

ACTION ITEMS FOR *S.P.A.R.C. CRA-1*

SECTION 1. OVERVIEW

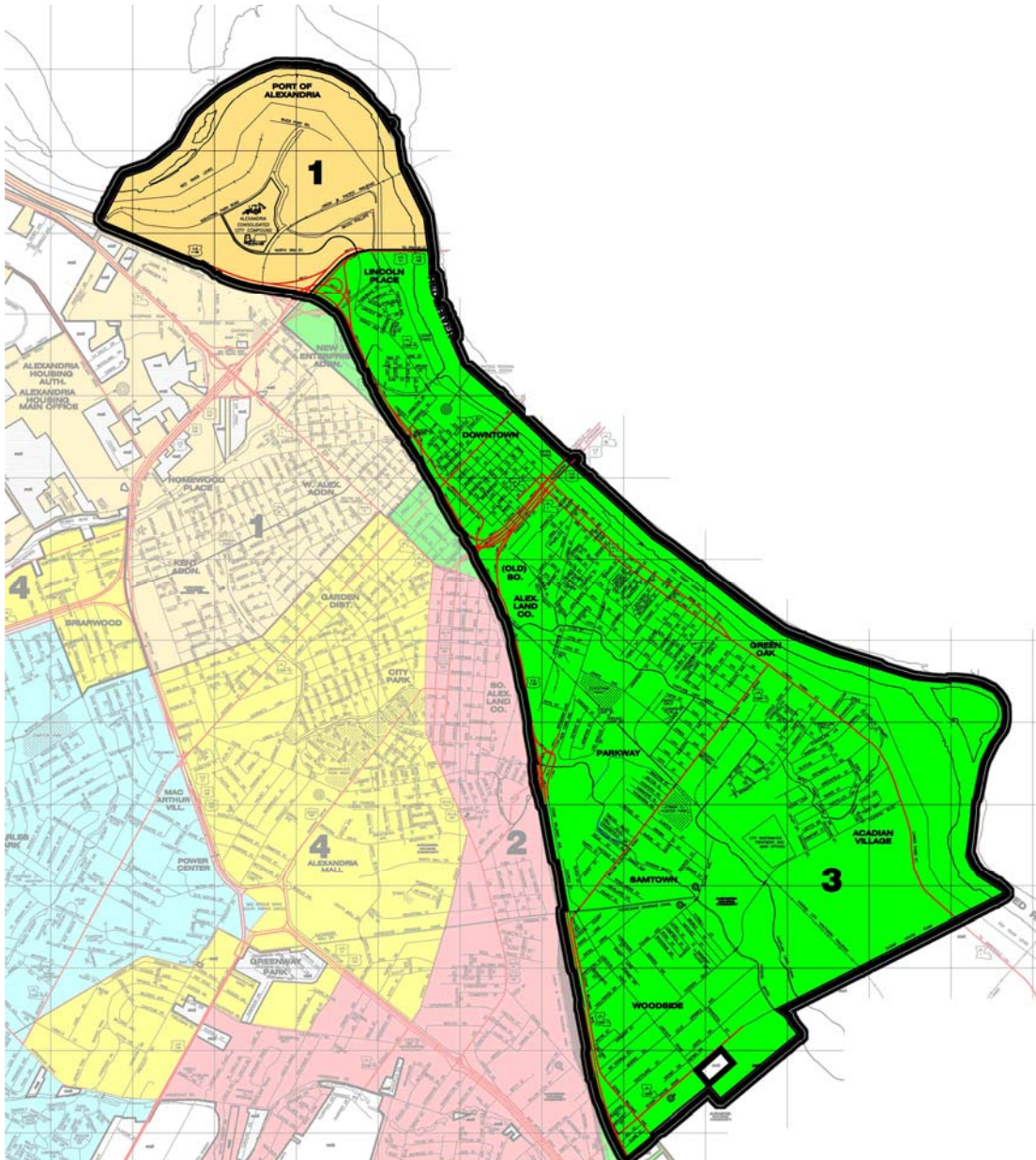
The City of Alexandria (COA) issued a Request for Submissions (RFS) relative to a large-scale economic development partnering project, under the S.P.A.R.C. program. For COA purposes, “SPARC-CRA-1” shall tentatively include an area encompassing the Port of Alexandria to the west, the Red River to the north, Sugarhouse Road and the municipal corporate limits to the east, and Interstate 49 to the south.

Any eventual recommendation for partnering by the City is envisioned to fall under one of the following scenarios:

1. Selection of a team of business consortia leaders (banking, developers, community activists, and engineering/architects) to develop a redevelopment master site plan for the entire CRA-1, or substantial part of it.
2. Selection of a similar, or modified, team for development of a single project within the CRA-1. (This may involve fewer City incentives based on economic development contributions.)
3. Selection of elements of different proposals.
4. Selection of part of a proposal.

Although proposals are expected to range in scope and scale, proposals will be judged and compared against each other by the City according to the listed criteria to achieve the best economic proposal that achieves the larger redevelopment goals of the entire CRA-1.

The area in particular is:



The best economic proposal is neither necessarily the largest, nor the proposal with the least amount of public investment; rather, the proposal that best leverages public and private resources to maximize the opportunity of the site and builds upon other existing and future developments in the activity corridor as well as works with any corresponding transportation corridor will be awarded. Proposals are encouraged to interact with other property owners and applicants to achieve these goals.

Applicants should expect to participate in forums with the general public, interviews with any Commission for S.P.A.R.C. and pre-negotiations with the implementation team headed up by G.A.E.D.A.'s executive director and staff (along with City staff) in between the RFP/RFQ submittals. Ultimately, the development team will present to the Mayor and City Council. A development team will be able to adjust its proposal in accordance with information received in these sessions, after the initial award process outlined in the RFS issued last year. The City will adjust and post the schedule as needed during the process. An Applicant's responses are not being conducted as a design/build process. The public process is intended to provide flexibility and to factor all elements of a proposal into the selection, including the creativity, design and level of financial participation and benefit provided by the proposals.

The COA intends that the project scope shall be to assess how a proposal might be considered for incentives, such as those outlined in the next section, which appear to:

- Adhere to existing master planning and facilitate immediate development action as well as increase the guarantee of long-term success.
- Leverage financial value with the immediate influx of substantial public spending, provided business plans are sound.
- In the case of the Hotel Bentley and the Alexander Fulton, create the opportunity for rehabilitation tax credits and/or New Market Tax Credits for restoring significant and historic structures, particularly as they relate to preserving community character, affordable housing, the central business district, and Main Street economic development activity. *(Note, the Downtown Hotels Initiative was issued as a separate RFP; it can be located at www.sparccommission.com/rfqs-and-rfps.)*
- In the case of any listed project, relate to alleviating urban flight (and blight), property abandonment, and economically distressed neighborhoods—and as a tool for sustainable and environmentally-conscious development.
- Provide the potential for mixed-use.
- Promote diverse ownership and partnering.
- Preserve not displace, separate or marginalize our city and its neighborhoods and people.

In all cases, this process will require requests for proposals from other consortia and potential investors to determine the best fit *in a competitive process*.

You should address and identify with specificity:

- Any other means by which governmental entities or parties can act as contributors to the project and the amount of cash (or other value, credits, guarantees, or in-kind services);
- Criticisms of any other plans submitted and how your plan is better suited to city-wide or particular needs, including means by which the public investment is protected and does not result in unjust enrichment to any party, land-use issues, purchase price (if any), construction price valuations, or financing structure;
- How you will provide measurable results approximating the City's contribution to the project—including employment impact, long term contribution to tax structure, and other tangibles and intangibles; and
- The real and substantial obligations of the person or entity to provide a proportionate return to the City of Alexandria at some point in the future—*e.g.*, through a long term operating agreement with a new operator-owner. (What is a conservative estimate of the economic development, workforce development, and promotion to Alexandria and the region that a fully operational and *expanded* entity brings to the table—including new employees and ancillary business to the area which did not already exist or which significantly expands activity already in existence?)

SECTION 2. INCENTIVES

Incentive packages available for revitalization under S.P.A.R.C. focus primarily on infrastructure partnering. In addition, qualified “soft” incentives may aid development if properly accounted for and with appropriate guarantees to the public.

Unlike most of the S.P.A.R.C. expenditures, “soft incentives” involve aid that does not result in permanently-owned public infrastructure, and therefore the analysis must be clear and justified to support these forms of assistance. If tax dollars are used, the return on public investment must be well-established and documented. Business plans will be scrutinized and, to some extent, public (except for trade secrets and proprietary information).

If permitted by state law, and in compliance with the tests for proportionality set forth by Alexandria cooperative economic development policy and La.Const. art. VII, § 14, the *costs* of an economic development project incurred by an authorized entity (*i.e.*, the awarded consortium in the S.P.A.R.C. program or the COA) may include the sum total of all reasonable or necessary costs incurred incidental to or in

furtherance of an economic development project. An economic development project can be a large-scale address of problems or a single project, although the latter will generally not receive as many points unless it is singularly important or key to overall development. The project(s) is/are subject to an approved economic development plan.

These approved costs can, but do not necessarily, include any such costs which are reasonably related or attributable to an approved economic development plan. These are:

- (1) Costs of studies, surveys, development of plans and specifications, preparation, implementation, and administration of an economic development plan, personnel and professional service costs for architectural, engineering, legal, marketing, financial, planning, police, fire, public works, or other services, provided that no charges for professional services may be based on a percentage of incremental tax revenues, and specifically including without limitation payments to developers or other nongovernmental persons as reimbursement for on- and off-site preparation costs incurred on behalf of, and the payment of which is approved by, the City Council, or authorized S.P.A.R.C. personnel as authorized by City Council or the Mayor or his designee.
- (2) Property acquisition and assembly costs within the CRA-1, including but not limited to acquisition of land and other real or personal property or rights or interests therein, specifically approved by the City Council or the Mayor or his designee and the subject of which is contained in a cooperative endeavor agreement certified by the City Attorney and Finance Director of the City as Section 5-04 compliant with the *Alexandria City Charter* and La.Const. art. VII, § 14.
- (3) On- and off-site preparation costs, specifically approved by the City Council or the Mayor or his designee and the subject of which is contained in a cooperative endeavor agreement certified by the City Attorney and Finance Director by the City as Section 5-04 compliant with the *Alexandria City Charter* and La.Const. art. VII, § 14, including but not limited to clearance of any area within or about the proposed development by demolition or removal of any existing buildings, structures, fixtures, utilities, and improvements; clearing and grading; and including without limitation installation, repair, construction, reconstruction, or relocation of public streets, public utilities, and other public improvements within or outside the proposed development within CRA-1 which are essential to the preparation of the area for use in accordance with an economic development plan. Certification by the City Engineer shall be required as to the essentiality for preparation.

- (4) Costs of renovation, rehabilitation, relocation, repair, or remodeling of any existing buildings, improvements, and fixtures within CRA-1 and a specific plan for redevelopment, specifically approved by the City Council or the Mayor or his designee and the subject of which is contained in a cooperative endeavor agreement certified by the City Attorney and Finance Director of the City as Section 5-04 compliant with the *Alexandria City Charter* and La.Const. art. VII, § 14.
- (5) Costs of construction within or about an approved plan in CRA-1 of public improvements, specifically approved by the City Council or the Mayor or his designee and the subject of which is contained in a cooperative endeavor agreement certified by the City Attorney and Finance Director of the City as Section 5-04 compliant with the *Alexandria City Charter* and La.Const. art. VII, § 14, including but not limited to buildings, structures, works, utilities, or fixtures.

SECTION 3. DECLARATION OF INTEREST AND POTENTIAL AWARD OF PROPOSAL

Questions regarding this process shall be submitted to the City of Alexandria at:

Daniel T. Smith
S.P.A.R.C. Planning Liaison
915 Third Street
Alexandria, Louisiana 71301
(318) 449-5009
daniel.smith@cityofalex.com

The SPARC Commission or its team maintains the right to revise any part of any proposal you submit by issuing an addendum at any time. Issuance of this or any modification order in no way constitutes a commitment by the COA to award. The COA reserves the right to accept or reject, in whole or part, all Qualification Statements and proposals submitted and/or cancel this announcement if it is determined to be in the COA's best interest. All materials submitted in this response become the property of the COA and selection or rejection of a submittal does not affect this right. The COA also reserves the right, at its sole discretion, to waive administrative informalities contained in any future request.

The COA is generally not responsible for costs associated with preparing the proposal by you, or for costs including attorney fees associated with any challenge (administrative, judicial or otherwise) to the determination of the highest-ranked Applicant, MOU party, and/or awarded contract and/or rejection of qualification. By submitting an application to the COA, each consortium or developer agrees to be

bound in this respect and waives all claims to such costs and fees. However, as previously instructed in the CRA-1 RFS process, the COA did *not waive or negate the right of S.P.A.R.C. or G.A.E.D.A.* or the COA to award retroactively costs or preparation investment as outlined under the “Incentives” section.

At this time, your proposal shows merits and therefore the COA is recommending partial funding for the purpose of further assessment or development of your plans, pursuant to a previously-issued RFP for the purpose of determining the economic impact of your proposals.

In accord with the American Society of Civil Engineers, which has stated a policy with which the COA Administration concurs, the listed project recommendations qualify as “economic stimulus investment,” meeting certain fundamental criteria. Each recommendation herein involves:

- Projects that create and sustain employment increases;
- Investments that provide long term benefits to the public (such as congestion relief);
- Long term maintenance and upkeep needs of all infrastructure projects—existing and new—or adherence to good future planning; and
- Accountability and transparency by Commission oversight and a commitment to review the program and to measure desired outcomes.

The COA Administration also certified these initial selection decisions have followed multiple vetting processes and will result in a project that:

- Delivers measurable improvements in public health, safety and quality of life;
- Provides substantial, broad-based economic benefit;
- Will be designed and built in a sustainable and cost-effective manner, with proper consideration given to life-cycle costs; and
- Will have a significant environmental benefit through reduced congestion and use of property in a compact, multi-storied and mixed-use manner.

The COA is therefore recommending public funding for a firm to determine capacity and feasibility of your plans to ascertain economic impact. This firm will be independent from any project participant and will focus on corridor goals, not just yours. However, your potential project bottom line will benefit along with the public’s interest in any large-scale catalytic development of the CRA-1 and determinations about the efficacy of your proposal. At this time, it is recommended that CRA-1 partial funding be approved as follows:

- Partial funding of costs of studies, surveys, review/development of plans and specifications, preparation, implementation modeling, and administration of

- an economic development plan for a large-scale development of mixed-use nature in the area of Lower Third Street and the Ruston Foundry.
- Partial funding of costs of studies, surveys, review/development of plans and specifications, preparation, implementation modeling, and administration of an economic development plan for a gateway and recreation project for equine and gateway/park development, as well as mixed-use, in the area of Highway One near or at the Alexandria municipal limits.
 - Partial funding of costs of studies, surveys, review/development of plans and specifications, preparation, implementation modeling, and administration of an economic development plan for Sugarhouse Road.
 - Partial funding of costs of studies, surveys, review/development of plans and specifications, preparation, implementation modeling, and administration of an economic development plan for Sixth and Foisy Streets as well as the effect on Upper Third and Rapides Regional Medical Center.
 - Partial funding of costs of studies, surveys, review/development of plans and specifications, preparation, implementation modeling, and administration of an economic development plan for a mixed-use development at the former Hodges (Dominique-Miller) Stock Barn in the area of Lower Third Street.
 - Partial funding of costs of studies, surveys, review/development of plans and specifications, preparation, implementation modeling, and administration of an economic development plan for a joint RPSO-APD substation for community policing support to the Lower Third Initiatives.
 - Partial funding of costs of studies, surveys, review/development of plans and specifications, preparation, implementation modeling, and administration of an economic development plan for Lower Third Housing Initiatives.
 - Partial or total funding of certain professional service costs.
 - Total funding of a capacity study performed by a qualified firm for market feasibility.

SECTION 4. RULES GOVERNING EXTENDED COMPETITION

The COA is still in the PHASE I submissions phase. The COA will move to PHASE II once PHASE I vetting is completed. PHASE I applicants have either filed proposals or outlined letters of intent.

As the COA indicated during this time, initial proposals to the COA for redevelopment plans are being considered. More than one proposal may be initially accepted, and the period of competition under PHASE I may be extended or submitted to public polling or approval. The COA has, at this time, indicated multiple applicants for Phase II and now requests additional proposals and work.

The content of all submissions are generally not confidential. The staff has viewed proposals that would qualify for the submission request for CRA-1.

At this time, proposals, absent qualified confidential information under law, shall need to be submitted in a reasonable timetable for public review. Letters of Intent will need to be expanded upon within a reasonable time as provided herein.

As previously stated, responses are, and shall be treated as, public records *after* initial qualifying periods to avoid the misuse of intellectual property or concepts of competitors.

Public Participation Policy

It is the City's goal to minimize the level of public financial participation in the Project and to attain the most distinctive, highest-quality and marketable project possible. Respondents will be expected to provide information regarding sources of debt and equity, and are urged to consider creative development and financing structures that will accomplish these ends. Preference will be given to those developers who/that minimize the use of public financing, emphasize private sector financing and/or participation, and provide the greatest economic opportunity for the City.

Valuating Public Subsidy

Respondents must state a single value for the present value of any and all subsidies requested to be provided by any public body, including cost of land. Required funds should be broken out between immediate subsidies (payment for any portion of the project, waived fees, etc.) and the present value of streams of subsidy over time, such as tax rebates.

Evidence-Based Assumptions

Proposals should include a financial plan that details the assumptions used in the recommended development. The assumptions should include operating projections that are supported by market and feasibility research, which the City is independently from respondents conducting now.

Weight for Actual Experience/Financial Objectives

The City will give weighted consideration to the Development Team with significant experience in developments similar in scope and quality to the proposed Project, and who also demonstrate that it has significant financial resources to support a guaranty of completion in accordance with a fixed schedule. The City generally understands the economics of the hotel market and will consider various finance options to best meet the needs of the Project. The City has the following financial objectives; the COA seeks to:

- Limit financial participation by and risk of the City.
- Ensure that the project has large-scale economic effect or addresses blight or needs of a particular area with sufficient scope, as opposed to a single constituency or financial interest, all resulting in an appealing urban addition to the community.
- Leverage economic gains of the Project for the general benefit of the S.P.A.R.C. CRA-1 and/or COA.

Concurrence of Key Participants and Schema

Respondents shall provide evidence of the concurrence of key participants in the development concept, site plan, and economics. After the selection, the selected applicant will be responsible for providing detailed schema for project implementation and costs. The selected entity shall finalize this schema, specifications, and cost estimates and provide a summary report.

PHASE I

After the issuance of a *preliminary* **Certificate of Appropriateness and Need (COAN)** and action from the Commission or management team declaring a plan of action consistent with the aims of the team, the team will begin determining which applications comply with this Request for Submission to the City Council and formulation of the formal “Findings of Necessity” or modified **COAN**.

The scope of this analysis will include how consortia plans address historic preservation, housing, and employment needs. The team welcomes findings or market analysis which may aid it in determining capacity needs for the area in addition to its independent study.

Remember, your proposal should be in conjunction with the following transportation corridors, totaling approximately \$20M to \$30M in road infrastructure improvements corresponding to the SPARC-CRA-1 area: Sixth and Foisy Streets, Sugarhouse Road, and Masonic-Lee Streets.

These projects provide additional “inner” looping and forces desirable expansion. Also, the infrastructure will provide “banding” in an area desperately needing economic development. The major thoroughfares of Highway 1 and I-49 would be joined, along with Broadway, Sugarhouse, and Hudson Boulevard.

Also, Sixth and Foisy will provide critical corrections regarding closed streets downtown, which followed economic expansion of a hospital, and re-connections of all three aspects of the original downtown.

You have provided some evidence of the following items:

Preliminary Address of Phase I considerations as listed in the SPARC-CRA-1 abstract and detailed executive summary

-or-

Conceptualization of your own Phase I considerations to the COA

-as well as-

Defined some of your project elements

-however-

You have not yet provided sufficient evidence of the following items:

**Sufficiently Detailed Project Elements
Implementation Strategies
Project Management
Project Capitalization
Project Community Buy-In
Project Partnering
Construction Monitoring/Inspection**

**SECTION 5. QUALIFICATION AND SUBMISSION
REQUIREMENTS and INSTRUCTIONS**

If you have not formally submitted CRA-1 RFS compliant proposals, such as the following, you should do so now or risk losing the opportunity to partner.

Table of Contents (1 Page)

Clearly identify the materials by Section and Page Number.

Qualification Narrative (Limited to 20 Total Pages)

In this section, you should address a demonstrated ability to arrange financing (equity and debt) within 60 days of execution of a Development Agreement; the quality of response, including clarity and completeness; the lowest financial and completion risk to the City; creativity, quality and logic in design and architectural concepts; the ability of design and site to achieve the goals of the Project; the historic ability to complete projects of a similar scale; experience developing, owning, and/or developing a housing, mixed-use, or streetscape; the strength of your team; and the scope of your development.

A. Experience (0-25 Points)

Detail experience in the same or similar areas of expertise, and its adaptability to provide the required services for this project.

Provide at least three examples of redevelopment you propose to mirror or utilize and the results. Include a point of contact, current telephone number, and a brief description of the efficacy of these examples.

Identify your performance on similar projects, especially noting tasks of this type. Provide a point of contact for all noted experience. A current telephone number should also be provided if applicable.

B. Project Management (0-20 Points)

Provide detailed information on the qualifications and relevant experience of implementation strategies.

C. Multiple Project Bonus (0-15 Points)

Identify how you will compete for multiple project handling, or corridor planning as opposed to single projects.

D. Available Resources and Local Participation (0-10 Points)

Business History: Provide information on size, resources, and business history.

Provide information on personnel resources available to you, which indicates that you have access to the services necessary to perform.

Describe your partners and whether there are local, state, and/or players.

E. Project Methodology and Approach (0-30 Points)

Provide detailed information on your methodology in meeting the scope identified in Section 4. Describe overall approach to the project as well as any details that may be unique. Provide how you will handle Phase II issues.

- Business Community buy-in.
- Financial Institution buy-in.
- Defining mechanisms for sharing costs through the cooperative development models. (See attached “Successful Public/Private Partnerships” and “Ten Principles for Successful Public/Private Partnerships” for guidance.)
- How to pay back funds (in some cases) if you are seeking public investment.
- “Claw backs” to insure against failures or non-adherence to goals or agreed-upon terms.

F. Total Possible Points (100 Points)

SECTION 6. ACTION ITEMS

The City Administration has recommended awarding investment packages totaling \$17M over five to ten years in incentives and hard infrastructure costs as well as another \$10M-\$20M in R.I.V.E.R. Project activities. This means the public would own significant properties and have a significant investment in the area—investment that would be used and enjoyed by citizens on a daily basis.

An initial assessment and **COAN** applying to the SPARC designated CRA-1 indicate benefits following general funding limits: \$667,000 in CRA funds; at least one new fire station; \$17M+ in hard infrastructure improvements, \$1M in housing infrastructure for designated development proposals, and \$1M+ in recreation infrastructure; and, potentially, up to \$10M in designated funds to receive matching for riverfront development activity (to be allocated by the Commission or Management Teams to a mega-project or projects).

Already, the City has applied for and received \$3.9M in Neighborhood Stabilization Funds for matching with the SPARC-CRA-1 Housing Initiative.

In addition, as much as \$1M is federally earmarked for R.I.V.E.R. activity and almost \$3M for recreation under the City’s *FastTrack* or general municipal capital outlay programs.

Finally, as much as \$10M may be available through state capital outlay for Sugarhouse Road.

This is a working document, not meant to be a final assessment or “Findings of Necessity.” Partial recommended awards, however, have been determined as follows:

Riverfront Activities (R.I.V.E.R.)

- Riverfront Enhancement Project (\$4.5M - \$5M out of \$17+M allocated in CRA-1) (matched with \$1M in federal funds for feasibility):

- Design, planning, and construction of improvements and enhancements to the Alexandria Riverfront Amphitheater (which might be renamed after an important local figure, or, alternatively, the subject of naming rights from a private-sector company in exchange for an investment of at least \$500K), including but not limited to changes in accessibility, the installation of stadium seating, the improvement of staging and acoustics, and the construction of restroom facilities. Attention should also be given to the improvement and augmentation of aesthetics and design of the facility. ***(Seeking \$1M in federally-approved monies and \$120K+/- in design-planning from S.P.A.R.C.)***

- Design, planning, and construction of improvements and enhancements to the Alexandria Riverfront Center, particularly along the riverfront. ***(Seeking \$2M-\$2.5M, including \$380K- \$500K in design, planning from private sources.) (Note, the Downtown Hotels Initiative was issued as a separate RFP; it can be located at www.sparccommission.com/rfqs-and-rfps.)***

- Main Street streetscape project: Complements improvements made to Upper, Middle, and Lower Third Street. ***(\$1M- \$1.5M, including \$200K in design, planning).***

R.I.V.E.R.: \$5M

Street design, drainage, sewer, utilities and permanent public space to be donated/ owned by the COA

Soft Incentives such as plan costs and feasibility studies or direct business incentives such as façade aid \$167K

TOTAL: \$5.167M in permanently- and privately-owned infrastructure improvements

\$5.167M

*Ruston Foundry Megasite
Parish Multi-Purpose Recreation Facility*

- These projects could be developed as a mega or mega development(s), allocating funds up to \$10M.

- Long term “nominalized” agreement on lease of 30+ acres

- Design, planning, and construction of infrastructure supporting a large-scale industrial and/or commercial office park, including but limited to the construction of roads, sidewalks, and utilities, the design and implementation of a business plan for the location of tenants, investors, and developers, and the development of a comprehensive master plan for the development: **\$5M**

- Construction of a multi-use arena/professional recreational facility: **\$5M SPARC (along with \$10M Police Jury or Cooperative Financing District or Plan, \$1M G.A.E.D.A., \$1M APCVB/City of Pineville, \$5M+ private contributions with naming rights).**

Ruston Foundry Megasite(s): \$5M

Street design, drainage, sewer, utilities and permanent public space to be donated/ owned by the COA

Soft Incentives such as plan costs and feasibility studies \$333K

TOTAL: \$5.333M in permanently- and privately-owned infrastructure improvements

\$10.5M

Sugarhouse Road

- Sugarhouse Road funding of **\$5M** in S.P.A.R.C. funding to begin immediately.

\$15.5M

Sixth and Foisy Streets

- Sixth and Foisy corrections to existing grid under S.P.A.R.C. of **\$10M** for initial planning and road work.

\$25.5M

Housing Initiatives

- Lower Third Housing of **\$1M**.

\$26.5M

Hodges Stock Barn

- Hodges Stock Barn and Substation Project funds of **\$250,000**.

\$26.75M

Fire Station Relocation

- As part of the Fire Station Relocation project, funds of **\$1M**.

\$27.75M

Gateway Project

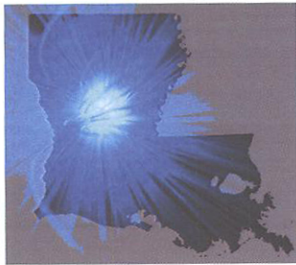
- Public gateway project and recreational/conservation project at the entrance of the City, along with potential mixed use housing-commercial center near the municipal boundaries at the end of Lower Third of **\$2M**.

\$29.75M


Recreation Infrastructure

- As part of Fas/Track match, funds of **\$1M**.

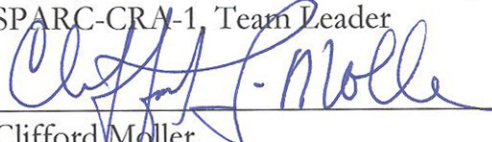
TOTAL: \$30.75M



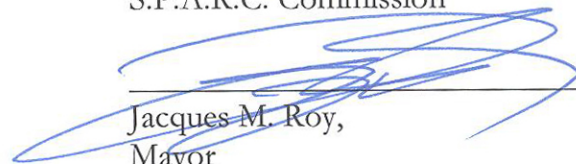
S.P.A.R.C. Approved:



Joseph Page,
Deputy Chief of Policy and Planning
SPARC-CRA-1 Team Leader



Clifford Moller,
Executive Director
S.P.A.R.C. Commission




Jacques M. Roy,
Mayor
City of Alexandria, Louisiana

**Certification of Available Funds
And Legal Compliance:**



David Crutchfield,
Finance Director
City of Alexandria



Charles Johnson, Jr.,
City Attorney
City of Alexandria