



City of Casa Grande Downtown Mixed-Use Re-Development Request for Interest

September 12, 2019

Prepared By
City of Casa Grande
510 E. Florence Blvd.
Casa Grande, AZ 85122



Table of Contents

Request for Interest Cover Letter	3
Section I: Project Overview	4
Section II: Historic Preservation Ordinance, Public Policy and Neighborhood Goals.....	5
Section III: Development Program	5
Section IV: Site and Architectural Design Guidelines.....	5
Section V: RFI Submission Requirements	6
Section VI: Selection Process, Schedule and Criteria.....	7
Section VII: General Site Information	9
Section VIII: General RFI Conditions	10
Attachments.....	12
Attachment “A” – Site Aerial/General Plan/Zoning for 412 N. Florence St.....	12
Attachment “B” – Site Aerial/General Plan/Zoning for 3.92 Acres.....	145
Attachment “C” – General Plan 2020 Land Use Category	20

REQUEST FOR INTEREST

Downtown Mixed-Use Re-Development

Dear Sir/Madam:

The City of Casa Grande Arizona is now accepting expressions of interest for the acquisition and redevelopment of two separate properties. The first set of properties are located right next to City Hall on Florence Blvd. and Picacho Avenue. The previous uses were the old Casa Grande Union High School Auditorium, Boys and Girls Club building and a vacant property, totaling approximately 3.92 acres. The second property is located on 412 N. Florence Street which is located in our downtown. The City will accept expressions of interest for mixed use developments, including retail, entertainment, conference center, and business uses consistent with current zoning or a rezoning consistent with the General Plan. One of the City's goals is to continue and accelerate the revitalization of its historic downtown and therefore stimulate further investment. The City's vision for the project would include entertainment/restaurant/pub on the Florence Street location and retail, conference center or business uses for the 3.92 acre parcels. However, if a developer or development team submits a plan with a scale that makes sense and is deemed to benefit the downtown area, it will be welcomed. This is being allowed in an effort to not stifle creative thought on the behalf of the developer or development team.

The City of Casa Grande currently owns the 3.92 acres of properties and the second property is owned by a non-profit Industrial Development Authority (IDA) that is a part of the City.

Please read the Request for Interest carefully, in that there are a number of policy goals that guide the redevelopment of the property.

There are several steps in order to complete this RFI. The first step is a letter of interest in the project and a summary of your firms experience in accomplishing the goals of these properties. Second, all letters of interest will be evaluated by a committee which they will develop a short list of the interested parties. Third, each interested party that is on the short list can schedule a pre-submission conference with the city. Fourth, the actual development plan proposal will be due roughly a month after the short list is developed. Fifth, proposal presentations will be given to the committee followed by selection committee recommendations. Finally, negotiations for a development agreement with the selected firm and approval at a city council meeting.

If you have any questions, please submit them in writing to Steven Weaver via email at Steven_Weaver@casagrandeaz.gov. The complete RFI package is available from the following link: [City of Casa Grande RFI Downtown Properties](#)

All expressions of interest are due in City Hall, 510 E. Florence Blvd, Casa Grande, AZ 85122, no later than 5:00 P.M. on Monday, October 7, 2019. There will be a pre-proposal meeting and site tour on September 27, 2019 at 8:30am starting at City Hall.

Sincerely,

Steven M. Weaver

Steven M. Weaver
Deputy City Manager

City of Casa Grande

Section I: Project Overview

Introduction/Background

The City of Casa Grande is a fast-growing community of approximately 56,000 residents. The City of Casa Grande pro-business political climate is exemplified in the community's commitment to investing in the future and the understanding that public investment must occur to ensure that an environment for quality private investment exists.

The City is averaging 60 new single-family permits per month since the beginning of this calendar year.

Project Overview

The City of Casa Grande is seeking an experienced developer or development team to purchase and build on sites located in the City of Casa Grande Downtown. There are two separate sites. The first site has two parcels totaling approximately 3.92 acres located on E. Florence Blvd and E. /N. Picacho Avenue (See Attachment B). This site is directly west of the Casa Grande City Hall. The second site has one parcel located on 412 N. Florence Street between E. 4th Street and E. 3rd Street (See Attachment A). The City's vision for the development includes, but not be limited to: anchor retail, conference center, entertainment, and pub.

The City owns the 3.92 acre parcel and the Industrial Development Authority (IDA) which is a part of the city owns the one parcel located on Florence Street.

The Casa Grande Union High School Old Main was built in 1920-21 to meet the growing student population. The Old Main Building included a natatorium (west end) and auditorium (east end) of the building. A new auditorium was needed on the Casa Grande Union High School campus, therefore a new auditorium building was constructed in 1963. The auditorium was part of the Casa Grande Union High School campus before the campus was renovated for Government Offices (City Hall Campus) in 1997 and a new high school building was built on the north end of town. The most recent use of the auditorium building was the City's Parks and Recreation Department (presently Community Services Department) until 2017, as the deterioration of the building was a concern.

The building located at 412 N. Florence Street, which is the main street into the city's downtown area. The location of the building is in a prime area of the arts, cultural and entertainment district of the city. The building was purchased by the City of Casa Grande's Industrial Development Authority in January 2015. The most recent lease of the building was the "Ale House" for the use of a bar/restaurant. The 2,803 square foot building has a sprinkler system per NFPA 13.

If the developer or development team designs a financially sound project with a different mix that is deemed to be beneficial to downtown development, it will be considers as the City in no way desires to limit professional and creative input.

Property Identification

The subject properties are approximately 4 acres of vacant and built-upon land. The properties are located along Florence Street and along Florence Blvd. in Casa Grande, AZ. All of these properties are

located close to or in the historic downtown. They are close to the Union Pacific Railroad main line that runs from California to the East. They are walking distances from several downtown restaurants, grocery store, and other services. The subject properties are identified by the Pinal County Tax Assessor's Office as parcel numbers: 50607341A, 50607348C, and 50707134.

Section II: Public Policy and Neighborhood Goals

There are a number of public policy goals that guide the development of the subject site. These include:

Urban Land Institute Report <https://ulidigitalmarketing.blob.core.windows.net/ulidcnc/2019/07/City-of-Casa-Grande-AzTAP-Report.pdf>

City of Casa Grande Strategic Plan https://drive.google.com/open?id=1YJeKbfpTfIWfr1k-mcSUhOU_1Hcd2EUW

Section III: Development Program

RFI Scope: The City of Casa Grande is seeking expressions of interest from qualified developers or development teams to purchase the properties, design, market and manage the property. Selected firms will be invited to submit plans for the entire site.

The City may provide some combination of the following to the winning proposal:

- Advantageous pricing for the acquisition of the land.
- Eligibility for New Markets Tax Credits financing.
- Wayfinding Signage to lead to subject property.
- **Note:** The City will not invest additional funds in the redevelopment of the property. The City is offering the site "As Is".

Successful Developer will be expected to:

- Have ability to secure the financing for the acquisition and rehabilitation of the property.
- Secure all approvals, permits and pay fees necessary for development.
- Provide liability, builders risk and workman's compensation insurance in amounts acceptable to the City of Casa Grande.
- Adhere to the agreed upon time schedule for construction. Construction shall be initiated within six (6) months of the real estate closing.
- Secure and maintain proof of appropriate licenses as required by local and state laws.
- Develop and execute a sales and marketing plan for the project.
- Provide on-site management or equivalent for entire existence of the apartments, if included.
- Provide a project development pro-forma and financial qualifications of the development team.
- Developers are encouraged to undertake their own due diligence prior to submission.

Section IV: Site and Architectural Design Guidelines

The design objective is to create a vibrant project that is attractive, easy to access and maintains and enhances the architectural character of the Downtown District.

The development must conform to requirements in the City Zoning Ordinance and the requirements set forth below:

- **Zoning:** Both properties are zoned B-3 (Central Business Zone District). The City believes B-3 is the best zone that provides a variety of uses.
- **Unit Design:** The project on Florence Street shall have a mix of entertainment or bar/pub and the properties on Florence Blvd should have some retail and/or conference center, unless it is demonstrated that other land use mixes are beneficial and feasible.
- **Amenities:** The project and site should be designed with amenities to support a desirable living and working environment.
- **Plans:** Develop site and architectural plans including floor plans for proposed use facility for approval by the City.
- **Construction:** Maintain current building character and materials or equivalent. The nature of the area must be complimented where appropriate and required. Building heights should be limited to two above ground stories unless variance is granted.
- **Utilities:** Provide all utility connections to the site.
- **On-site Parking:** As required by City Zoning Code.
- **Credits:** Both sites may be eligible for New Market Tax Credits.

Section V: RFI Submission Requirements

Developer Information

The letter of interest must respond to the following in the order stated below:

1. A cover letter signed by the principal or Chief Operating Officer of the development entity committing to complete the project, if selected.
2. A general description of the proposed project (rental, ownership or a combination thereof), including total number and type of units, development timelines, target markets, etc.
3. Identification of all team members.
4. A description of all team members' experience and qualification for this project, particularly mixed use urban redevelopment projects with a mixed income component.
5. Minimum of three references (name and telephone number) that can speak directly to the applicant development experience.
6. Examples of relevant work
7. Demonstrated ability to rehabilitate an adobe structure as well as historic buildings.
8. Certificate of Good Standing from the Arizona Secretary of State or State where the developer/development team is incorporated.

After review of the letters of interest, selected developers will be required to submit three (3) bound copies of their proposal comprised of one signed original and two copies of the proposal. Applications must be submitted as follows:

- All pages are single-sided, pages are to be 8 ½" x 11"

- All pages are securely bound.
- Site plans, elevations and architectural rendering must be on pages no smaller than 11" x 17" paper.
- The applications package is to be arranged as outlined by sections below.

Proposed Project Information

1. Economic development (i.e. retail) component
2. Graphic illustrations of the conceptual design of the project, including:
 - a. Site plans and sections illustrating the relationship of the project to adjacent properties.
 - b. Ground floor plan and, floor plan for each unit type.
 - c. Elevations at the street and all sides including exterior finish materials.

Project Financing

1. A financing plan that provides a project pro forma, a project budget, and additional sources of debt and equity for the project.
2. A statement of the offered price for the land.
3. Detail of the scope of work, specifications and cost estimate.
4. A project schedule showing, at a minimum, start and ending dates for construction.
5. A detailed management plan for the project's management and operation.
6. Proposed sources and uses of funds.
7. A minimum three (3) year cash flow projection.

Developer Information

1. Applicant's (Lead Developer) financial statements prepared by an accountant for current year and previous year.
 - Most recent independent audit.
 - Auditor's management letter.
2. Applicant's (Lead Developer) organization/background information
 - Legal name of business.
 - Director/President of the organization.
 - Articles of Incorporation and current bylaws.
 - IRS 501(c)(3) determination letter (if non-profit)
 - Type of organization, (Corporation, General Partnership, Limited Liability Corporation, etc.)
 - List of Board of Directors (include address and telephone numbers).
 - Current organizational chart.
 - Federal Tax ID# or Social Security # of owners.

Section VI: Selection Process, Schedule and Criteria

Selection Process: The Selection Committee will be composed of City of Casa Grande staff. The Selection Committee will review all expressions of interest, and invite selected firms to submit a proposal. After reviewing proposals, staff will recommend a developer for City of Casa Grande City

Council approval. A short list of developers (three or four) may be selected for an interview with the Selection Committee as a part of the process.

Schedule: The preliminary schedule for this project follows:

1. Issue of Request for Interest: September 12, 2019
2. Pre-Proposal Meeting and Site Tour (8:30 a.m)
Starting at Casa Grande City Hall: September 27, 2019
3. Letter of Interest Due Date: October 7, 2019
4. Selection Committee Reviews and Short List: October 10, 2019
5. Development Plan Proposal Due Date: November 12, 2019
6. Proposal Presentations (if required): November 18-20, 2019
7. Selection Committee Recommendation: November 25, 2019
8. Development Agreement Negotiations: November 26-January 4, 2020
9. City Council Approval: January 20, 2020

The City of Casa Grande reserves the right to adjust the schedule at its sole discretion.

RFI Selection Criteria: The City of Casa Grande will select the solicit proposals from the developer/development teams that most successfully meets the criteria listed below:

1. Ability to meet City development goals
2. Proven ability of the development team to successfully develop and manage similar projects.
3. Provide a narrative statement of intent and development proposal based off the City plan and vision for the different properties addressing the following:
 - a. Expected mix of land uses and end-users
 - b. Any anticipated partnerships or end-uses whom Offeror may intend to include in the development.
 - c. Expected square feet of development (including FAR).
 - d. How the proposed plan supports the City's plans.
 - e. Project phasing of:
 - i. Infrastructure
 - ii. Vertical development
 - iii. Horizontal development
 - f. How the site would be positioned in the market and Offeror's strategy for selection of tenants.
 - g. A construction mitigation plan that identified potential challenges that neighboring businesses and residents may experience during the development and operating periods.
 - h. Conceptual Site Plan showing anticipated land uses and densities.
4. Demonstrated ability to rehabilitate an adobe structure as well as a historic building.
5. Proposed Term Sheet that addresses each of the following items:
 - a. Purchase price, including breakdown of purchase price by phase if phasing is proposed.
 - b. Phasing/Takedown Schedule (if/as applicable).
 - c. Proposed earnest money

- d. Closing Dates
6. How does Offeror propose to fund the project? Include the following:
 - a. Proposed type of funding source(s). Offeror shall propose a clear strategy to fund all proposed development costs.
 - b. Sources of and costs of debt and equity, including specific details on all anticipated funding sources as well as the types and amounts of equity, financing, grants and other funding sources for the proposed development.
7. Commitment and ability to bring developer equity to the project.
8. Quality of design proposed and ability of the development team to implement a high quality project.
9. Consideration of a development plan that complements and bolsters the existing artistic and historic character of the area. Concepts could include but are not limited to: an architectural design the complements the surrounding area.

This RFI is not a request for competitive proposals and is not subject to the Arizona Public Contracting Code. This RFI in no way obligates the City to enter into a relationship with any entity that responds to this RFI or limits or restricts the City's right to enter into a relationship with any entity that does not respond to this RFI. In its sole discretion, the City may pursue discussions with one or more entities responding to this RFI or none at all.

Section VII: General Site Information

- **Property and Location:** Mostly developed with one vacant lot in downtown Casa Grande on Florence Blvd and N./E. Picacho Avenue.
 - **Tax Map Reference:** 50607341A and 50607348C.
 - **Fee-Simple Owner:** City of Casa Grande
 - **Zoning: Light Industrial:** (B-3)
 - **Land area:** 3.92 acres +/-
 - **Electricity:** APS
 - **Water:** Arizona Water Company
 - **Protection:** City of Casa Grande Police and Fire Departments
 - **Sanitary Sewer Line:** City of Casa Grande
 - **Telephone:** CenturyLink
 - **Traffic Count:** Florence Blvd. ADT – 25,157
 - **Accessibility/Directions:** The site is located off of Florence Blvd. within walking distance to downtown.
 - **Topography:** Most of the sites are developed with one parcel being vacant. Site is primarily flat.
 - **Zoning and Other Restrictions:** A copy of the City's zoning ordinance can be obtained from the City of Casa Grande Planning Department or online. In addition, the Planning Department staff will be available to review preliminary site plans for zoning consistency during the RFI process. Site plan reviewing by the Planning Staff will be completed within five (5) working days.
-
- **Property and Location:** 412 N. Florence Street between E. 4th Street and E. 3rd Street.
 - **Tax Map Reference:** 50707134.

- **Fee-Simple Owner:** Industrial Development Authority (IDA) which is a part of the City of Casa Grande
- **Zoning: Single-Family Residential:** (B-3)
- **Land area:** 0.07 acres +/-
- **Electricity:** APS
- **Water:** Arizona Water Company
- **Protection:** City of Casa Grande Police and Fire Departments
- **Sanitary Sewer Line:** City of Casa Grande
- **Telephone:** CenturyLink
- **Traffic Count:** Florence Street ADT – 2,410
- **Accessibility/Directions:** The site is located in the downtown. This site is accessible from Florence Blvd.
- **Topography:** Developed property.
- **Zoning and Other Restrictions:** A copy of the City’s zoning ordinance can be obtained from the City of Casa Grande Planning Department or online. In addition, the Planning Department staff will be available to review preliminary site plans for zoning consistency during the RFI process. Site plan reviewing by the Planning Staff will be completed within five (5) working days.

Section VIII: General RFI Conditions

Post Selection Agreements: After City Council approval, the City intends to enter into a contract with the selected developer within 10 days. This contract will summarize the agreed upon terms and conditions of the project. The Development Agreement will at a minimum, address the following issues:

- Purchase Price
- Timelines for project
- Roles and responsibilities of the Developer and City.
- Assurances and security guarantees of performance.
- Penalties for non-performance.
- Terms and conditions outlined in this RFI, as applicable.
- City’s rights to review and approve the design of the project.
- City’s rights to review and approve management changes.

Proposal Reservations: The City reserves the right to reject any or all expressions of interest, to award in whole or part and to waive minor immaterial defects in expressions of interest. The City may consider any alternative proposal that meets its basic needs.

Changes/Alterations: Proposer may change or withdraw proposal at any time prior to proposal deadline; however, no oral modifications will be allowed. Only letters, or other formal written requests for modifications or corrections of a previously submitted proposal, which is addressed in the same manner as the proposal, and received by the City prior to the scheduled closing time for receipt of expressions of interest, will be accepted. The proposal, when opened will then be corrected in accordance which such written request(s), provided that the written request is contained in a sealed envelope plainly marked “modifications of proposal.”

Confidentially: Responses to the RFI will become public records and, therefore, will be subject to public disclosure.

Proposer Questions, Inquiries and Contact with City Officials and Staff: The City is committed to providing all interested parties with accurate and consistent information in order to ensure that no one obtains an undue competitive advantage. To this end all questions and inquiries should be addressed in writing to:

Proposal and Technical Questions:

Subject: Mixed-Use RFI

Steven_Weaver@casagrandeaz.gov

As this request for information only, this RFI may lead to one of five outcomes:

- A request for additional information from one or more RFI respondents.
- The issuance of a Request for Proposal (RFP) to one or more responders chosen as part of this RFI.
- The issuance of a RFP is opened to all potential development teams.
- Direct negotiations for sale and redevelopment of the properties through a MOU or DDA with a development team(s) selected as a result of this RFI.
- Termination of this process without the selection of a development team or issuance of an RFP.

If the answer or information sought is of procedural or substantive significance, the City will provide the answer or information in writing to all prospective proposers.



ZONING – B-3 (Central Business Zone District)

412 N. Florence Street

Building size approximately 2,803 sq. ft.

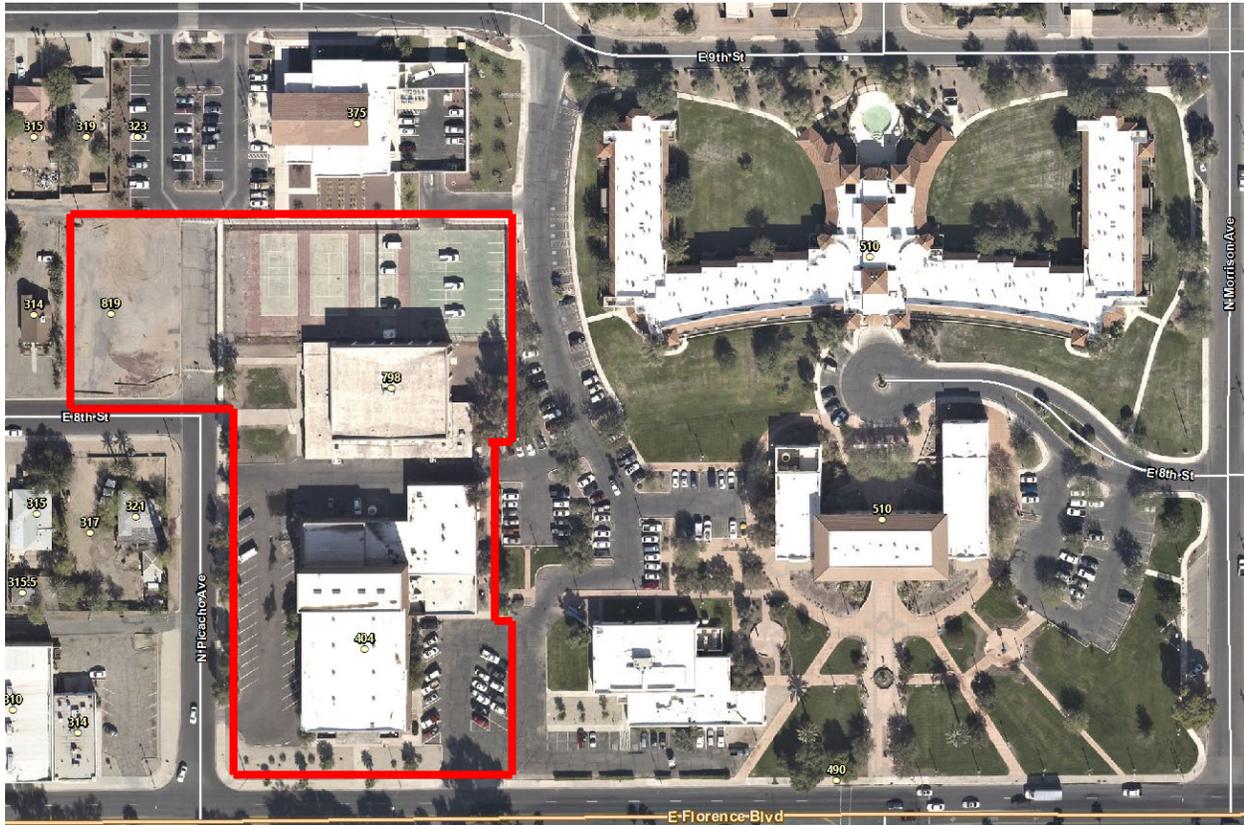


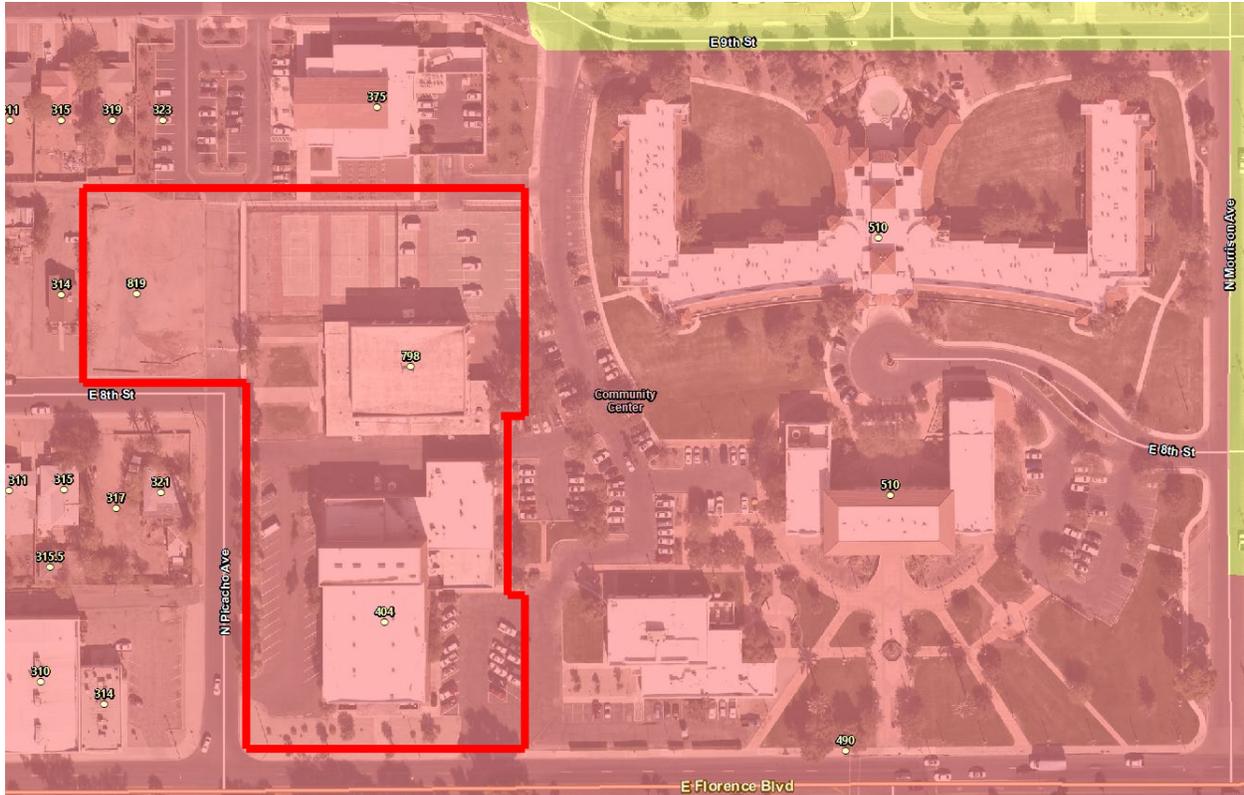


GENERAL PLAN 2020 – Community Center Land Use
412 N. Florence Street
Building size approximately 2,803 sq. ft.



Attachment "B" – Site Aerial/General Plan/Zoning for 3.92 acres

**SITE AERIAL****404 E. Florence Boulevard – CGUHS Auditorium****798 E. Picacho Avenue – Boy & Girls Club Building****Assessor's Parcel Number 506-07-348C****Approximately 3.92 acres**



GENERAL PLAN 2020 – Community Center Land Use
404 E. Florence Boulevard – CGUHS Auditorium
798 E. Picacho Avenue – Boy & Girls Club Building
819 N. Picacho Avenue - Vacant property
Approximately 3.92 acres





Auditorium



Gymnasium (Boys and Girls Club)



Vacant Lot

Attachment "C" – General Plan 2020 Land Use Category

COMMUNITY FIRST | C

COMMUNITY CENTER CATEGORY

DESCRIPTION

One key objective of this category is to avoid the continuation of traditional four corner commercial development and strip commercial land use patterns that traditionally locate along major arterials, are designed to be primarily accessed by the automobile, and often ignore the communities and residents they intend to serve. The Community Center Land Use Category is intentionally broad. It is intended to encourage a mix of land uses and appropriate intensities that can reduce the need to travel by car. These areas provide for a variety of vertical and horizontal mixed uses within interesting and varied pedestrian environments along collector streets within new and established residential neighborhoods. All Community Centers aim to be integrated into the Neighborhoods land use category and encourage transit-orientated design to support longer-term transit goals.

Historic Downtown will be the most sensitive yet most intense area of development as reflected in earlier policies under the vision: *A Vibrant and Celebrated Downtown*. This is an area which has the greatest potential to explore some vertical mixed use without adversely impacting on existing views of the Casa Grande and Sacaton Mountains.



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APPROPRIATE LAND USES

- » Established historic neighborhoods.
- » Higher density residential developments.
- » Transit supportive and transit ready single use retail and commercial development.
- » Transit supportive and transit ready vertical and horizontal mixed-use commercial, retail and residential developments.

APPROPRIATE ZONING

- » R-2 and R-3 Residential Zones
- » B-2 - General Business Zone
- » B-3 - Central Business Zone
- » CO - Commercial Office Zone
- » PAD - Planned Area Developments

DENSITY AND INTENSITY

- » Residential development shall be at net densities between four and 20 dwelling units per gross acre.
- » The scale and form of buildings shall be appropriate to their siting along roadway classifications and abutting land uses.
- » Where residential uses exist along the adjoining collector street, a minimum of 65% of all new ground floor uses should be residential.

INFRASTRUCTURE AND MOBILITY

Development within this land use category includes:

- » Paved streets constructed to City standards and integrated into the Citywide grid.
- » Streets that include facilities for pedestrians, cyclists, automobiles and considerations for future transit.
- » Development that is connected to an approved water provider and City sewer.
- » Services that shall meet or exceed City norms.
- » Through pedestrian access and egress that shall be provided at a maximum of 400' intervals.
- » Utilities that are underground.

SPATIAL FORM AND DESIGN

Development within this land use category provides:

- » Single use, detached single-family residential development over 35

- » acres that is prohibited adjacent to arterial streets.
- » New or re-development abutting or across a local or collector street from single-family residential development that shall be single-family residential or mixed-use residential/retail development.
- » Parking areas abutting and adjacent to single-family development that shall be screened from view.
- » Parking and vehicular access that is secondary to pedestrian accessibility and mobility.
- » On-street parking that will be permitted on local and collector streets and may be permitted along principal arterials.
- » The majority of parking areas that are located between public sidewalks and building entrances.
- » Connected parking areas between abutting developments.
- » Frontage on a minimum of 75 percent of the ground floor building, such frontage includes sidewalks and landscaped pedestrian areas along arterial and collector streets for public right of way and pedestrian accessibility.
- » The primary entrance of all development along arterial streets that shall provide direct pedestrian access from the building to the public sidewalk.
- » Pedestrian access that shall be provided between abutting and adjacent residential and other mixed or single use developments.
- » To retain a small town feel, vertical residential and commercial mixed use developments that are over 30 acres must provide a minimum of 2.5 percent open space visible from the street. The development must be accessible to the public during operating hours exclusive of parking, drainage and landscaped setbacks.
- » In order to retain a small town feel, single use residential developments that must provide a minimum of 10 percent open space exclusive of parking, drainage, and landscaped setback areas.
- » Shade structures that will be provided through either trees or building elements covering at least 25 percent of the public sidewalk adjacent to development.

TRANSITION TO LAND USES

- » Neighborhoods - Minor Amendment
- » Commerce and Business - Minor Amendment
- » Rural - Major Amendment
- » Agriculture - Major Amendment
- » Manufacturing / Industry - Major Amendment