Bell
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Steven Hilfinger
Hon. Andrew E. Meisner, Chair
Deborah Muchmore



State of Michigan
LAND BANK FAST TRACK AUTHORITY

300 NORTH WASHINGTON SQUARE
LANSING, MICHIGAN 48913

Kim Homan, Esq.
Executive Director

REQUEST FOR PROPOSALS
STATE OF MICHIGAN
LAND BANK FAST TRACK AUTHORITY
MICHIGAN STATE FAIRGROUNDS PROPERTY

RFP-Doc-MSF01

May 18, 2012

REQUEST FOR PROPOSALS
MICHIGAN STATE FAIRGROUNDS PROPERTY
RFP-Doc-MSF01

This Request for Proposals (RFP) is issued by the State of Michigan by its Land Bank Fast Track Authority (MLB). The MLB is the sole point of contact with regard to the receipt of Proposals and Questions and Answers during the RFP process. MLB is the only agency authorized to change, modify, amend, alter, clarify, etc. the specifications, terms and conditions of this RFP and any contract(s) awarded as a result of this RFP (the "Project").

Please check your proposal to make sure you have included all of the specifications in the Request for Proposals. In addition, please submit 15 copies of each of the following (collectively, the "Proposal Package"):

- Development Proposal;
- Financial Proposal, including Offer to Purchase Real Property;
- Conflicts of Interest Disclosure (if applicable);
- Signed Release, Waiver of Liability, and Covenant Not to Sue form;
- Signed Purchaser's Acknowledgement;
- Completed Civil and Criminal Background Check Consent Forms.

IMPORTANT STAGE 1 DATES

Wednesday, June 13, 2012, at 10:00 a.m. – Mandatory Property Site Inspection. Please contact Jill Robinson by email at landbank@michigan.gov with the subject "FAIRGROUNDS INSPECTION." to register for the inspection. Bidders are required to attend the site inspection. Questions will not be accepted at the Property Site Inspection.

Wednesday, July 11, 2012, by 3:00 p.m.: Questions from potential Bidders are due via email to contracts&grants@michigan.org. Please note: To maintain anonymity of the Development Proposal the MLB has contracted with the Michigan Economic Development Corporation (MEDC) to receive and process the incoming Proposals. The MEDC Contracts and Grants Unit (C&G) is the sole point of contact with regard to the receipt of Questions and Answers during the RFP process until the Financial Proposals are opened. Neither the MEDC nor the MLB will respond to questions that are received after above date and time. In addition, questions that are phoned, faxed or sent through regular mail will not be accepted. Responses will be posted on a regular basis to the MLB Website provided below.

Wednesday, July 18, 2012, by 2:00 p.m.: Proposal Packages due to the following address: State of Michigan Land Bank Fast Track Authority, Attn: FAIRGROUNDS RFP, 300 N. Washington Square, Lansing, MI 48913.

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REQUEST FOR PROPOSALS
MICHIGAN STATE FAIRGROUNDS PROPERTY
RFP-Doc-MSF01

SECTION I - INTRODUCTION AND OVERVIEW

A. INTRODUCTION

The State of Michigan Land Bank Fast Track Authority (MLB) is soliciting proposals from qualified buyers/experienced developers interested in purchasing and developing (the "Project") certain real property owned by the State of Michigan and under the jurisdiction of the MLB, roughly located between 8 Mile Rd., to the north, West State Fair Ave. to the south; railroad tracks to the east; and Woodward Ave. to the west, in the City of Detroit, Wayne County, Michigan, and commonly known as the Michigan State Fairgrounds (the "Property"), and legally described in the attached Offer to Purchase Real Property (the "Offer").

The Property contains 157.47 +/- acres located at the southeast corner of Eight Mile and Woodward, in the City of Detroit, including 70+/- acres of unimproved land on the east side of the property and more than 20 buildings, mostly in fair to poor condition. The majority of the Property is zoned B-4, General Business. A small portion of the Property is subject to a long term lease. (Attachment E)

The conveyance of the Property will be by quitclaim deed and will provide for all of the following:

- a. The Property cannot be used for a horse racing track, auto racing track, casino, railroad freight yard, jail, or prison.
- b. If the Property is used for a horse racing track, auto racing track, casino, railroad freight yard, jail, or prison the state may reenter and repossess the Property, terminating the grantee's or successor's estate in that property.
- c. If this state reenters and repossesses the property, the state is not liable to reimburse any party for any improvements made on the property or for any other amounts.
- d. If the purchaser or any grantee develops any oil, gas, or minerals found on, within, or under the Property, the purchaser or any grantee will pay this state 1/2 of the gross revenue generated from the development of the oil, gas, or minerals.
- e. The state reserves all aboriginal antiquities including mounds, earthworks, forts, burial and village sites, mines, or other relics lying on, within, or under the property with power to this state and all others acting under its authority to enter the property for any purpose related to exploring, excavating, and taking away the aboriginal antiquities.

B. AVAILABLE DOCUMENTS

The following background and information documents are available on-line at the MLB's website: www.michigan.gov/landbank (click on the "Fairgrounds" link) (hereinafter "MLB's Website"):

1. General Information
 - 2012 PA 74 (Legislation authorizing the sale of the Property)
 - 2012 PA 75 (Legislation authorizing the sale of the Property)
 - General Site Map
 - Survey and Description
 - Zoning Summary
 - Bus turnaround agreements
2. Active Leases
 - Fieldhouse LLC Lease
 - Fieldhouse LLC Lease - Exercised Option
3. Asbestos and Lead Paint Summary
 - Page 1-294
4. Phase I Environmental Report
 - Page 1-212
5. Phase II Environmental Report
 - Page 1-114
6. Title Work
 - Title Insurance
 - Exception 1-11
7. City of Detroit Master Planning Documents
 - Specific to State Fairgrounds - Master Plan of Policies – Cluster 1
 - Land Use and Transportation Definitions
 - Master Planning Maps
8. City of Detroit Design Standards and Guidelines
9. National Historic Designation

SECTION II - RFP PROCESS AND TERMS AND CONDITIONS

A. MINIMUM QUALIFICATIONS

Bidder must meet all of the following minimum qualifications at time of Proposal submission to be considered:

- a. \$5 Million in Liquidity.
- b. \$25 Million in net worth (all sources).
- c. Successful delivery of three projects similar in scale, scope, and content of Proposal.
- d. Successful delivery of one project with no less than \$50 Million in project capital.

B. PRE-BID MEETING/QUESTIONS

A Mandatory Property Site Inspection will be held Wednesday, June 13, 2012, at 10:00 a.m. Please contact Jill Robinson by email at landbank@michigan.gov with the subject "FAIRGROUNDS INSPECTION" to register for the inspection. Questions will not be accepted at the Property inspection. Questions from Bidders concerning the specifications in this RFP must be received via e-mail no later than Wednesday, July 11, 2012, by 3:00 p.m. Questions must be submitted by email to: contracts&grants@michigan.org.

C. PROPOSALS

The winning Proposal made to the MLB is irrevocable, except as set forth in Section 6 of the Offer with respect to Cancellation. The winning Bidder will be required to enter into a Development Agreement substantially comporting with its Proposal. The sale of the Property must be consistent with the terms and conditions required by 2012 PA 74 and 2012 PA 75.

Bidders must submit 15 copies of the Proposal Package, using the format provided in Section III of this RFP, by 2:00 p.m. Wednesday, July 18, 2012. No other distribution of proposals is to be made by the Bidder.

D. ECONOMY OF PREPARATION

Each Proposal should be prepared simply and economically, providing a straightforward, concise description of the Bidder's ability to meet the requirements of the RFP. Emphasis should be on completeness and clarity of content.

E. QUESTION AND ANSWER PERIOD

Bidders may submit questions about this RFP to contracts&grants@michigan.org by 3:00 p.m. on July 11, 2012. To maintain anonymity, questions about this RFP must be made in writing and submitted electronically to contracts&grants@michigan.org with the subject "FAIRGROUNDS RFP QUESTION" Responses to all qualifying questions will be posted to the MLB Website. Bidders are encouraged to check this website periodically for responses and updates. Questions that are phoned, faxed or sent through regular mail will not be accepted. Neither the MEDC nor the MLB has any obligation to respond to questions received after 3:00 p.m. on July 11, 2012.

F. BIDDERS COSTS

Neither the MEDC nor the MLB is liable for any costs incurred by any Bidder prior to awarding of the Project and signing of the Development Agreement by all parties.

G. TAXES

The MLB may refuse to award the Project to any Bidder who has failed to pay any applicable taxes or if the Bidder has an outstanding debt to the State in default.

Except as otherwise disclosed in an exhibit to the Proposal, Bidder certifies that all applicable taxes are paid as of the date the Bidder's Proposal was submitted to the MLB and the Bidder owes no outstanding debt to the State.

H. CONFLICT OF INTEREST

The Bidder must disclose, in an exhibit to the Proposal, any possible conflicts of interest that may result from the award of the Project.

Except as otherwise disclosed in the Proposal, the Bidder affirms that to the best of its knowledge there exists no actual or potential conflict between the Bidder, the Bidder's project manager(s), or its principals' business or financial interests ("Interests") if awarded this Project. In the event of any change in either Interests or the RFP, the Bidder will inform the MLB regarding possible conflicts of interest which may arise as a result of such change and agrees that all conflicts must be resolved to the MLB's satisfaction or the Bidder may be disqualified from consideration under this RFP. As used in this Section, "conflict of interest" includes, but is not limited to, the following:

Giving or offering a gratuity, kickback, money, gift, or anything of value to a MLB official, officer, or employee with the intent of receiving a contract from the MLB or favorable treatment under a contract;

Having or acquiring at any point during the RFP process or during the Project, any contractual, financial, business or other interest, direct or indirect, that would conflict in any manner or degree with Bidder's performance of its duties and responsibilities to the MLB under the Development Agreement or otherwise create the appearance of impropriety with respect to the award or performance of the Project; or

Currently in possession of or accepting during the RFP process or the Project anything of value based on an understanding that the actions of the Bidder or its affiliates or Interests on behalf of the MLB will be influenced.

I. BREACH OF CONTRACT

Except as otherwise disclosed in an exhibit to Bidder's proposal, Bidder is not in material default or breach of any contract or agreement that it may have with the State of Michigan or any of its departments, commissions, boards or agencies, or any other public body in the State of Michigan. Further, Bidder represents and warrants that it has not been a party to any contract with the State or any public body that was terminated within the previous five (5) years because the Bidder failed to perform or otherwise breached an obligation of such contract.

J. FALSE INFORMATION

If the MLB determines that a Bidder purposefully or willfully submitted false information in response to this RFP, the Bidder will not be considered for an award and any award of the Project may be rescinded.

K. DISCLOSURE

All Bidders should be aware that proposals submitted to the MLB in response to this RFP may be subject to disclosure under the provisions of Public Act 442 of 1976, as amended, known as the "Freedom of Information Act" (FOIA).

L. CHANGES IN THE RFP

Changes, corrections, and clarifications made to the RFP as a result of Bidder's qualifying questions or concerns or as determined necessary by MLB will be posted on the MLB Website. Neither the MEDC nor the MLB will respond to telephone inquiries or visitation by Bidders or their representatives.

If the initial proposal period does not produce a viable award recommendation, the MLB may, at its discretion, extend the proposal period until it receives a viable proposal. Timelines will be moved to correspond to the accepted proposal date. Notification of a proposal extension will be made on MLB's Website. The first qualifying proposal that is received and accepted will end any extension period.

M. RESERVATION OF MLB DISCRETION

Notwithstanding any other statement in this RFP, the MLB reserves the right to:

- i. reject any and all Proposals;
- ii. waive any errors or irregularities in the bidding process or in any Proposal;
- iii. rebid the Project;
- iv. reduce the scope of the Project and rebid or negotiate with any Bidder regarding the revised Project; or
- v. defer or abandon the Project.
- vi. change, correct, or clarify the RFP.
- vii. award the Project to multiple Bidders. Bidders should prepare their Proposals in a manner that recognizes that only a portion of their proposal may be selected.

In addition to the other factors listed in Section IV, offers will be evaluated on the basis of advantages and disadvantages to the MLB that may result from making more than one award.

The award decision made by the MLB Board of Directors is final. Approval by the MLB Board of Directors does not constitute a contract. The award process is not completed until the Bidder receives a properly executed Development Agreement and Purchase Agreement.

Selected Bidders will be required to undergo civil and criminal background checks prior to the execution of any contract.

N. BID PROTEST PERIOD

If a Bidder wishes to initiate a protest of the award recommendation, the Bidder must submit a protest in writing by 3:00 p.m. within seven (7) calendar days from the date of the notice of award sent by the MLB. The written protest should include the RFP number, clearly state the facts believed to constitute an error in the award recommendation, and describe the desired remedy. Only the information provided within the protest period will be considered in arriving at a decision. The MLB is not required to take into consideration any material filed by any party after the protest deadline. The MLB Board of Directors or its designee will provide a written decision to the protesting party after investigating the matter or, if more information is needed, will schedule an informal meeting before issuing a decision. This decision is final.

To maintain the integrity of the procurement process and to ensure that procurements are received without undue delay, protests requesting a waiver of the following omissions and requirements cannot be granted:

- Failure of a Bidder to submit the Bid by the due date and time;
- Failure of a Bidder to provide samples, descriptive literature, or other required documents by the date and time specified;
- Failure of a Bidder to submit a protest within the time stipulated in the notice to award or as determined by the MLB.

In fairness to Bidders who meet specifications and to prevent delays in procurement, the MLB will not withdraw an award or re-evaluate Proposals when a protest maintains that the RFP specifications were faulty or that a Proposal exceeding specifications provided a better value than a winning Proposal.

O. JURISDICTION

In the event that there are conflicts concerning this RFP that proceed to court, jurisdiction will be in the Michigan Court of Claims if against the MLB and in the Ingham County Circuit Court in Ingham County Michigan for all other parties. Nothing in this RFP limits the rights and remedies of the MLB that are otherwise available.

SECTION III - PROPOSAL FORMAT

To be considered, each Bidder must submit a COMPLETE Proposal Package in response to this RFP using the format specified. There should be no attachments, enclosures, or exhibits other than those required in the RFP or considered by the Bidder to be essential to a complete understanding of the proposal.

A. PROPOSAL SUBMITTAL

Proposal Packages must be received on or before Wednesday, July 18, 2012, by 2:00 p.m., at

State of Michigan Land Bank Fast Track Authority
Attn: FAIRGROUNDS RFP
300 N. Washington Square
Lansing, MI 48913

Proposals received after this date and time will not be accepted or considered.

Bidders must submit one package containing two separately sealed proposals, one for the Development Proposal and one for the Financial Proposal, as following:

Bidders must submit 15 written copies of its Development Proposal, including one clearly marked "ORIGINAL DEVELOPMENT PROPOSAL" and 15 written copies of its separately sealed Financial Proposal, including one clearly marked "ORIGINAL FINANCIAL PROPOSAL". The sealed proposals must be received in one package (Proposal Package) marked "PROPOSAL – MICHIGAN STATE FAIRGROUND PROPERTY."

The Proposal Package must also contain the Bidder's name and return address.

Proposal Packages may only be delivered via United States mail, courier service, or hand delivery. Electronic or facsimile proposals will not be accepted or considered. All information must be typewritten or entered in ink. Mistakes may be crossed out and all corrections inserted before submission of a Proposal Package. The person signing the Proposal Package must initial and date corrections in ink.

Failure to provide any of the information requested below may result in disqualification of your Proposal. The MLB reserves the right to request additional information pertaining to the Proposal Package or any other matters related to the RFP.

B. DEVELOPMENT PROPOSAL

DEVELOPMENT PROPOSAL MUST BE SEALED SEPARATE FROM FINANCIAL PROPOSAL. ANY PUBLICATION OR COMMUNICATION, INCLUDING COMMENTS TO THE MLB, PUBLIC, OR PRESS, THAT RENDERS A BIDDER'S DEVELOPMENT PROPOSAL NO LONGER ANONYMOUS BEFORE THE CLOSE OF STAGE 1 MAY RESULT IN THAT BIDDER'S PROPOSAL BEING DISQUALIFIED.

Development proposals must be kept anonymous and may not contain any information that would disclose the identity of the bidder. Failure to comply with this requirement may result in disqualification.

Development Proposals must contain the following information, tabbed in the order below:

1. Copy of this RFP;
2. Proposed development plan and schedule, including the following, if applicable:
 - a. A detailed breakdown of the proposed development, including, but not limited to, type of development and specific use contained therein, timing of project completion and compliance with existing zoning regulations;
 - b. The number of jobs that will be created by the proposed development, including specific information on the number and type of jobs (job classification, approximate wage range, direct/indirect temporary/permanent) created, and the timing of jobs in the market, both in terms of availability and duration;
 - c. Project, with detail, the anticipated new taxes (property, income or other) that will be generated, if any, as a result of the development;
 - d. A detailed sources and uses statement; and,
 - e. Projected timing and completion schedule.
3. Bidder should indicate how the Proposal represents the highest value to the State and local community in terms of direct and indirect financial, economic and community benefits;
4. A summary of the development plan not exceeding two pages;
5. Bidder's Development Proposal must also address the following, either in the development plan or under a separate heading:
 - a. The Department of Natural Resources (DNR) has a pocket park located along the Property's west boundary near Woodward and State Fair Avenue. Bidder must address if the DNR pocket park will be incorporated into the development; if the pocket park will not be incorporated into the development; or if the Bidder is willing to enter into an agreement with the DNR thereby allowing Bidder to take possession of the pocket park property and combine it with the Property.
 - b. Bidder must address if a commuter rail/Amtrak station along the railroad tracks on the east side of the Property is feasible and whether Bidder plans to include a commuter rail/Amtrak station in its development plans. If Bidder does not include a commuter rail/Amtrak station in its development plans the MLB will retain an approximately 150 foot wide by 1000 foot long parcel along the west boundary of the railroad right of way.

c. Bidder must address how it will use the structures remaining on the Property and if it is not intending to use the remaining structures it must demolish any it will not be using as soon as possible after it is awarded the Project.

C. FINANCIAL PROPOSAL

Financial Proposal documents, including the Offer to Purchase Real Property, must be signed by the person(s) authorized to contractually bind the Bidder. Financial Proposals must contain original signatures.

Financial Proposals must include the following information, tabbed in the order below:

1. Bidder Information: Name, address, principal place of business, and telephone number of legal entity with whom the Agreement will be entered.
2. Organization and Year: Legal status and business structure (corporation, partnership, sole proprietorship, etc.) of the Bidder and the year the entity was established.
3. RFP Contact: Name, title, address, e-mail address, and phone and fax numbers for Bidder's RFP contact.
4. Signed Release, Waiver of Liability, and Covenant Not to Sue Form (Attachment B).
5. Signed Purchaser's Acknowledgement (Attachment C).
6. Civil and Criminal Background Check Consent Form (Attachment D).
7. Provide the Purchase Price of Property as indicated on the attached Offer. Indicate whether there have been any revisions, deletions, and/or changes to the attached Offer and, if so, confirm that an Addendum has been attached.
8. Signed Offer to Purchase Real Property with attached property legal description, as included in this RFP, and Addendum, if applicable.
9. Earnest Money in the form of a cashier's or certified check in the amount of Twenty Five Thousand Dollars (\$25,000) made payable to the State of Michigan must be submitted with the Financial Proposal, as security for the Offer to Purchase Real Property. The Earnest Money will be deposited by the MLB in a State account and will be applied at closing as a credit against the Purchase Price of the successful Bidder. No escrowing of the Earnest Money deposit will be accepted. Treatment of Earnest Money is more specifically defined in the attached Offer to Purchase Real Property. Earnest Money submitted by unsuccessful Bidders will be returned by certified mail, return receipt requested, and will be placed in the mail no later than three business days after the award of the Project.
10. Qualifications: Provide 3 example projects similar in scale, scope and content of Proposal. Include sufficient detail to demonstrate the relevance of this experience. Proposals

submitted should include, in this section descriptions of qualifying experience to include:

- a. location of development;
- b. description of the development;
- c. development budget and sources and uses in final form;
- d. was project delivered on time? If not, how late and what was the cause;
- e. was the project delivered on budget? If not, discuss why and how the gap was resolved;
- f. the name, title, address, and phone number of project references/customer references.

11. Evidence of Bidder's financial capacity to complete a project of the proposed size and scope, including:

- a. proof of \$5 Million in Liquidity at time of Proposal submission.
- b. proof of \$25 Million in net worth (all sources).
- c. proof of at least one delivered project with no less than \$50 Million in project capital.
- d. REO schedule including occupancy, income proforma, debt and value for all outstanding projects.
- e. 3 years audited financial statements of Bidder.
- f. Most recent personal financial statement of owners with 20% or greater interest in Bidder.
- g. Proof of relationship with investor pool consisting of a letter of interest by the investor along with supporting documentation that the investor has sufficient liquidity to support the letter of interest.
- h. Bidder should discuss the strategy for accumulating capital for the Project and incorporate letters of interest, bank terms sheets, requests for incentives and public support, developer contributions, deferred hard costs if developer and contractor are related and any other supporting documentation which would help the MLB understand the ability of the Bidder to assemble the necessary capital.
- i. Representation that the Bidder can meet the October deadline for providing a complete formal financial commitment necessary to execute the Project.

12. Past Performance: Please list any contracts that you have had with the State of Michigan in the last 10 years.

13. Contract Performance: Indicate if the Bidder has had a contract terminated for default in the last three years. Termination for default is defined as notice to stop performance which was delivered to the Bidder due to the Bidder's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Bidder, or (b) litigated and determined that the Bidder was in default. If no such terminations exist, the Bidder must affirmatively state this.

Note: If the Bidder has had a contract terminated for default in this period, the Bidder must submit full details including the other party's name, address, and phone number. The MLB will evaluate the facts and may, in its sole discretion, reject the proposal on the grounds of past experience.

14. Litigation Disclosure: Bidder must disclose any material criminal litigation, investigations or proceedings involving the Bidder (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) must disclose to the MLB any material civil litigation, arbitration or proceeding to which Bidder is a party, and which involves: (i) disputes that are reasonably expected to adversely affect the viability or financial stability of Bidder or any Subcontractor hereunder; or (ii) a claim or written allegation of fraud against Bidder or, to the extent Bidder is aware, any Subcontractor hereunder by a governmental or public entity arising out of their business dealings with governmental or public entities. Any such litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") must be disclosed in a written statement in Bidder's Financial Proposal. Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated as such. Information provided to the MLB from Bidder's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section.

15. An identical copy of the development plan summary provided in the Development Proposal.

Financial Proposal documents, including the Offer to Purchase Real Property, signed by persons on behalf of entities, other than for a natural person, must be accompanied by documents evidencing authority as follows:

a. Submissions by corporations or limited liability companies must be signed by a person with authority to bind the corporation or limited liability company and must be accompanied by a current certificate of good standing and certified copies of resolutions authorizing such submission, including the Offer to Purchase Real Property and in the case of an limited liability company, a copy of its operating agreement.

b. Submissions by municipalities or municipal entities must be signed by two officers with authority to bind the municipality or the municipal entity and must be accompanied by certified resolution authorizing the submission, including the Offer to Purchase Real Property.

c. Submissions by partnerships must be signed by the authorized partner and must be accompanied by a certified copy of the partnership certificate on file with the appropriate county clerk and a copy of the partnership agreement and any amendments in effect as of the date of submission.

d. Submissions by persons doing business under an assumed name must be accompanied by a certified copy of an assumed name certificate on file with the appropriate county clerk.

e. Submissions by one natural person on behalf of another natural person must be accompanied by a power of attorney which would be fully effective on the date of signature and irrevocable thereafter and which would authorize such action with regard to this specific transaction.

THE FINANCIAL PROPOSAL MUST BE IDENTIFIED AND SEALED SEPARATELY FROM THE DEVELOPMENT PROPOSAL ACCORDING TO THE INSTRUCTIONS OF THIS RFP.

SECTION IV - METHOD OF AWARD AND SELECTION CRITERIA

A. AWARD PROCESS

Proposals will be evaluated by the MLB Board of Directors and will be reviewed in a three-step process. The MLB may, in its sole discretion, convene an Award Recommendation Committee (ARC) based on the extent to which each proposal responds to the information requested by this RFP.

1. Stage One – Development Proposal Review

Development Proposals MUST remain anonymous until the selection for Stage Two is completed and the Financial Proposals are opened. Development Proposals will be evaluated for viability based on the following factors:

- a. Type of development and specific use contained therein.
- b. Timing of project completion.
- c. Compliance with existing zoning regulations.
- d. The number of jobs that will be created by the proposed development, including
 - i. job classification,
 - ii. approximate wage range,
 - iii. direct/indirect, temporary/permanent created
 - iv. timing of jobs in the market, both in terms of availability and duration, and
 - v. anticipated amount of taxes (property, income or other) that will be generated.

- e. Direct and indirect financial, economic and community benefits.
- f. If the Proposal includes mixed-use development, consideration will be given to the following:
 - i. is the layout and building mass, density, type(s), and scale appropriate to the geographic context of surrounding areas.
 - ii. does the use mix include commercial (office or retail), residential, greenspace(s) and if industrial is incorporated into a mix if integrated as a contributing element to the site activities.
 - iii. are residential units in the development mixed-income, with at least 25% of the units non-federally funded and market rate.
 - iv. does the mixed-use development meet walkable neighborhood thresholds as established by a referenced authoritative source and provide for a range of transportation options to residents and visitors.

2. Stage Two – Highest Value/Financial Ability

Only those Development Proposals selected by the MLB Board of Directors as viable will continue to Stage Two. Financial Proposals will be evaluated for viability based on the following factors:

a. The responsive and responsible Bidder who offers the highest value to the State of Michigan. Highest value will be determined by the overall beneficial impact the development will have upon the community, not just the amount of money offered for the purchase of the land, or the scope of any proposed development.

b. Financial Stability: The Bidders ability to purchase the property and adequately finance the development. The winning Bidder should NOT expect any state incentives. However, if Bidder is contemplating using incentives as part of its financing (e.g. Tax Increment Financing, Neighborhood Enterprise Zone, etc.) those must be clearly identified and such requests may influence the final award as it affects the state's return on investment.

c. Development history and ability. The Bidders ability to complete the proposed development based on its history, past performance, and successful completion of prior projects.

3. Stage Three – Due Diligence

The MLB Board of Directors will select up to three viable Proposals to be evaluated in Stage Three. The Bidders being evaluated in Stage Three will be required to provide MLB with sufficient information for the MLB to conduct due diligence on the viability and feasibility of the proposed Project by 3:00 p.m., October 22, 2012. MLB will request any supplemental information by November 5, 2012. Bidder must provide any requested supplemental information by 3:00 p.m., November 21, 2012. The required information will include, but is not limited to:

accommodations. The MLB will determine the agenda for the presentations. A list of Bidder participants and all presentation material including, but not limited to, overheads and handouts that should accompany the oral presentation, are the responsibility of the Bidder. The MLB will document or otherwise make arrangements for an official transcript of the oral presentation. This responsibility includes preparing written meeting minutes of the presentation and recording the questions asked by the MLB and the Bidder answers to those questions. All presentation materials and meeting minutes will be considered part of the Bidder's proposal. The MLB will schedule these presentations. The inability of a Bidder to meet a schedule for oral presentations may result in the Bidder's disqualification.

c. Past Performance: The MLB may evaluate the Bidder's prior performance with the State, and the prior performance information may be a factor in the award decision.

d. Financial Viability: In making an award decision, the MLB may evaluate the financial viability of any Bidder. The MLB may seek financial information from the Bidder and from third parties. If the MLB determines in its sole discretion that contracting with a Bidder presents an unacceptable risk to the MLB, the MLB reserves the right to not award a contract to that Bidder.

C. CONTRACT TERMS AND CONDITIONS

The Project – The Proposal selected will be subject to the terms and conditions of the Development Agreement and Purchase Agreement (collectively, the "Agreement") upon execution of the Agreement by the MLB and Bidder.

Award of Agreement – The MLB reserves the right to award all or any part of this RFP and, based on what is in the best interest of the MLB, the MLB will award the Agreement considering price, value and quality of the bids.

SECTION V - BEST AND FINAL OFFER

If the selection process does not lead to a viable award recommendation, or if deficiencies are identified, MLB, at its discretion, may prepare a Deficiency Report and/or Clarification Request (DR/CR) for each Proposal determined to be in the competitive range. Bidders will be allowed to respond in writing to the DR/CR with a Best and Final Offer (BAFO). The BAFO may include changes to the original proposal, including alterations to the original price proposed. BAFOs must be submitted by the deadline established by MLB. After reviewing the BAFOs, MLB will reevaluate the proposals using the original evaluation method. If an alteration to the original published evaluation criteria is to be made, changes in the criteria will be published to all Bidders as part of the issuance of the DR/CRs.

Bidders will NOT be provided any information about other proposals or where the Bidder stands

in relation to others at any time during the evaluation process. Any request for such information will be viewed as a compromise to the evaluation process and the requesting Bidder may be eliminated from further consideration. Requests for proposal information by a Bidder, its subcontractor, or an affiliated party before bid award may also result in disqualification. Bidders are cautioned to propose their best possible offer at the onset of the process, as there is no guarantee that any proposal will be allowed an opportunity to submit a BAFO.