

City of
Michigan City, Indiana



REQUEST FOR QUALIFICATIONS
FOR
MASTER DEVELOPER
OF
TRAIL CREEK MIXED-USE DEVELOPMENT
August 16, 2010

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1 NOTICE OF REQUEST FOR DEVELOPER QUALIFICATIONS

- 1.1 Sealed responses containing Master Developer qualifications for acting as the Master Developer for a proposed mixed-use development on Trail Creek in downtown Michigan City, Indiana as detailed in this Request for Qualifications ("RFQ") will be received by the City of Michigan City, Indiana ("City") until 5:00 pm, CST Tuesday, October 12, 2010 at:

John Pugh
Michigan City Redevelopment Commission
100 East Michigan Boulevard
Michigan City, IN 46360

For the purposes of this RFQ, Master Developer shall be defined as a person, firm or other entity (such as a joint venture, partnership, limited liability company or other legal entity formed for the express purpose of developing this project). The Master Developer may intend to develop the project itself or to do so in concert with other persons, firms or entities as a Development Team led by the Master Developer. References in this RFQ to Master Developer shall also be deemed to refer to Development Teams led by a Master Developer.

- 1.2 **Pre-Proposal Conference and Tour.** A pre-response conference and site and area tour will be held from 12:00pm to 2:00 pm CST on Friday, September 10th, 2010 at:

Common Council Chambers, City Hall,
100 East Michigan Blvd.,
Michigan City, Indiana 46360.

The pre-response conference will begin with a tour of the Trail Creek Development Area (as hereinafter defined), downtown Michigan City, the lakefront and other relevant areas. Attendance is strongly encouraged.

- 1.3 **Questions & Registration.** All questions regarding the RFQ shall be submitted in writing on or before 5:00 PM CT on Monday, September 20,

2010 to: Hunden Strategic Partners, Inc.
 920 N. Franklin-Suite 303
 Chicago, IL 60610
 Fax: 312-643-2501
 E-mail: rhunden@hundenpartners.com

Attention: Rob Hunden

Registrations for subsequent addenda **shall** also be made to the above address via Fax or Email. Failure to register may result in your firm not to be notified of addenda.

All materials associated with this RFQ and subsequent addenda can be obtained at www.hundenpartners.com

- 1.4 The City reserves the right to reject any or all responses to the RFQ, to advertise for new RFQ responses, or to accept any RFQ response deemed to be in the best interest of the project. In addition, the City reserves the right to modify any of the procedures identified in the RFQ at its sole discretion.
- 1.5 Submitters should not construe a response to this RFQ as a contract nor infer a commitment of any kind. The RFQ does not commit the City to pay for costs incurred in attending the pre-proposal conference or in preparing and submitting a response to this RFQ or for any costs incurred prior to the execution of a final contract.

2 INTRODUCTION

2.1 **Compelling Nexus for Development Opportunity.**

Many outside the Chicagoland and Michiana region may not be familiar with Michigan City and may not realize the existing assets and potential development opportunity that the 25-acres Trail Creek Development Area (as hereinafter defined) presents. However, the reasons that many in the massive Chicagoland and Michiana region know of Michigan City is due to the three major tourist attractions that surround the site. These include the Blue Chip Hotel & Casino, the Lighthouse Place Outlet Mall and the Michigan City lakefront beaches and marina. These three attractions are the top three tourist attractions in the region and are all located within five blocks of the Trail Creek Development Area boundaries. In addition, Michigan City includes and sits amongst a burgeoning second-home market stretching from the Indiana Dunes to the west up the coast of Michigan to the north. In the summer especially, but throughout the year, Michigan City acts as the regional center for the Michiana lakefront area and includes the majority of large retailers utilized for approximately 30 miles or more in any direction. Thousands of high-income individuals and families pass through and patronize establishments in Michigan City every week and seek opportunities for unique, quality restaurants, shopping and entertainment. Currently, these opportunities are lacking. New restaurants of high quality that have opened in the past several years, even if located outside of Michigan City, have been successful because of the lack of supply compared with the disposable income and unmet demand.

Below is a brief discussion of the three major tourism draws as well as the second home market.

Blue Chip Hotel & Casino. This facility is the eastern-most Indiana casino located along Lake Michigan (although it is located slightly inland on Trail

Creek) and it primarily serves the central and northern Indiana and southern Michigan markets. It is located directly across Trail Creek from the proposed Trail Creek Development Area. To mitigate the new competition brought on by the Four Winds Indian casino about ten miles to the north in New Buffalo, Michigan, the owners built a new casino and added a new hotel tower and conference center over the past several years. The casino now boasts more than 500 hotel rooms, the largest ballroom between Chicago, Detroit and Indianapolis (15,000+ square feet) and a large airy gaming area that annually serves 2.5 million visitors.
<http://www.bluechipcasino.com/>

Lighthouse Place Outlet Mall. Over 4 million people per year enjoy this popular visitor attraction. With more than 120 stores, Lighthouse Place Outlet Mall is one of only three major outlet malls serving the greater Chicagoland area. The others are located in the far western (Aurora) and northern (Gurnee) suburbs, meaning that Lighthouse Place captures visitors from Chicago, Indiana and Michigan. The mall is located five blocks to the west of the Trail Creek development area.
<http://www.premiumoutlets.com/outlets/outlet.asp?id=18>

Washington Park, Zoo, Michigan City Marinas & Beaches and Other Nearby Attractions. The beaches, zoo, park and marina of Michigan City are popular tourist attractions for thousands of annual visitors. These prime assets are located just four blocks from the Trail Creek Development Area. A masterplan for Washington Park was completed in 2006 and can be found here:
<http://www.emichigancity.com/cityhall/departments/parks/pdf/wpmasterplan72806.pdf>

Located minutes from Downtown Michigan City in the eastern end of the Indiana Dunes National Lakeshore, Mt. Baldy sand dune draws over

350,000 tourists each year to the Michigan City area.

Second Home Market. Michigan City serves as a nexus for the many second home communities and owners that can be found up and down the coast of Lake Michigan. These communities have thousands of high-income second home owners as well as renters that use Michigan City as a stop for shopping and entertainment, as it is the largest city near these many communities. It is this additional demographic that sets the area apart from other similar-size cities in the Midwest. This higher-end traffic also supports the many artists and galleries that call Michigan City and the nearby dunes/lakefront communities home.

An understanding of all the tourism, demographic and other assets of Michigan City is critical to understanding the true development opportunity that awaits the developer of Trail Creek.

- 2.2 This Request for Qualifications (“RFQ”) is the primary competitive step in a process that will culminate in a negotiated development agreement between the City of Michigan City, Indiana and a qualified Master Developer and/or Development Team. The Master Developer will develop and construct and/or oversee development and construction of a mixed residential, retail and entertainment development on the approximately 25 acres of the Trail Creek Development Area located along the southwest bank of Trail Creek opposite the Blue Chip Casino and Hotel (as more particularly defined and identified in Section 2.4 and hereinafter also referred to as the “Site”).
- 2.3 Although several concepts for development of the Trail Creek Development Area have been discussed, the City is open to considering and encourages

the presentation of respondents' own mixed-use and destination-oriented development concepts, although with a strong emphasis on residential growth as well. As a guide to past concepts, the City refers respondents to the following concepts, which have recently been contemplated or discussed:

2.3.1 Lohan Anderson Concept—prepared by Lohan Anderson, a Chicago architectural firm, in late in 2007, this concept featured:

- 2.3.1.1 High rise residential: three- 24 story buildings with 192 units in each;
- 2.3.1.2 Low rise residential: twelve- 3 or 4 story building complexes with a total of 322 units;
- 2.3.1.3 Detached single family residential: twenty-four 4,000+ sf units;
- 2.3.1.4 Commercial: Ground floor retail/restaurant/office in three areas of the development concept totaling 55,000 sf of commercial space; and
- 2.3.1.5 Other civic, entertainment and open space elements, such as Trail Creek Landing (an outdoor public gathering and entertainment venue), marinas and parks and nature preserves.

2.3.2 Tracy Cross & Associates Concept—a market analysis of a less dense, mainly residential concept prepared by this suburban Chicago consulting firm in late, 2008 and featuring:

- 2.3.2.1 Rental apartment residential: 120 units averaging approximately 900 sf each in 3-story buildings;

- 2.3.2.2 Attached garden condominiums residential: 168 units averaging 1,200 sf each in 3-story buildings;
- 2.3.2.3 Attached row homes residential: 138 units averaging 1,600 sf in 2.5 to 3-story buildings;
- 2.3.2.4 Detached single family residential: 30 two-story units of 2,000 to 2,700 sf each;
- 2.3.2.5 Restaurants: a fine dining (7,500 sf), casual dining (5,000-6,000 sf) and 1 or 2 fast casual dining (1,500-2,000 sf each) restaurants;
- 2.3.2.6 Other commercial: 3,500-4,000 sf neighborhood grocer; and
- 2.3.2.7 Other civic, entertainment and open space elements, (similar to Lohan Anderson Concept) i.e. Trail Creek Landing (an outdoor public gathering and entertainment venue), marinas and parks and nature preserves.

2.4 The City desires an iconic mixed-use development that will act as a catalyst to further development in downtown Michigan City as well as provide for linkage to other downtown development projects. The proposed development will need to take into consideration other planning initiatives undertaken in recent years. These initiatives include:

- Lohan Anderson Trail Creek Plan
- Tracy Cross & Associates—A Market Analysis of Development Potential

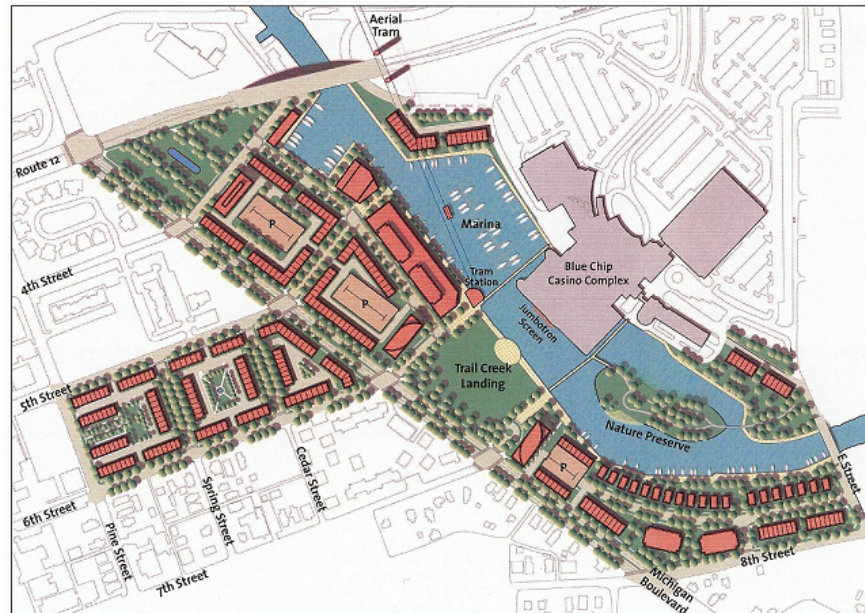
- The North End Plan—An Urban Design Proposal by Andrews University
- Beachway Project—a Land Use Plan, 1970 (under discussion for revision as of 2009)
- Elston Grove Historic District—Final Streetscape Design Guidelines
- Economic Impacts of South Shore Line Station on Downtown
- Michigan City Port Authority Development Guidelines

These initiatives are summarized in Appendix A and access to more detailed materials on these is available through the Exhibits section of this RFQ. ***However, it should be noted that these plans do not constitute a final plan or mandated plan. The City is seeking a developer who will bring their creativity to the process and design and implement a project that is even more catalytic, iconic and transformative than these plans. The idea is to begin to recreate Michigan City and its waterfront areas as an active live-work-play environment for residents and visitors alike.***

The site (hereinafter referred to as the “Site” or “Trail Creek Development Area”) is shown below in Figure 2-1, which is a depiction of the Site from the Lohan Anderson concept plan. The basic area of the Trail Creek Development Area as shown above encompasses all the land along Trail Creek lying Northeast of Michigan Boulevard and North of 8th Street from Route 12 to E Street together with the area between 5th and 6th Streets running Southwest from Michigan Boulevard for several blocks to Pine Street. *In addition to the designated area, there are adjacent and nearby parcels whose owners may be interested in selling so that the overall*

development opportunity increases. Details on these parcels will be provided at the pre-submittal conference.

Figure 2-1



Appendix B is an aerial map showing Trail Creek Development Area in relation to the rest of downtown Michigan City, including various downtown landmarks, districts and initiative areas, including Blue Chip Casino and Hotel, Trail Creek and Washington Park Marinas, Franklin Square, Elston Grove Historic District (including the historic Brewery site), the Beachway Project area, City Hall, Public Library and Light House Place Outlet Mall.

Appendix B highlights the status of some of the parcels that make up the Trail Creek Development Area as depicted on the Site Map included in Appendix B.

- 2.5 The City's objectives are to: (i) foster the development of downtown Michigan City, (ii) enhance the livability and tourism of downtown Michigan

City, and (iii) improve Michigan City's competitiveness as a place to live, visit and/or work.

- 2.6 This RFQ describes the project in general, the required scope of services, the Master Developer/Development Team selection process and the minimum information that must be included with the submittal. Failure to submit information in accordance with the requirements and procedures listed herein may be cause for disqualification.

3 PROJECT DESCRIPTION

- 3.1 Although discussion has taken place regarding several concepts for development at the Site, the City does not have a prescribed concept or specific criteria for the Trail Creek development project. However, in general, the project involves the development, construction, sales/leasing and operation of a mixed-use development that will incorporate residential, commercial and public elements intended to begin the recreation of downtown Michigan City and its waterfront areas as an active live-work-play environment for residents and visitors alike. Therefore, the project elements should include a variety of types of residential living, as well as retail, restaurant and other commercial uses. The public elements would be such uses as parks, nature preserves and marina facilities. Other possible elements could include "live/work" residential and office units, entertainment venues and other uses that would enhance the quality of life in Michigan City.
- 3.2 The City generally understands the economics of the real estate market for the various elements needed for a mixed-use development of this nature and will consider financial assistance and development options. The City is looking to the Master Developer to create a financing plan that is achievable by the private sector and politically palatable for the public sector. The primary tools available for this project are or may be:

3.2.1 Land acquisition;

3.2.2 Tax increment financing for infrastructure improvements;

3.2.3 Recovery Zone Facility Bonds; and

3.2.4 Private foundation grants

The City has the following finance objectives for the Trail Creek project:

3.2.5 Limit financial participation by the City,

3.2.6 Limit financial risk for the City,

3.2.7 Complete a deal structure that results in the successful development of the project in a timely manner.

The City will choose a Master Developer/Development Team that can creatively deliver a project that accomplishes the above goals.

3.3 Other goals. The City of Michigan City has additional goals for the project and these include:

3.3.1 A project that serves as a catalyst for adjacent growth and improvement.

3.3.2 A project that attracts tourists, residents and businesses and enhances the surrounding uses of a casino-hotel, the downtown, and the waterfront.

3.3.3 A project with strong design characteristics, potentially rising to iconic status while maintaining architectural compatibility with the neighboring areas

- 3.3.4 A project where pedestrian street activity is maximized via retail, restaurants, recreation and other uses at street level,
 - 3.3.5 A project that seeks to reflect the character of Michigan City,
 - 3.3.6 A project that keeps the balance of downtown in mind, and
 - 3.3.7 A project that enhances the City's ability to achieve other downtown development goals,
- 3.4 The development will have a target commencement date of May of 2011 or earlier.

4 DEVELOPER SCOPE OF SERVICES

- 4.1 The City of Michigan City anticipates entering into a development agreement ("Agreement") with a person, firm or other entity to serve as the Master Developer of the proposed mixed-use development. Under the Agreement, the Master Developer will be expected to commit to the development and/or the oversight of the development of the mixed-use project that meets the required specifications and opening schedule.
- 4.2 It is the intent of the City to offer the Site near Trail Creek (see the Appendices, particularly Appendix B) and such other site acquisition assistance as is deemed appropriate to the Master Developer or Development Team on favorable terms needed to provide incentive to achieve project goals. The Mater Developer or Development Team is expected to be responsible for all aspects of the development process for the Site including planning, zoning approvals, permits, environmental remediation (if any), design, required governmental approvals, procurement, construction and commissioning of the project. The City (or related entities) owns or is in the process of acquiring the Site and commits to expedite the approvals process.

- 4.3 The City intends for the Master Developer to develop the mixed-use development, to manage the development process and to serve as asset manager during, and perhaps after the construction period.
- 4.4 The terms and conditions of the scope of services will be established through the negotiation activities occurring during Phase 2 of the selection process.

5 SELECTION PROCESS

- 5.1 A pre-response conference will be held during Phase 1, details of which are described in Sections 1.2 and 1.3 of this RFQ. The total process includes:

Phase 1 - Developer Qualifications

Phase 2 - Negotiation with Top-Ranked Developer

- 5.2 In Phase 1, submitters are asked to:
 - 5.2.1 Comment on the Site, describe in general terms the nature of the development intended by the respondent or responding team, preferences for locating the various proposed elements on the Site, any additions to the development (such as other areas) and other elements deemed desirable to the project. Concept plan renderings would be helpful, but are not required.
 - 5.2.2 Demonstrate that the Site's size and geometry can accommodate the type of development the respondent anticipates.
 - 5.2.3 Demonstrate that the Master Developer and Development Team is technically experienced and financially capable of producing projects of this scale.

- 5.3 After Phase 1, the City will rank the candidates and will likely conduct interviews.
- 5.4 In Phase 2, the top-ranked development team will enter into an exclusive agreement with the City, for a mutually agreeable period of time, to establish a development program, construction timing and financing of the Trail Creek site.

6 MINIMUM QUALIFICATIONS FOR DEVELOPMENT TEAMS

- 6.1 Development Teams are to be composed of the Master Developer, construction contractor or construction manager, an architect or architects and/or civil engineer with appropriate master planning, residential and commercial experience (members of the development team that will be responsible for different elements of the project should identify the architect) and real estate professionals with experience in marketing the various elements of mixed-use developments.
- 6.2 The Master Developer must demonstrate experience on projects of similar scope.
- 6.3 The construction contractor or manager, engineer and architect(s) must have had primary responsibility for the actual construction of at least two mixed residential and commercial development projects undertaken during the past ten years. One of these projects must have had a total project cost (in 2010 dollars) in excess of \$50 million.
- 6.4 The Master Developer or Development Team must demonstrate the ability to design, acquire permits and other approvals, construct and deliver the project on time and on budget.
- 6.5 The Master Developer and/or Development Team must demonstrate ability to operate and/or market the mixed use development elements to be

operated and/or marketed in a professional manner consistent with the standards of mixed use development properties of this nature in the United States.

- 6.6 The Master Developer and/or Development Team must demonstrate the financial capacity to secure financing commitments from banks for a project of this scale.

7 SUBMISSION REQUIREMENTS FOR THIS RFQ

- 7.1 COVER LETTER, which shall serve as a Certificate of Authority and must be signed by a duly authorized officer, principal or partner of the Master Developer of the respondent or respondent Development Team. The letter shall identify ALL of the construction, design and marketing entities within the Development Team and provide the name, title, address, and telephone number of the contact person(s) for each member or member entity of the Development Team (member firms can be identified in an attachment to the cover letter).
- 7.2 EXECUTIVE SUMMARY. Provide highlights of the submittal materials and reasons you and/or your team should be selected.
- 7.3 DEVELOPER, CONSTRUCTION CONTRACTOR or MANAGER, ARCHITECT and ENGINEER INFORMATION.
 - 7.3.1 Describe the role of each member, entity or firm on the Development Team and the composition, legal form and organizational structure of Development Team. Joint ventures should provide all requested information for each member.
 - 7.3.2 Provide identification, role and experience of the primary personnel proposed for the project, including key personnel from each Team firm.

7.3.3 Provide a listing of the present workload and capacity of each member, entity or firm on the Development Team.

7.3.4 Provide most recently available financial statements for the master developer, construction manager, general contractor and marketing entity. The City reserves the right to request additional financial information from the master developer or any subcontractors or team members in order to establish the credibility and financial wherewithal of the proposers.

7.4 DEVELOPMENT EXPERIENCE and REFERENCES. Provide complete project history for a minimum of two (2) projects and a maximum of five (5) projects from the Master Developer, two (2) projects from the construction contractor or manager, two (2) projects from the engineer, two (2) projects from the real estate professional responsible for marketing the project and two (2) projects from the architect(s) that meet the minimum qualifications requirements. The construction contractor/manager, engineer and the architect may both use the same project(s), if applicable. Only these projects will be considered in evaluating the qualifications of the Development Teams. The information must include:

7.4.1 Project name and location.

7.4.2 Name address and telephone number for project owner, owner's project manager and/or owner's contact person on the project.

7.4.3 Description of the project, including type of facility or facilities, initial project budget and initial project schedule.

7.4.4 Role and listing of services provided by each Development Team member.

7.4.5 Name, title and role of personnel used to perform services.

7.4.6 Project design and delivery method used.

7.4.7 Project start and completion dates and adherence to project schedule.

7.4.8 Project cost versus budget.

7.4.9 Listing of claims, which impacted owner and the resolution of those claims.

7.5 DEVELOPMENT TEAM EXPERIENCE. If members, entities or firms of the Team members have experience working together on the development, construction and/or marketing mixed use projects similar to the Trail Creek project, provide detail of those projects indicating the name and location of the project(s), overall development budget of the project(s), brief description of the project elements and which your Team's members, firms or entities were part of the project(s) and their roles. Describe the level of Team member involvement in similar types of facilities operations including the ability to market and promote the facility.

7.6 For this project, comment on your Team's vision for the Trail Creek development and the rationale for that vision of the project. The narrative should be no longer than 1,000 words, and should provide a strong indication of the type of development (and components) contemplated and the rationale for the suggest mix of uses.

7.7 If the respondent so desires, information requested in Section 7.3.4 and Section 7.4.9 may be submitted in a separate envelope marked "Privileged and Confidential Information." Respondents may also request that other information in a response to this RFQ be considered "Privileged and Confidential Information" by marking such material and including a written

request to that effect, including the reason for said request. Except for the information provided under the sections mentioned above, the City shall have the sole discretion in determining whether or not other information will be maintained as "Privileged and Confidential Information." The City will protect information deemed "Privileged and Confidential Information" as described in this Section from disclosure to the greatest extent allowable by law.

7.8 CONFLICT of INTEREST STATEMENT. Disclose any potential conflict of interest Team members may have with the City. If any of the firms or principals have worked with the City or its staff in the past, this should be disclosed.

7.9 OTHER INFORMATION. Such as brochures, reports or other project information that the Master Developer and/or members of the Development Team desire to submit for consideration.

7.10 Eight (8) copies (one of which shall bear original signatures and be marked as "Original") and one (1) electronic copy in pdf format of the above materials must be delivered by 4:00 p.m. CST of October 12, 2010 to:

John Pugh
Michigan City Redevelopment Commission
100 East Michigan Boulevard
Michigan City, IN 46360

7.11 Materials received after the above deadline will **not** be considered.

7.12 Submitted materials are to be soft cover bound and no larger than 9" x 12". Please do not submit materials in three-ring binders.

8 EVALUATION CRITERIA. Selection of a Master Developer/Development Team will be based upon qualifications as well as a likely interview process. The selection process will not include a design competition. After the receipt of the RFQ responses, a final list of Development Teams will be determined from a review and rating of the responses. Selection criteria include the following:

- 8.1 Ability to meet the City's objectives as described in Section 3 of this RFQ.
- 8.2 Master Developer and/or Development Team experience on similar projects.
- 8.3 Qualifications and ability of team members to perform their respective roles.
- 8.4 Reported integrity in prior similar negotiations.
- 8.5 Ability to maximize private participation in the project.
- 8.6 Level of creativity in responding to the opportunity.
- 8.7 Team chemistry.
- 8.8 The financial capabilities of the Master Developer and/or Development Team.
- 8.9 Ability to complete past projects on time and budget.
- 8.10 Ability to finance past projects in a timely fashion.
- 8.11 Creativity (within realistic market parameters) of the vision.
- 8.12 Other factors deemed relevant by the selection committee.

9 SELECTION PROCESS SCHEDULE

- 9.1 Advertise & Issue RFQ August 16, 2010

- | | | |
|-----|-----------------------------|------------------------|
| 9.2 | Pre-submittal Conference | September 10, 2010 |
| 9.3 | Question Submittal Deadline | September 20, 2010 |
| 9.4 | RFQ Submittals Due | October 12, 2010 |
| 9.5 | Interview Finalists | October/ November 2010 |
| 9.6 | Rank Developers | November 2010 |

10 SPECIAL CONDITIONS

- 10.1 The information contained herein is provided solely for the convenience of prospective mixed-use development entities. It is the responsibility of the recipient to assure itself that information contained herein is accurate and complete. Neither the City nor its advisors provide any assurances as to the accuracy of any information in this document.
- 10.2 Any reliance on these contents, or any communications with City officials or advisors, shall be at the recipient's own risk. Prospective bidders should rely exclusively on their own investigations, interpretations, and analyses in connection with this matter. This RFQ is being provided by the City and its advisors without any warranty or representation, express or implied, as to its content, its accuracy or completeness. No warranty or representation is being made by the City or its advisors that any response conforming to these requirements will be selected for consideration, negotiation, or approval.
- 10.3 The City and its advisors shall have no obligation or liability with respect to this RFQ and this selection and award process or whether any award will be made. Any recipient of this RFQ who responds hereto fully acknowledges all the provisions of this disclaimer and the disclosure set forth hereafter is totally relying on said disclaimer and disclosure and

agrees to be bound by the terms hereof Any proposals submitted to the City or its advisors pursuant to this RFQ are submitted at the sole risk and responsibility of the party submitting such proposal.

- 10.4 Any action or response taken by the City for any reason or for no stated reason made pursuant to this RFQ or in making any award or failure or refusal to make any award pursuant to such submittal, or in any cancellation of an award, or in any withdrawal or cancellation of this RFQ, either before or after issuance of an award, shall be without any liability or obligation of the City or its advisors.
- 10.5 A response to this RFP, or all responses, may be accepted or rejected by the City for any reason, or for no reason, without any resulting liability to the City and its advisors.
- 10.6 This RFQ does not commit the City to procure or award a contract for the scope of work described herein. This RFQ does not commit the City to defray any costs incurred in responding to the RFQ.
- 10.7 All information submitted in response to this RFQ (except that provided under Section 7.3.4 and Section 7.4.9 and marked "Privileged and Confidential Information" and/or such other information respondent requests and the City, in its sole discretion, agrees be considered "Privileged and Confidential Information") shall become the property of the City, and as such, may be subject to public review as public records after negotiation of an agreement has been completed.
- 10.8 The City reserves the right to cancel, alter or amend this RFQ. The City reserves the right to request clarifications from any or all members of submitting Master Developer or Development Teams, however, they shall not be required to request missing information from the submittals that may cause them to be considered as non-responsive.

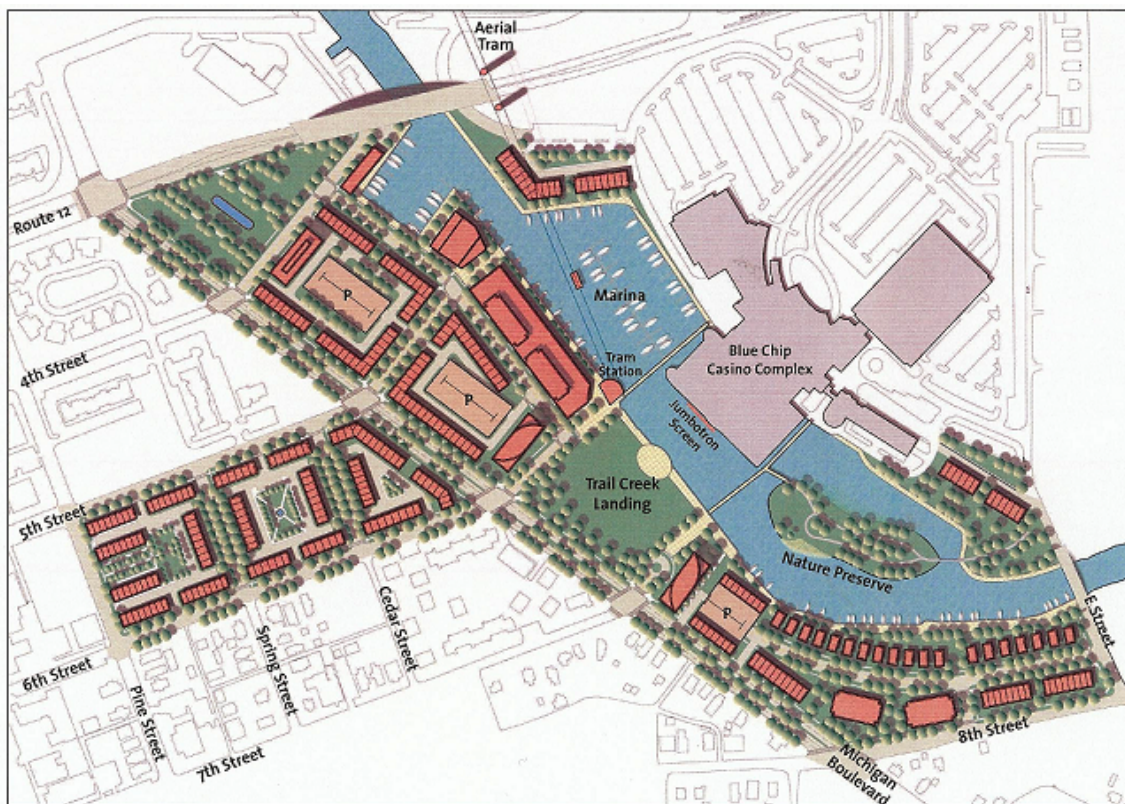
- 10.9 The City reserves the right to endorse with conditions all, some or none of the Master Developers, Development Teams.
- 10.10 Development Teams acknowledge and agree that the City will not be responsible for any costs, expenses, losses, damages (including damages for loss of anticipated profit) or liabilities incurred by any proponent as a result of this process.
- 10.11 The City shall provide the release of all public information concerning the project, including selection announcements and contract awards. Those desiring to release information to the public must receive prior written approval from an authorized representative of the City.

- 11** EXHIBITS – Available for download at www.hundenpartners.com
- 11.1 Tracy Cross & Associates—A Market Analysis of Development Potential (2008)
 - 11.2 Lohan Anderson Trail Creek Plan (2007)
 - 11.3 Elston Grove Historic District—Final Streetscape Design Guidelines by JJR (2007)
 - 11.4 The North End Plan—An Urban Design Proposal by Andrews University School of Architecture (2007)
 - 11.5 Economic Impacts of South Shore Line Station on Downtown Michigan City by Economic Development Visions, TND Planning Group and Urban Advisors (2008?)
 - 11.6 Trail Creek Development Guidelines by Michigan City Port Authority (2007)
 - 11.7 Beachway Project—a Revised Land Use Plan by Carl L. Gardner and Associates (1970)
 - 11.8 Appendices:
 - A. Downtown Michigan City Development Initiatives
 - B. Maps and Parcel Ownership

Appendix A—Downtown Michigan City Development Initiatives

Lohan Anderson Trail Creek Plan

Like the North End Plan, this 2007 study looked at the existing conditions in Downtown Michigan City before presenting a concept for future development in the area. However, this initiative looked specifically at the same Trail Creek Development Area that is now the subject site of this RFQ. Although some of the details regarding the mix of uses in the Lohan Anderson concept plan for the Site are described in the RFQ, the 20-page report provides considerably more information regarding the development concept, including more details regarding the proposed use and concept renderings of how a Trail Creek development may look.

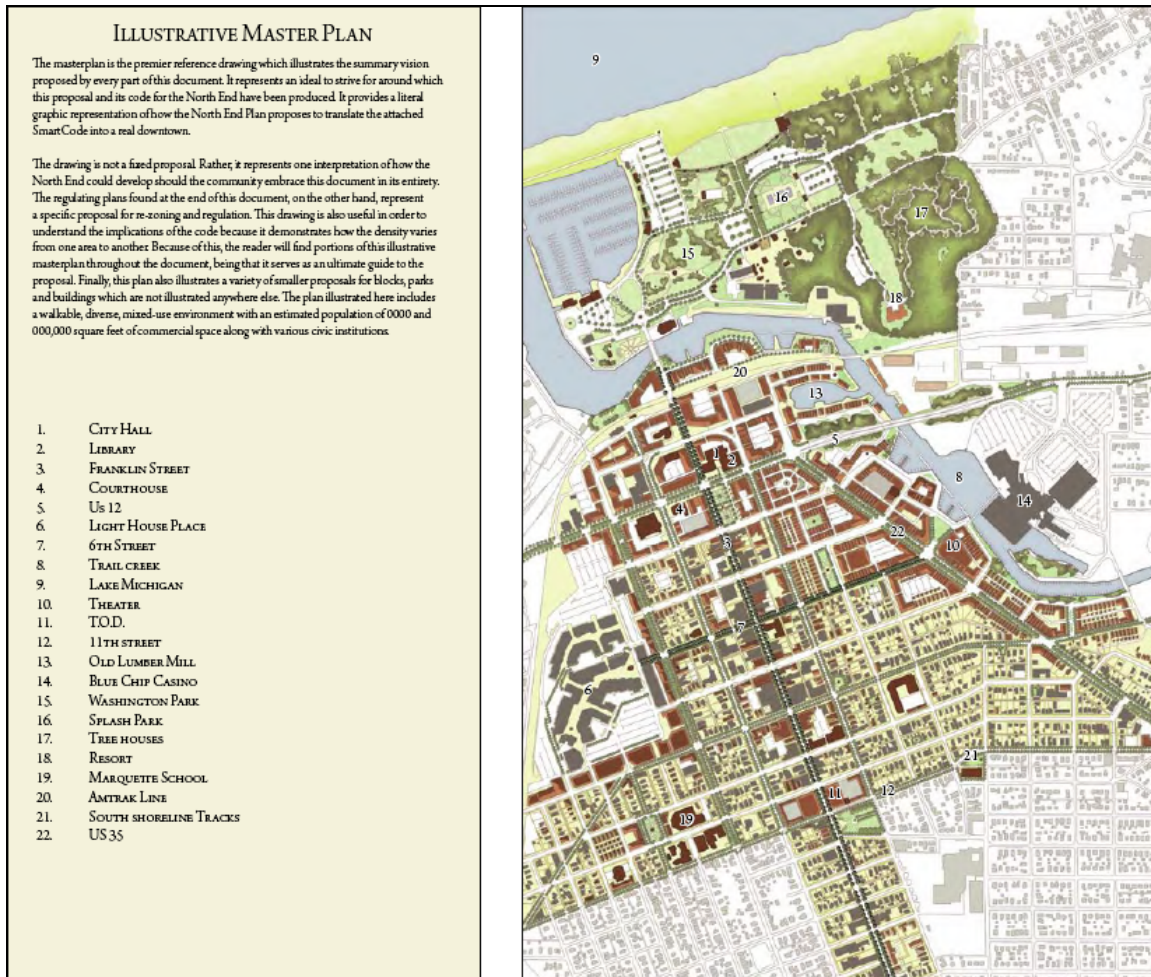


It should be noted that no plan is a prescription for or replacement for the selected developer's creativity and plan.

The North End Plan by the Andrews University School of Architecture

In 2007, students and faculty of Andrews University, in cooperation with the Mayor's office, conducted a study of the existing conditions and public policies and made design and regulatory recommendations to inform future redevelopment efforts. This ambitious project began with a public charette that looked at virtually all of what can be considered Downtown Michigan City from the lakeshore to the north to 11th Street on the south and from Huron Street to the west to Trail Creek and Michigan Boulevard on the east (including ALL of the Trail

Creek Development Area) as well as corridors west along Michigan Street, east along US 12, south west along Michigan Boulevard and south long Franklin Street to Harrison. The resulting 163-page report provides a wealth of information regarding the existing conditions in the entire area including the Trail Creek Development Area as well as suggestions for the future of that area that independently reached many of the same conclusions for mixed-use development along Trail Creek as the following initiative, which was being conducted at much the same time for just the Trail Creek Development Area. The figure below shows the Andrews University Masterplan.



Tracy Cross & Associates—Market Analysis of Development Potential

This 2008 study also looked specifically at the Trail Creek Development Area as well as the Lohan Anderson Trail Creek Plan. As residential consulting firm, the Tracy Cross & Associates study focused on the residential market for a variety of residential “for sale” and “for lease” products while including some suggestions regarding the commercial and public needs for the Development Area. The resulting report includes projections for the absorption of residential units in the Trail Creek Development Area for a ten-year period following based upon pre-2008

market conditions and comparable data. Also, the report contains descriptions of the various residential products for which these consultants perceived a market existed in 2008.

A copy of the Tracy Cross & Associates market analysis report is available as indicated on the Exhibit page of the RFQ.

Elston Grove Historic District—Streetscape Design Guidelines

In 2007, the Chicago office of the national landscape architectural and planning firm, JJR, developed guidelines for streetscapes, connectivity and preservation of the historic character of much of the area adjacent to the Trail Creek Development Area as well as a portion of the Development Area lying within the Historic District, i.e. the first two blocks of the area between Fifth and Sixth Streets west of Michigan Boulevard. The City anticipates any development of Trail Creek Development Area will be harmonious with its surroundings including the Elston Street Historic District. The guidelines in this 31-page report should be conducive to achieving design standards for a Trail Creek development that blend well with its surroundings.

Economic Impacts of South Shore Line Station On Downtown

With its proximity to Chicago and South Bend, Michigan City enjoys commuter rail linkage to these cities via the South Shore Line operated by Northern Indiana Commuter Transportation District (NICTD). NICTD is currently engaged in developing plans to improve such commuter rail service. The development plans include assessing the best path for an improved commuter rail line through Downtown Michigan City. This report discusses the pros and cons of the three proposed routes through Downtown. Although it currently appears the 11th Street route will be developed, the proximity of all the routes to the Trail Creek Development Area makes this report a valuable asset for assessing the potential of the Trail Creek Development Area.

Michigan City Port Authority Development Guidelines

Since part of the Trail Creek Development Area is currently owned and operated by the Port Authority as Trail Creek Marina (see Appendix C for more information), these guidelines provide insight into the requirements for relocating all or some of the Port Authority's facilities or for developing marina facilities as part of the development plan for the Site. It should also be noted that any marina facilities in the Development Area could have the option of being managed by the Port Authority.

Beachway Project by Carl L. Gardner and Associates

This 1970 redevelopment plan proposed extensive redevelopment of the area of Downtown south of the Michigan City Harbor and Trail Creek between Wabash and Spring Streets south to Fourth Street as well a few blocks from Franklin Street east to Michigan Boulevard between Fourth and Fifth Streets and one block that is now a part of the Trail Creek Development Area. Although the Beachway Project called for a number of redevelopment action in this area, only a

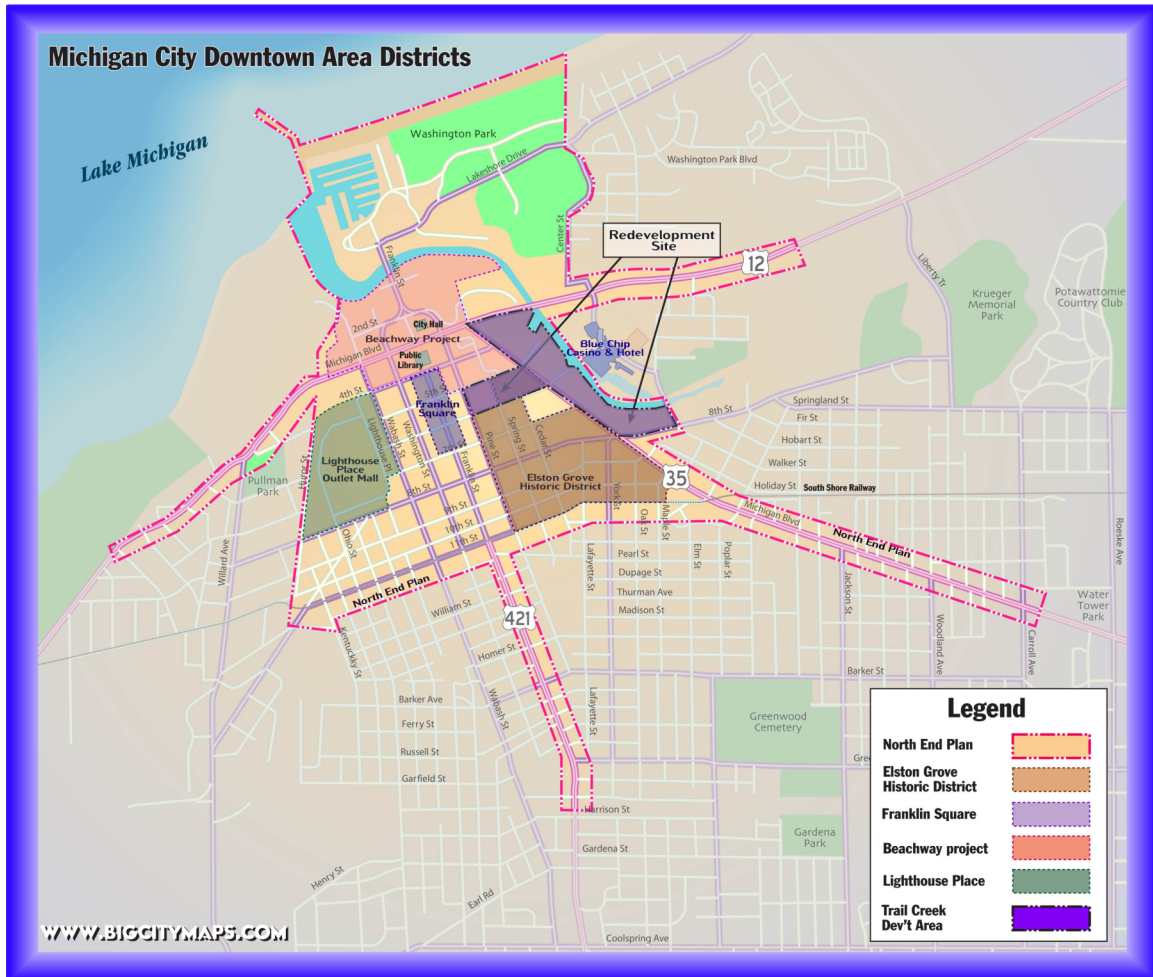
few were ever implemented. The most notable of these were the closure of Franklin Street between Michigan and Fourth, the creation of a one-way traffic, pedestrian-friendly mall along a portion of Franklin Street and the further development of a “civic cultural corridor” along Michigan Boulevard where the City Hall and Public Library now are. However, this plan is now 40 years old and many parties have discussed revisiting the land-use plan for the Beachway and North End (north of Highway 12) to visually open up the lakefront and promote surrounding parcels for redevelopment, including the City Hall building and other nearby buildings. While no specific plans or actions have occurred, the area is a critical juncture between the Trail Creek area, the lake front, the outlet mall and downtown. The chosen developer will have an opportunity to act as a stakeholder in the visioning for the Beachway area.

Complete copies of all these materials are available for download at www.hundenpartners.com

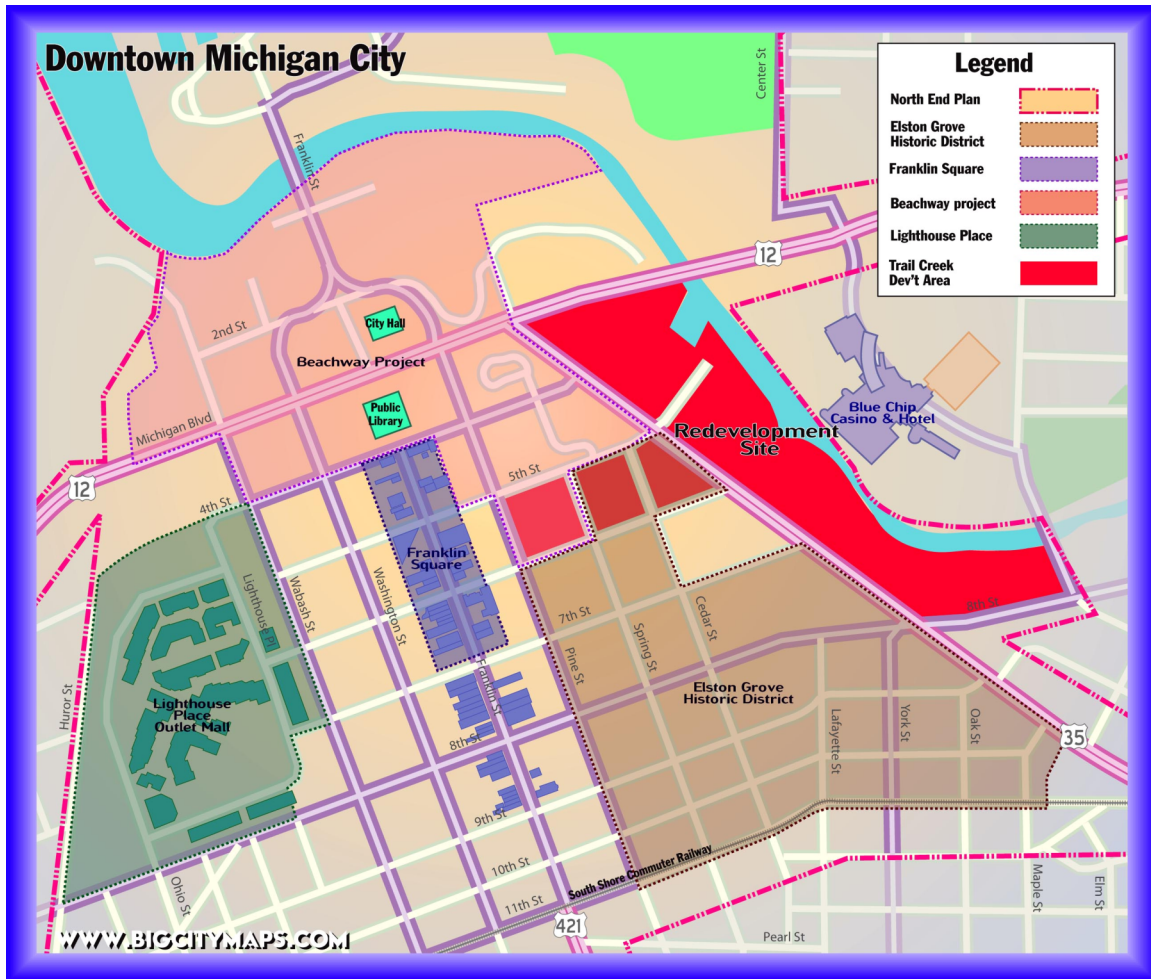
Appendix B – Visuals & Major Parcels

Trail Creek Redevelopment Area within the Greater Michigan City Context

The map below shows in purple the 25-acre redevelopment area within Michigan City. The proximity to Lake Michigan, downtown (Franklin Square), the Blue Chip Casino and the Lighthouse Place Premium Outlets.

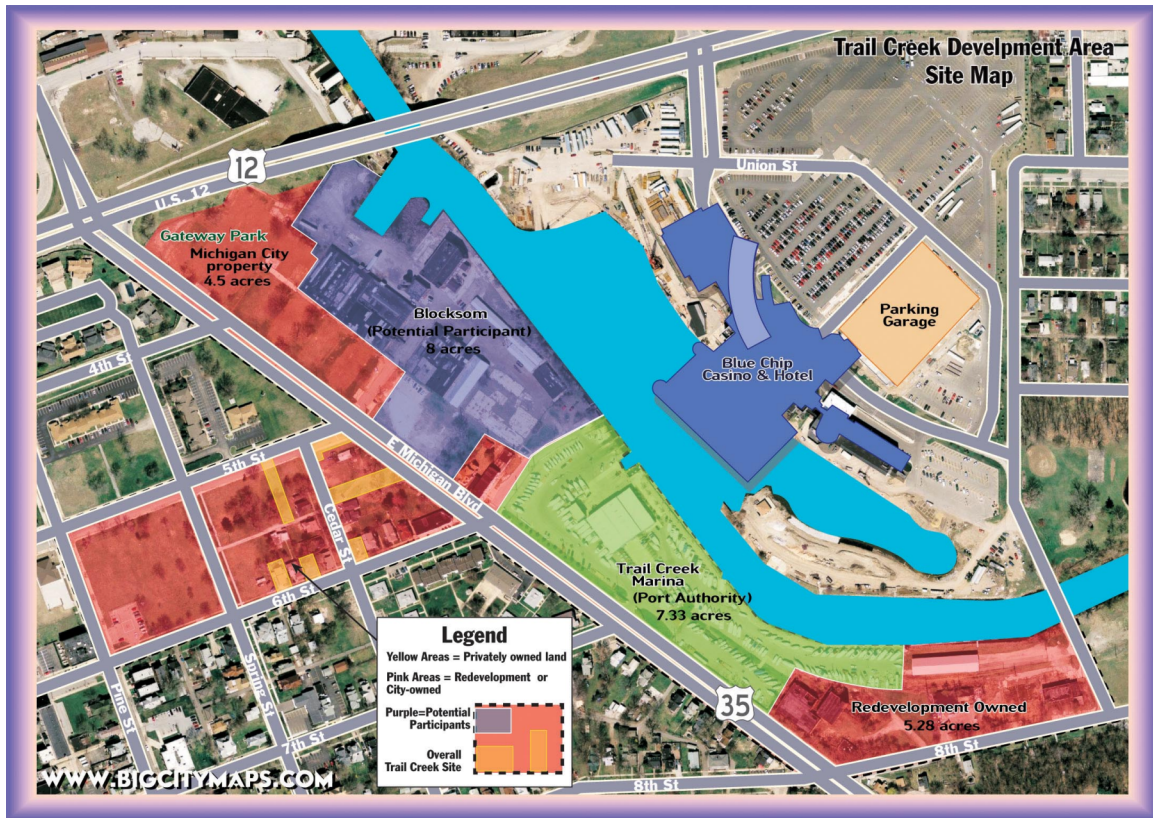


The next map shows a closer view of the redevelopment area.



As shown, the redevelopment extends west to downtown, south to 8th Street, north to Highway 12, and east to Trail Creek, across from the Blue Chip Casino & Hotel.

The next map shows the major parcels within the redevelopment area.



The area in pink is currently owned by the Redevelopment Commission.

The City of Michigan City is in the process of transferring ownership of the parcels it owns (in green) to the Redevelopment Commission within the Trail Creek area only.

The small parcels within Trail Creek that are not owned yet are under acquisition by the Redevelopment Commission.

It will be the Developer's responsibility to work with the Redevelopment Commission to determine a timeline for development, given the existing ownership and other pre-development issues.

The following highlights the current status of portions of the Site located along Trail Creek. These parcels are indicated on the above map as the Gateway Park, Blocksom, Trail Creek Marina, Ice House and Weber Sign Parcels, respectively.

Gateway Park. Deed restrictions on a portion of the Site at the Southeast corner of Michigan Blvd. and US 12 require that property be used for park purposes. Although that restrictions expires in 2014, the City has engaged Lohan Anderson to design such a park with plans to begin construction of park improvements later this year. It is intended this park will serve as the "gateway" to the Trail Creek Development Area. The authorization and funding to move ahead with the park development occurred in the summer of 2010.

The figure below is a design plan for the park, which sits in the northern most portion of the Trail Creek development area.



Blocksom Parcel

The RDC currently has an agreement for the relocation of the existing business located on this parcel. The parcel is currently occupied by Blocksom & Company, a manufacturing business that is in the process of seeking an appropriate site to relocate their business operations elsewhere in Michigan City. In accordance with the agreement, Blocksom is also currently undertaking an environmental assessment of their site. The company may be a willing participant in the development team via contribution of land as equity. However, this is to be determined.

Trail Creek Marina Parcel

This parcel is owned by the Michigan City Port Authority and operated in conjunction with a parcel of land on the East side of Trail Creek near Blue Chip Casino as slip marina, boat storage and maintenance facility. Currently, the Port Authority operates 158 wet slips at the Trail Creek Marina of which 98 are adjacent to the Site. The portion of the Trail Creek Marina located on the Site also includes boat storage for 160 boats, 4 launch lanes and parking for over 400 cars and trailers. Under Guidelines prepared by marina consultant, Abonmarche, and adopted by the Port Authority Board on December 3, 2007, the Port Authority anticipates the relocation of the marina operations on the Site. Those Guidelines set the general standard for such the relocation as needing “to replace any loss of publicly owned and operated marina facilities and public access locations with marina and public access locations that are equal to or better than what is currently

in place.” (Section 1.1 of Michigan City Port Authority Development Guidelines—see RFQ Exhibits).

Ice House Parcel

Located at the southern end of the Trail Creek site area. Formerly occupied by several buildings used to manufacture and distribute ice, the RDC completed demolition of those buildings. Currently, the RDC is working with Environmental, Inc. of Valparaiso to complete environmental remediation work at the site using a State of Indiana Brownfield grant.

Weber Sign Parcel

Located at the southern end of the Trail Creek site area. Most recently occupied by an outdoor sign fabrication and installation company, this parcel was acquired by the RDC. A grant is being sought for environmental remediation efforts.

Soil Borings

In addition to the remediation efforts underway for various parcels, a soil borings study has been conducted to determine the ability of the parcels to support high-rise buildings. An update on this study will be provided at the pre-submittal conference.