



RANDY ROACH
MAYOR

CITY OF LAKE CHARLES

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OFFICE OF THE MAYOR

REQUEST FOR PROPOSALS

Lake Charles Lakefront Development

July 6, 2015

The City of Lake Charles, Louisiana (the "City") presents this invitation to private developers to present proposals to purchase or lease all or a portion of approximately 20 acres of waterfront property (the "Property") for retail, residential, and other mixed use development. The City recently secured the services of Architects Southwest, Inc. to prepare a plan for a mixed-use walkable development along the lakefront in downtown Lake Charles with related design standards. This plan illustrates the type of development approved in a voter referendum held in May of 2007. Responses that are consistent with this plan are preferred but not required.

The City seeks responses from qualified development teams interested in developing the Property for retail, residential, and other related mixed use development purposes. Development teams wishing to respond should demonstrate their ability to plan, finance, construct and manage the development by submitting a proposal.

An online pre-submittal conference will be held at 9:30 a.m. CST on Monday, August 10, 2015. All who wish to participate in the pre-submittal conference should send a request to participate to lakefront@cityoflc.us on or before August 3, 2015. Proposals must be submitted to Steve Oubre of Architects Southwest at 534 Jefferson Street, Lafayette, Louisiana 70501 by 4:30 p.m. CST on Monday, August 17, 2015.

A complete copy of the RFP may be obtained at www.cityoflakecharles.com under Community Spotlight or by emailing lakefront@cityoflc.us or by calling Architects Southwest at 337-237-2211.

With best regards,

Sincerely yours,

RANDY ROACH
Mayor
City of Lake Charles

§1 INTRODUCTION

The City of Lake Charles, Louisiana (the “City”) presents this invitation to private developers to present proposals to purchase or lease all or a portion of approximately 20 acres of waterfront property (the “Property”) for retail, residential, and other mixed use development. The City has recently secured the services of Architects Southwest, Inc. to prepare a plan for a mixed-use walkable development along the lakefront in downtown Lake Charles with related design standards (the “Plan & Guiding Principles”). The Plan & Guiding Principles illustrate the type of development approved in a voter referendum held in May of 2007. Responses that are consistent with the Plan & Guiding Principles are preferred but not required.

In an effort to minimize both the initial cost to the developer and the time and effort to respond, the City has elected to utilize a three-phase process for the consideration of proposals:

- Phase I: Request for Proposals
- Phase II: Selection of one or more proposals
- Phase III: Negotiation of Terms and Conditions of the sale or lease

This Request for Proposals (“RFP”) and the selection of one or more proposals represents Phase I and II of the process. The intent of the RFP is to attract proposals from qualified developers to design, finance, develop and construct a mixed-use, commercial project in substantial conformity with the Plan & Guiding Principles more particularly described below. As more fully described below, the Property may be divided into two tracts referred to herein as the Pinnacle Tract and Tract Three. Proposals providing for the master development of either tract in its entirety (rather than select parcels within each tract) and the private financing for a significant portion of the costs of the project, including the public infrastructure, are encouraged, but not necessary. All proposals will be considered, but the City places higher priority on the development of the Pinnacle Tract since it believes that development of Tract Three would require additional work and if developed alone, it would not generate sufficient activity to support the mixed-use walkable development envisioned in the Plan & Guiding Principles.

§2 THE PROPERTY

The Property consists of two tracts, the “Pinnacle Tract” and “Tract Three” as set out in more detail below. An aerial view of the Property delineating the Pinnacle Tract and Tract Three is attached as [Exhibit “A”](#). Both tracts must accommodate a public servitude for pedestrian use along the waterfront.

Pinnacle Tract

The Pinnacle Tract, which is available for purchase or lease, consists of approximately 9.2 acres bordering the Lake Charles waterfront on the south and Interstate 10 on the north. With roughly one thousand foot of water frontage and an equal amount of interstate frontage, the Pinnacle Tract is unmatched in visibility, accessibility, and aesthetics. The Pinnacle Tract was the former location of hotel and gaming facilities which were heavily damaged by hurricanes Rita (2005) and Ike (2008). In 2011, the Pinnacle Tract was donated to the City with a reservation for a sign servitude as well as a restriction prohibiting gaming. The former hotel and gaming facilities have been removed from the Pinnacle Tract, but a multilevel parking deck with approximately 400 parking spaces has been preserved.

Tract Three

Tract Three, which is available for lease only by virtue of state law, lies immediately to the west of the Pinnacle Tract. Tract Three is approximately 9.7 acres, but may be leased with the rights to reclaim up to an additional 13.9 acres of the lake for development. Thus the total available acreage with reclamation would approximate 23.6 acres. Any development must accommodate the Lake Charles/Southwest Louisiana Convention and Visitor's Bureau lies which presently lies on Tract Three.

The Plan

As a part of its hurricane recovery, the City developed a comprehensive planning strategy for the redevelopment and revitalization of downtown Lake Charles and the lakefront – including the approximately 50 acres of lakefront property owned by the City. This plan was memorialized in the [“Downtown Lake Charles Charrette Report.”](#) In 2007, the voters of the City of Lake Charles approved (with 80% in favor) the Downtown Lake Charles Charrette Report and incorporated the development plan into the City Charter.

While the City did not own the Pinnacle Tract at the time of the development of the Downtown Lake Charles Charrette Report and the May 5, 2007 public referendum, the City has undertaken an effort to incorporate the Pinnacle Tract into the broader development plan. The City retained Steve Oubre of Architects Southwest to develop a design concept for the Property which is memorialized in the *“Lake Charles Lakefront Development Master Plan & Guiding Principles”* or simply, *“Plan & Guiding Principles”* attached hereto as [Exhibit “B”](#).

In addition, the City recently obtained legislative amendment to state law affecting the lakefront. Specifically, Senate Bill 211 of the 2015 regular session updates the lakefront statute [La. R.S. 33:4699.1] to reflect the results of the May 5, 2007 referendum and confirms the authority of the City to develop the Pinnacle Tract in accordance with the terms and conditions of the plan approved by the voters. Senate Bill 211 also provides that projects conforming to the voter approved lakefront development plan may qualify for a reduction of the purchase or lease price equal to or less than the appraised value based on the anticipated economic benefits of the development of the project. An appraisal of the Pinnacle Tract is attached as [Exhibit "C"](#). Additional information and materials may be found by following the links provided on [Exhibit "D"](#).

§3 DEVELOPMENT INCENTIVES

The City will consider making use of incentives for development in connection with this project. If a proposal is contingent upon the availability of one of these (or other) incentives, that should be expressly stated in the response to this RFP. While there may be others, the City has identified the following incentives that may be available to assist in the development of this project:

Industrial Inducement – Senate Bill 211 of the 2015 Regular Session amended state law to allow for the sale or lease of lakefront property, including the Pinnacle Tract, for less than the appraised value upon a finding that the economic impact of the project is sufficient consideration for the sale. The amendment adopts the process set out in La. R.S. 33:4717.2 for Industrial Inducement projects and makes it applicable for projects that conform to the voter approved lakefront development plan.

Hotel Occupancy Tax – Senate Bill 192 of the 2015 Regular Session amended La. R.S. 33:9038.57 which provides for a lakefront taxing district in the City of Lake Charles. That statute, as amended, applies to all property in the district which is subject to development and allows for the collection of a hotel occupancy tax within the district *in lieu of* the state and most local taxes collected on hotel occupancy. The revenue generated from the hotel occupancy tax may be pledged to finance projects for a hotel and related public infrastructure.

Tax Increment Financing – Sales tax increment financing may be available under La. RS. 33:9038.57 *et seq.* which is specific to the Lake Charles lakefront as well as the general state law, La. R.S. 33:9038.34. In addition, other forms of tax increment financing may be available under La. R.S. 33:9038.31 *et seq.*, including the creation of an Economic Development District.

§4 SUBMISSION OF PROPOSALS

An online pre-submittal conference will be held at 9:30 a.m. CST on Monday, August 10, 2015. If you wish to participate in the pre-submittal conference, please send a request to participate to lakefront@cityoflc.us on or before August 3, 2015. Responses must be submitted to Steve Oubre of Architects Southwest at 534 Jefferson Street, Lafayette, Louisiana 70501 by 4:30 p.m. CST on Monday, August 17, 2015. Interviews will be held with select respondents on September 1-2 and respondents are requested to indicate availability and time preferences for those dates. Accommodations may be made for conducting interviews online.

All proposals shall be substantially similar to the format set out in [Exhibit "E"](#).

§5 SELECTION OF PROPOSALS

Upon receipt of the proposals, the City will select one or more proposals and undertake the negotiation of the terms and conditions for the sale or lease of the Property or portions thereof. The City expressly reserves the right to simultaneously negotiate with competing proposals.

Anticipated Timeline

Upon receipt of the proposals the City will interview select respondents and then identify one or more respondents with whom to undertake negotiation of agreements. The City anticipates proceeding under the following timeline:

<u>August 3rd</u>	Registration for Pre-Submission Conference
<u>August 10th</u>	Pre-Submission Conference (on-line)
<u>August 17th</u>	Deadline for Receipt of Proposals
<u>September 1st & 2nd</u>	Respondent Interviews
<u>September 8th</u>	Review Committee Recommendations
<u>September 23rd</u>	Selection of Proposal(s)

While this is the preferred timeline, the City reserves the right to make adjustments to allow for further negotiations, to conform to the requirements of La. R.S. 33:4717.2 and other state law, and for any other purposes the City, in its discretion, deems necessary or appropriate.

Selection Criteria

Due to its location nearer to downtown, and the necessity of developing sufficient activity to support the mixed-use walkable development envisioned by the City, development of the Pinnacle Tract is deemed to be a priority over development of Tract Three. Proposals for development of individual parcels within either tract will be considered. In addition, proposals to purchase the Pinnacle Tract are favored over proposals to lease. Finally, proposals in which the developer pays for the costs and constructs infrastructure are favored over proposals that call upon the City to construct infrastructure.

In reviewing and selecting proposals, the City will rely, in part, on the separate Evaluation Score Sheets for the Pinnacle Tract and Tract Three, attached as [Exhibit "F"](#).

§5 MISCELLANEOUS TERMS

Reservation of Rights

The City reserves the right to reject any and all responses and to waive technicalities as deemed to be in the best interest of the City. The City reserves the right to request additional information from a respondent(s) as deemed necessary to analyze responses.

In the event it becomes necessary to revise any part of this request for proposals, addenda may be created and emailed to those who have sent a request for notice of updates to lakefront@cityoflc.us. If desired, a hard copy of any addenda may be provided upon request.

The City is not liable for any cost incurred by any party prior to issuing a contract. The contents of this submittal may be included in contractual obligations if a contract ensues from this process. No reimbursement will be made by the City for any costs incurred prior to a formal notice to proceed should an award of contract result from this solicitation.

Legal Compliance

Respondents agree to abide by the requirements of the following laws as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1972, and the Americans With Disabilities Act of 1990. Further, Respondents agree not to discriminate in its employment practices, and will render services under any Agreement, without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disability, or

sexual orientation. Any act of discrimination committed by Respondents or failure to comply with the foregoing legal obligations, as applicable, shall be grounds for termination of any Agreement.

TABLE OF EXHIBITS

[EXHIBIT A – Aerial View/Map of the Property](#)

[EXHIBIT B – Plan & Guiding Principles](#)

[EXHIBIT C – Appraisal](#)

[EXHIBIT D – Additional Information & Materials](#)

[EXHIBIT E – Format for Response](#)

[EXHIBIT F – Evaluation Score Sheets](#)

EXHIBIT A

[AERIAL VIEW/MAP OF THE PROPERTY](#)

<http://goo.gl/Gqwqjf>

EXHIBIT B

PLAN & GUIDING PRINCIPLES

<http://goo.gl/ziLVUi>

EXHIBIT C

APPRAISAL

<http://goo.gl/W1k9Nv>

EXHIBIT D

ADDITIONAL INFORMATION & MATERIALS

(Links and URLs are provided for online content)

[Downtown Lake Charles Charrette Report](http://goo.gl/2kAU9H) (<http://goo.gl/2kAU9H>)

[Steve Oubre Presentation to City Council, June 23, 2015](https://youtu.be/2D55oyv_bdA)
(https://youtu.be/2D55oyv_bdA)

[Soils Geotechnical Report](http://goo.gl/s7PrKe) (<http://goo.gl/s7PrKe>)

[Report of Engineer on the Parking Garage](http://goo.gl/dr9Yv6) (<http://goo.gl/dr9Yv6>)

[Pinnacle Donation to the City](http://goo.gl/fZ1dBH) (<http://goo.gl/fZ1dBH>)

[Flood Elevation Report](http://goo.gl/8os7YV) (<http://goo.gl/8os7YV>)

[Lake Charles American Press Story](http://goo.gl/D7bH2R) (<http://goo.gl/D7bH2R>)

EXHIBIT E

FORMAT FOR RESPONSE

Responses in both hard-copy and electronic format are preferred and should include, at a minimum, the following information on a standard-sized letter format:

Part A – Identification of Team

Purpose: To understand the relationship of team members and evaluate their ability to work together to bring the Project to fruition; and to identify all stakeholders in the Project.

1 A brief overview of the Respondent and each of its partners/members (including a description of all relevant experience thereof) and resumes of key Respondent individuals.

2 A statement identifying the managing individual, principal partner, member or co-venturer (including at least three references).

3 A description of the proposed ownership structure of the proposed developer/ground lessee, and of each of the principals thereof, as well as an organizational chart illustrating the relationships between the various partners/members.

4 The name, address, telephone number, facsimile number and electronic mail address of each individual listed above, including the identification of the primary contact.

5 A credit reference for key Respondent firms and members.

Part B – Team Member Qualifications

Purpose: To evaluate a Respondent's experience in planning, financing, constructing, marketing and managing mixed-use developments similar to the Project.

1 A list of those key professionals, such as architect, engineer, general contractor, and zoning counsel (and, as applicable, consultant, management agent, leasing agent, etc.), who or which will be retained to develop, construct and/or operate the Project, along with a brief summary of their relevant experience and qualifications.

2 A description of each team member and their roles and responsibilities.

3 A description of similar projects undertaken by the members of the Respondent's team (including a statement of the dollar value of such projects).

4 Address whether the Respondent or any participating team members have been involved in any litigation or legal dispute regarding a real estate venture during the past five years.

Part C – Development Program and Conceptual Plans

Purpose: To evaluate a Respondent's plan for providing a first-class, mixed use development. To evaluate the quality, innovation and coherence with the existing lakefront and downtown areas and the overall extent to which the Respondent's Proposal conforms to the Plan & Guiding Principles and meets the City's objectives.

1 A description of the proposed Project identifying the specific properties to be developed and their proposed uses; provide the proposed square footage, on a gross and net basis, for the Project by use, such as the square footage for the residential, retail, and hotel space; specify the number of residential and retail units as well as hotel rooms/keys; specify number of parking spaces; and all other amenities proposed for the Project.

2. A description of the public improvements and/or site infrastructure to be financed/constructed by the Respondent (if any), such as the streets, utilities, water, sewer, street-scaping, landscaping, seawalls, and boardwalks.

3. If a Respondent wishes to depart from the Plan & Guiding Principles, then the Proposals should include a set of concept sketches, showing the proposed Project and a set of schematic renderings of the proposed Project showing the principal elevations and massing, streetscape and landscape plans, and entry features.

4. If a Respondent wishes to depart from the Plan & Guiding Principles, then the Proposals should include a set of concept sketches, a description of the proposed exterior materials and other key specifications.

Part D – Timeline

Purpose: To evaluate a Respondent's proposed construction and lease-up schedule and its plan for expeditiously obtaining approvals necessary for the Project.

1 A preliminary timeline for the development, securing financing, construction, build-out and lease-up of the proposed Project (including a listing of the development, zoning and other approvals the Respondent will seek and the anticipated schedule for obtaining such approvals).

2 A statement setting forth contingencies affecting such timeline.

Part E – Financing Plan

Purpose: To evaluate a Respondent's financial strength and ability to obtain debt and equity financing for the Project; and to provide a reasonable and credible assurance regarding the ability of the Respondent to deliver the proposed Project within the relevant timeframes.

1. A description of the intended sources of equity for the proposed Project.
2. A description of the intended sources of debt financing.
3. A statement disclosing any anticipated conveyance of the Project or any interest therein (and the terms of such conveyance if available).
4. A statement identifying any incentives or programs to assist in the funding of the Project.

Respondents should be prepared to provide more detailed information concerning the sources of financing and their financial ability and commitment to the Project. The City may require letters of credit from lenders and other such evidence of the ability to fund and complete the Project.

Part F – Purchase or Lease & Key Terms

Respondent should indicate whether they wish to purchase or lease the Property and provide key terms and deal points of the proposed purchase, or lease.

EXHIBIT F

EVALUATION SCORE SHEETS

<http://goo.gl/qtpH4U>