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State of Michigan
LAND BANK FAST TRACK AUTHORITY

300 NORTH WASHINGTON SQUARE
LANSING, MICHIGAN 48913

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Director

REQUEST FOR PROPOSALS

STATE OF MICHIGAN
LAND BANK FAST TRACK AUTHORITY

DETROIT HOUSE OF CORRECTIONS (DEHOCO) PROPERTY

RFP-Doc-DHC01

**REQUEST FOR PROPOSALS
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Summary

This Request for Proposals (RFP) is issued by the State of Michigan 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 5 copies of each of the following (collectively, the “Proposal Package”):

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

IMPORTANT DUE DATES

The MLB retains the right to change this schedule and will post notices of such changes on its website and notify those entities that have attended the Inspection, submitted questions, or submitted a Proposal Package in the event changes do occur.

Thursday, September 14, 2017, at 10:00 a.m. – Mandatory Property Site Inspection. Please contact Jeff Huntington by email at landbank@michigan.gov with the subject “DEHOCO INSPECTION.” to register for the inspection. **Bidders are required to attend the site inspection.** Questions will not be accepted at the Property inspection.

Wednesday, September 27, 2017, by 3:00 p.m.: Questions from potential Bidders are due via email to landbank@michigan.gov with the subject “DEHOCO INSPECTION.” The MLB will not respond to questions that are received after the 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. All responses will be posted no later than 5:00 p.m. on September 29, 2017.

Wednesday, October 25, 2017, by 2:00 p.m.: Proposal Packages are due to the following address: State of Michigan Land Bank Fast Track Authority, Attn: DEHOCO RFP, 300 N. Washington Square, Lansing, MI 48913.

Thursday, November 30, 2017: Due Diligence materials finalized and submitted to MLB

Tuesday, December 12, 2017: Project awarded by the MLB.

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SECTION I - INTRODUCTION AND OVERVIEW

A. INTRODUCTION

The State of Michigan Land Bank Fast Track Authority is soliciting proposals from qualified buyers/experienced developers interested in purchasing and developing (the "Project") certain real property owned by the MLB roughly located between 5 Mile Road to the north; Beck Road to the east; railroad tracks to the south; and Ridge Road to the west (excluding approximately the westerly seven (7) acres), in the Township of Plymouth, Wayne County, Michigan, and commonly known as the DETROIT HOUSE OF CORRECTIONS (DEHOCO) (the "Property"), and legally described in the attached Offer to Purchase Real Property (the "Offer").

In August of 2015, the MLB received a quitclaim deed (and a Jurisdictional Transfer Affidavit) from the State of Michigan pursuant to Act No. 427 of the Public Acts of 2014 authorizing the transfer of the Property to the MLB. The Property contains approximately 120 +/- acres located at the southeast corner of Ridge Road and 5 Mile Road (excluding approximately the westerly seven (7) acres), in Plymouth Township and most of the above ground structures were demolished and removed in 2016 and 2017. The underground components of the former correctional facility remain in place. Improvements still existing on the Property include, but are not limited to, foundations and slabs, vehicular parking pavement and roadways, two silos, underground utilities and underground tunnels.

The Property is zoned IND, Industrial District, and Master Planned for technology, research and industrial developments. Potential uses include, but are not limited to: technology-oriented, engineering, research and design facilities and offices; robotics and prototype development; services and manufacturing facilities; and related storage, warehousing and supporting commercial development. The district is intended to be developed in a campus-type environment with generous landscaping and attractive buildings constructed with high-quality materials.

Plymouth Township was organized in 1827. According to the United States Census Bureau, Plymouth Township has a total area of 16.0 square miles, of which 15.9 square miles is land and 0.04 square miles, or 0.25% is water. Plymouth Township remains a strong talent base for employee recruitment, with over half a million individuals (585,320) within a 10 mile trade area (US Census). In addition, Plymouth Township's centralized location in southeast Michigan with direct proximity to regional and national transportation routes, affords businesses reliable and efficient access with high visibility. As a desirable location for both employers, employees and their families, Plymouth Township is home to global companies such as Aisin, Brembo, ZF Group, Adient, Honeywell, Oerlikon, Federal Mogul, and Polytec, just to name a few.

The MLB understands that Plymouth Township and other government agencies are planning a comprehensive improvement project to be implemented in phases, along the Five Mile Road corridor west of Beck Road in Plymouth and Northville Townships. However, there is no

guarantee as to when this improvement will occur, if ever. Public funding for roadway and other infrastructure improvements may, in part, be leveraged by the investment and employment created by this Project as an anchor to that larger initiative. As a part of this response and subsequent agreements, the bidder/developer may be requested to cooperate in any applications or other initiatives generally and publicly supporting this corridor project. Such cooperation may include providing utility and right-of-way easements, without cost, and may include some disclosure of employment, investment and use information about the Project. Proprietary information will not be requested.

The Property will be conveyed in an absolutely “as is” condition. The conveyance of the Property will be by quitclaim deed (which shall be approved as to legal form by the Department of Attorney General) and will provide for all of the following:

1. The Property cannot be used for a casino.
2. If the Property is used for a casino, the State of Michigan may reenter and repossess the Property, terminating the grantee’s or successor’s estate in that property.
3. If this state reenters and repossesses the Property, the state is not liable to reimburse any party for any improvements made on the Property.
4. The State of Michigan reserves an undivided fifty percent interest (50%) in and to all royalties payable to any grantee, or successor or assignee, including any lessee, under every oil and gas lease, mineral lease, or any other agreement authorizing the removal or extraction of any oil, gas, coal, or other minerals or mineral products, including both metallic and nonmetallic minerals, from the Property. Grantees, successors, assignees, or lessees shall remit payment of the State of Michigan’s fifty percent (50%) interest in royalties by check payable to: The State of Michigan, Director of the Real Estate Division, Department of Technology, Management and Budget, P.O. Box 30026, Lansing, Michigan 48909. The State of Michigan has the right to audit all relevant records of any grantee, successors, assignees, or lessees to determine compliance with this reservation.
5. The State of Michigan 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 “DEHOCO” link) (hereinafter “MLB’s Website”):

1. General Information
-2014 PA 427 (Legislation authorizing the sale of the Property)

- Boundary Survey and Description, June 2004
- Aerial Picture, August 2003
- 2. Site Conditions
 - As Built Drawing of 12” Sanitary Sewer (Sheet 11)
 - Contours, October 2016
 - Water Main Extension (Sheet 2)
 - Water Main Plan (Sheet 1)
- 3. Phase I ESA, February 2002
Pages 1-170
- 4. Phase II ESA, Volumes 1-3.2, April 2004
 - Volume 1, Pages 1- 93
 - Volume 2, Pages 1- 340
 - Volume 3, Pages 1- 370
- 5. Report of Waste Distribution Study, August 2005
- 6. Review of Waste Distribution Study, September 2014
- 7. Appraisal Report, May 2017
Pages 1-110
- 8. First American Title Insurance Co., Commitment for Title Insurance, File No. 787218,
August 10, 2017
Pages 1-8
- 9. Limited Hazardous Material Assessment of Underground Utility Tunnels and Vaults
Pages 1-66

SECTION II - RFP PROCESS AND TERMS AND CONDITIONS

A. MINIMUM QUALIFICATIONS

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

- \$5 Million in Liquidity.
- 5x liquidity or \$25 Million in net worth (all sources).
- Successfully delivery of at least 3 projects similar in scale, scope and content of Proposal.
- Successfully delivery of at least 1 project with no less than \$50 Million in project capital.
- Demonstrated history of timely completion of projects.

B. PRE-BID MEETING/QUESTIONS

A Mandatory Property Site Inspection will be held Thursday, September 14, 2017, at 10:00 a.m. Please contact Jeff Huntington by email at landbank@michigan.gov with the subject “DEHOCO 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, September 27, 2017, by 3:00 p.m. Questions must be submitted by email to: landbank@michigan.gov. Responses will be posted on a regular basis to the MLB website. All responses will be posted no later than 5:00 p.m. on September 29, 2017.

C. PROPOSALS

The winning Proposal made to the MLB is irrevocable, except as set forth in Section 6 of the Offer to Purchase Real Property 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 shall be consistent with the terms and conditions required by 2014 PA 427.

Bidders must submit 5 copies of the Proposal Package, using the format provided in Section III of this RFP, by 2:00 p.m. Wednesday, October 25, 2017. No other distribution of proposals is to be made by the Bidder. All print and digital materials submitted become the property of the MLB and will not be returned to 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 landbank@michigan.gov by 3:00 p.m. on September 27, 2017. To maintain anonymity, questions about this RFP must be made in writing and submitted electronically to landbank@michigan.gov with the subject "DEHOCO 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. The MLB has no obligation to respond to questions received after 3:00 p.m. on September 27, 2017.

F. BIDDERS COSTS

The MLB is not 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 shall 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 made to the RFP will be posted on the MLB Website. The MLB will not 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 the extension period.

M. RESERVATION OF MLB DISCRETION

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

1. reject any and all Proposals;
2. waive any errors or irregularities in the bidding process or in any Proposal;
3. rebid the Project;
4. revise the scope of the Project, and rebid or negotiate with any Bidder regarding the revised Project;
5. defer or abandon the Project;
6. amend or revise the RFP;
7. request clarification of information submitted and to request additional information of one or more Bidders.

The MLB reserves the right to award the Project to multiple Bidders. The MLB also reserves the right to award the entire Project or a portion of the Project or even to not award the Project at all. 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.

All decisions related to this RFP will be final. Approval of the Joint Evaluation Committee recommendation 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 Offer to Purchase Real Property (collectively the “Agreements”).

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:

1. Failure of a Bidder to submit the Bid by the due date and time;
2. Failure of a Bidder to provide samples, descriptive literature or other required documents by the date and time specified; or
3. 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. Bidder's Proposal must be submitted in the format outlined below. 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, October 25, 2017, by 2:00 p.m. Proposals and/or modifications 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 follows:

Bidders must submit 5 written copies of its Development Proposal, including one clearly marked "ORIGINAL DEVELOPMENT PROPOSAL" and 5 written copies of its separately sealed Financial Proposal, including one clearly marked "ORIGINAL FINANCIAL PROPOSAL". One digital copy in .PDF format of the Development Proposal and one digital copy in .PDF format of the Financial Proposal must also be submitted. The digital copy must be contained on a flash drive. Each copy must be identical to the original. The sealed proposals must be received in one package ("Proposal Package") marked "PROPOSAL – DEHOCO PROPERTY" and sent to the following address: State of Michigan Land Bank Fast Track Authority, Attn: DEHOCO RFP, 300 N. Washington Square, Lansing, MI 48913. 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 shall 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 THE 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 ONE MAY RESULT IN THAT BIDDER'S PROPOSAL BEING DISQUALIFIED.

Development Proposals must be kept anonymous and may not contain any information that would identify 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 compatibility with existing zoning regulations. Proposals should contain conceptual information in written and graphic form about the project Bidder intends to construct. Detailed plans shall not be required, but enough graphic and written information to adequately convey the proposed Project concept, including architectural, site plan and use concepts, is required;
 - 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. Projected total capital cost and estimate of the fully developed value of the Project;
 - e. Projected timing and Project completion schedule;
 - f. An estimate of economic multiplier and benefits (direct and indirect) likely to accrue as a result of the Project;
 - g. A brief written report detailing the Project's current viability in the current marketplace and any other pertinent fact or major consideration deemed relevant by the Bidder and deemed material to the Project.
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. Bidder must describe how it will address the above and below ground structures remaining on the Property, as well as the contamination.

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 Agreements 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 to Purchase Real Property. Indicate whether there have been any revisions, deletions, and/or changes to the attached Offer to Purchase Real Property 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 Fifty Thousand Dollars (\$50,000) 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 from the successful Bidder 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 Proposal.
10. Qualifications: Provide three (3) example projects completed by Bidder 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 5x liquidity or \$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. Three (3) years audited financial statements of development entity.
- 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 a November deadline for providing 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 shall 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 shall 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.
- 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 OF YOUR PROPOSAL ACCORDING TO THE INSTRUCTIONS OF THIS RFP.

SECTION IV - METHOD OF AWARD AND SELECTION CRITERIA

A. AWARD PROCESS

Proposals will be evaluated by a Joint Evaluation Committee (the “JEC”) approved by the MLB Board of Directors and will be reviewed in a three-step process. All responses will first be evaluated for compliance with the submission requirements and then substantive qualifications. All evaluations will be conducted in the sole and absolute discretion of the MLB.

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. Compatibility 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. the anticipated amount of new taxes (property, income or other) that will be generated.
- e. Direct and indirect financial, economic and community benefits.

2. Stage Two – Highest Value/Financial Ability

Only those Development Proposals selected by the JEC 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 Bidder's ability to adequately finance and complete the development and property purchase. 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 Bidder's ability to complete the proposed development based on its history, past performance, and completion of prior projects.

3. Stage Three – Due Diligence

The JEC 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 November 30, 2017. The required information will include, but is not limited to:

- a. Market studies: e.g. public infrastructure requirements; community acceptance; incentive requirements; feasibility; etc.
- b. Financial capacity: e.g. credit/debt/equity availability; capital stack; conditional capital agreements; viability based on market and regulatory results; availability of senior debt; etc.
- c. Regulatory requirements: e.g. infrastructure production; zoning; environmental; etc.

MLB reserves the right to request further information as it deems necessary to complete its due diligence.

B. SELECTION CRITERIA

The JEC will evaluate Proposal Packages received under this RFP. Selection criteria will include, but is not limited to the following:

1. Specific details in the response, particularly in terms of dates, numbers and dollars. Vague and/or general responses are not acceptable.
2. The most responsive and responsible Bidder that will allow the State of Michigan to realize the highest value. This includes the overall beneficial impact the development will have upon the community, not just the amount of money offered for the purchase of the land, proposed cash flow participation, share of lease revenue, etc., or the scope of any proposed development.
3. Evidence of Bidder's financial capability to complete the purchase and development.
4. Compliance with statutory, constitutional, and terms set forth in this RFP, including the Offer to Purchase Real Property.
5. Possible Additional Considerations/Processes:
 - a. Clarifications: If it is determined to be in the best interest of the State of Michigan and/or if a Bidder's proposal is unclear, the MLB may request clarifications from one or all Bidders. The MLB will document, in writing, clarifications being requested and forward to the Bidders affected. This process does not allow for changes, rather it simply provides an opportunity to clarify the proposal submitted.
 - b. Oral Presentation: The MLB reserves the right to require, and each Bidder must plan to conduct prior to the selection of a winning Bidder, oral presentations on the content of its proposal. If it is determined by the MLB that oral presentations are to be conducted, they will be held at a time and/or location to be determined by the MLB. The Bidder will be responsible for its own travel and 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 of Michigan, 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.

6. The JEC shall make a final recommendation to the MLB Board of Directors. The MLB Board of Directors shall vote to accept, reject or modify the recommendation.

C. CONTRACT TERMS AND CONDITIONS

The Project – The Proposal selected will be subject to the terms and conditions of the Development Agreement and the Offer to Purchase Real Property upon execution of the Agreements by the MLB and Bidder.

Award of Agreement – The MLB reserves the right to award none, all or any part of this RFP and, based on what is in the best interest of the MLB, the MLB will award the Project and execute the Agreements 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. BAFO's must be submitted by the deadline established by MLB. After reviewing the BAFO's, the 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/CR's.

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.