



Legislation Text

File #: 17-583, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Approve the Award of RFQ 17-036, 5th Avenue Development Opportunities, to Ryan Companies US, Inc.

DEPARTMENT: Transportation, Engineering and Development

SUBMITTED BY: Amy Emery, TED Strategic Projects Supervisor

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

The City of Naperville currently owns and leases a number of properties in the vicinity of the Naperville Metra commuter train station, commonly referred to as the 5th Avenue Station. A map showing location of the parcels is attached. These properties were subject of planning and feasibility studies, as they are an important gateway to downtown Naperville and surround one of the city's commuter hubs.

The City is seeking to evaluate and potentially pursue opportunities for redevelopment of one or more of the properties to improve site utilization through mixed use redevelopment based on market conditions, financial principles, parking and transportation demands. The primary purpose of this Request for Qualifications (RFQ) is to identify qualified development teams to partner with the City on visioning and redevelopment of the City-owned parcels in the vicinity of the downtown train station. While the RFQ asked development teams for potential concepts, the focus was truly on the qualifications of development teams.

DISCUSSION:

Advertisement Date:	02/22/2017	Notices Sent:	181
Opening Date:	05/23/2017	Planholders:	95
		Proposals Received:	8

As noted above, nearly 100 parties obtained copies of the RFQ. The level of interest is a reflection of the exciting nature of the site. While most planholders were from the Chicagoland area, parties from coast to coast obtained copies to consider the opportunity. Proposals were received from the following development teams:

Flaherty & Collins Properties
Hamilton Partners

Inter Continental Real Estate and Development Corp.
Lincoln Property Company
Marquette Companies
Morningside Group
Renaissance Downtowns Urban Holdings LLC
Ryan Companies US, Inc.

A selection committee consisting of community leaders, neighbors and City staff from the City Manager's Office, TED Business Group, Legal Department and Finance Department reviewed the written proposals. Scores were based on criteria set forth in the RFQ:

- Capabilities, Capacity and Qualifications of the Development Team (50%)
- Suitability and Quality of the Development Concept (25%)
- Achievement of Outcomes (25%)

Five of the eight development teams; Hamilton Partners, Lincoln Property Company, Marquette Companies, Renaissance Downtowns Urban Holdings and Ryan Companies US, were shortlisted and invited to attend interviews with the selection committee. Each interview consisted of an hour of the development team sharing qualifications, experience and potential concepts for the site. The selection committee then had an additional hour to ask questions. Following interviews, the selection committee rescored shortlisted firms. Based on scores and reference checks, the selection committee identified one firm, Ryan Companies US, as the most qualified to potentially work with the City to redevelop the City-owned/leased parcels adjacent to the 5th Avenue Station. Ryan Companies is based out of Minneapolis with a local office in Naperville on Shuman Boulevard.

As stated earlier, the focus of the RFQ was on qualifications of the development team. Ryan Companies has the capability and proven track record to accomplish a project of this magnitude and complexity (including a project with a budget over \$600M). They completed projects twice this size, as well as projects significantly smaller. Their understanding and experience with development, the market, financing and working with public and private stakeholders to get a project completed elevated them amongst other teams. Their references rave about the work Ryan completed, but also about how Ryan goes about doing projects.

The committee's main takeaway was this is a company that already completed projects of a similar complexity. While others completed larger scale projects, they typically focused on a single land use (residential or office) and lacked the complexity of the proposed development (public private partnership, public engagement, variety of stakeholders).

While this RFQ effort does not endorse a final concept for redevelopment of the area, it is worth noting the initial ideas presented by Ryan Companies provided a well-received mix of residential, office and retail uses with amenities to serve commuters, area residents and visitors. Ryan Companies demonstrated an understanding of the Naperville brand and values in their approach to the project. The committee is confident in their abilities and desire to work with the community moving forward.

FISCAL IMPACT:

CIP #: N/A

There is no fiscal impact resulting from the RFQ. The final scope of redevelopment and associated financial impacts are not yet known. Any City costs associated with redevelopment will be subject to the review and approval of the City Council.

Account Number	Fund Description	Total Budget Amount
N/A	N/A	N/A