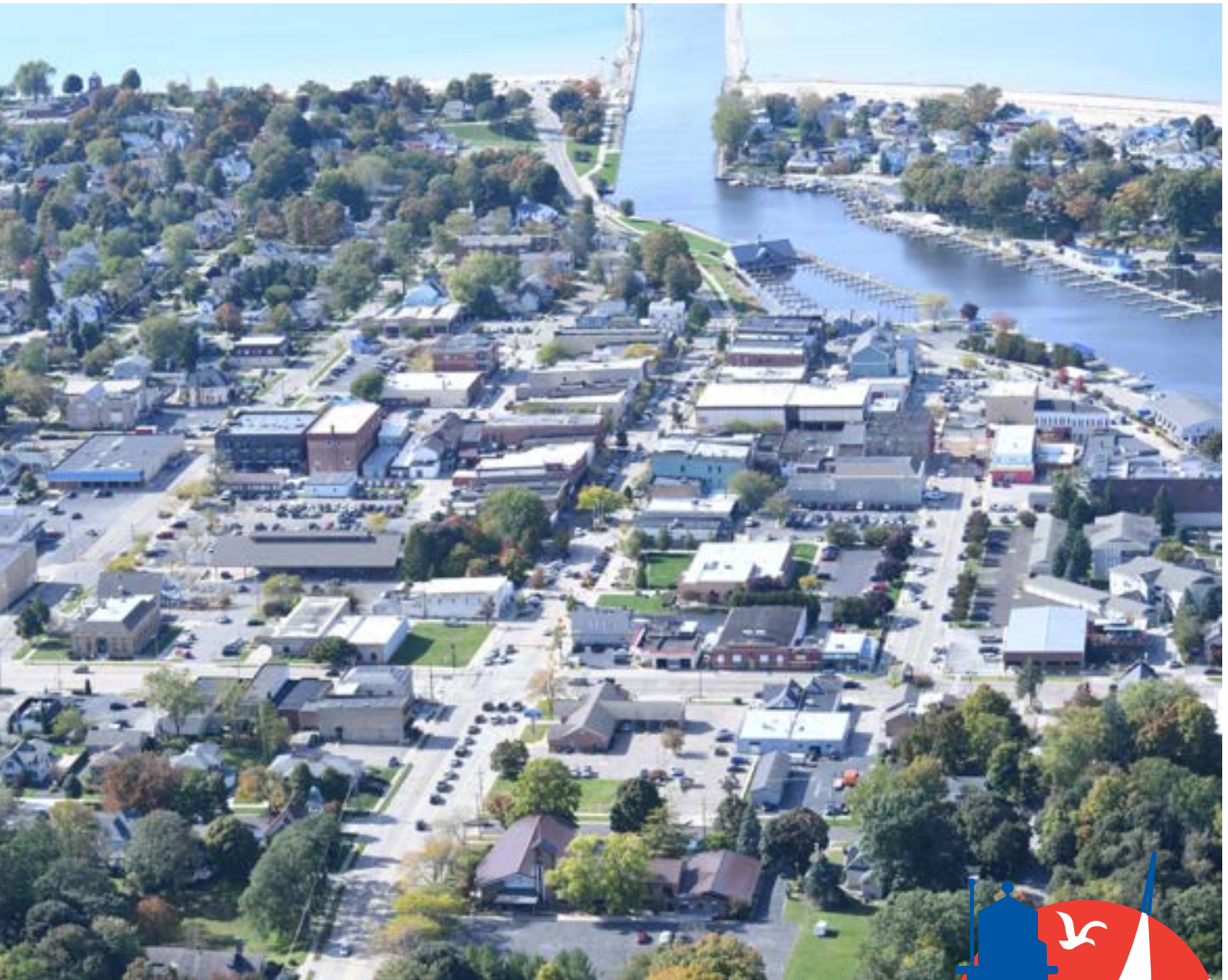


REQUEST FOR **DEVELOPMENT PROPOSALS**



229 ELKENBURG
SOUTH HAVEN, MICHIGAN



OVERTON SITE

229 ELKENBURG



REDEVELOPMENT OPPORTUNITY

The City of South Haven, Michigan seeks a developer/master developer for a city-owned parcel at 229 Elkenburg in the beautiful beach town of South Haven. The 4-acre parcel is a few short blocks to the public beach access and downtown South Haven. The surrounding neighborhood is comprised of traditional, walkable, tree-lined streets and includes a broad range of housing types and price points. The City seeks a skilled developer interested in providing a diverse blend of housing options, primarily designed for year-round residents. The preferred development team will have a proven track record of building townhomes and multi-unit housing for a middle class demographic at attainable prices.





SOUTH HAVEN BEACHES, TRAILS & COMMUNITY

The City of South Haven has a population of just over 4,300 and a median household income of \$45,292. The City is home to several growing firms with a well-paid workforce, including Vibracoustic, Albemarle, Bronson South Haven and South Haven Public Schools. South Haven has a vibrant tourism and service economy with a growing suite of locally owned restaurants, breweries and coffee shops.

South Haven is a renowned Harbor Town with sugar sand beaches on the shore of Lake Michigan. Less than 30 minutes from Holland and Benton Harbor and under an hour from Kalamazoo and Grand Rapids, the City of South Haven is well-positioned to do well in the growing region of West Michigan. With ready access to bicycle trails, water trails and the Big Lake, the small city is a recreational paradise.





THE CITY'S PREFERRED DEVELOPMENT FOR THIS SITE WILL:

- Provide a mix of owner-occupied and rental housing options, including townhomes, multi-family and stacked flats.
- Provide a mix of price points that are targeted toward the diverse workforce in South Haven.
- Prioritize quality construction and cohesive neighborhood design while offering attainable price points for year-round residents working in South Haven.



floor plan



Building B - Lower level

Building B - lower level units
350 sq ft



floor plan



Building B - First floor
Building B - first floor units
Patio
308 sq ft



THREE LEVEL STACKED FLATS

FREYLING MENDELS - STACKED FLATS

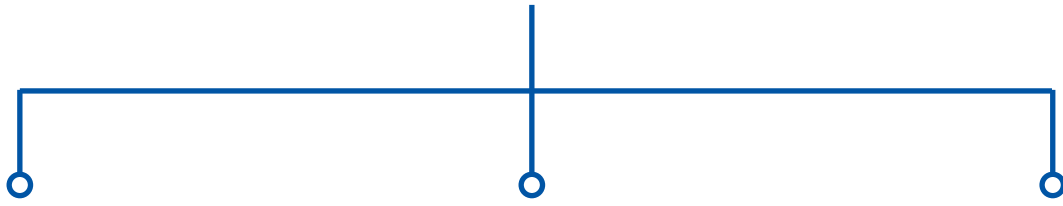
HOUSING NEEDS



Because of the flourishing local economy, the housing market near downtown and the lakeshore has seen significant competition from second homeowners hailing from Chicago, Kalamazoo and Grand Rapids. More housing for the local workforce is sorely needed and the City intends to make the site at 229 Elkenburg available to ensure more housing for local residents can be produced.

A mixture of townhomes, stacked flats and multi-unit apartments or condominiums are desired for the site.

GUIDING PRINCIPLES



COMMUNITY-ORIENTED DESIGN

A neighborhood that **respects** its **context** and its **heritage**, while fostering **social connections** among a **diverse residential** population.

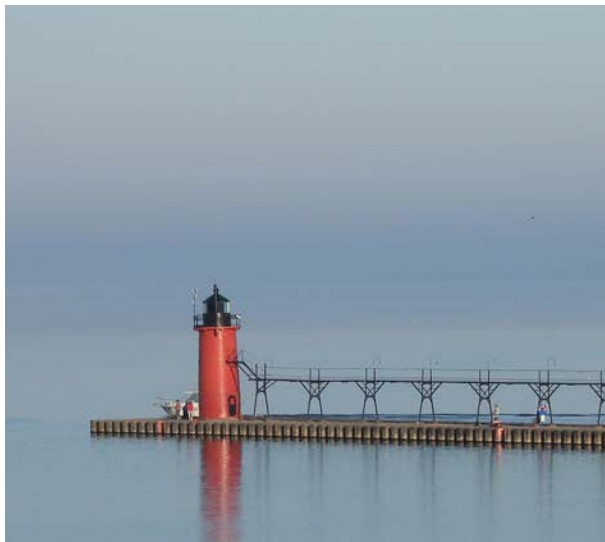
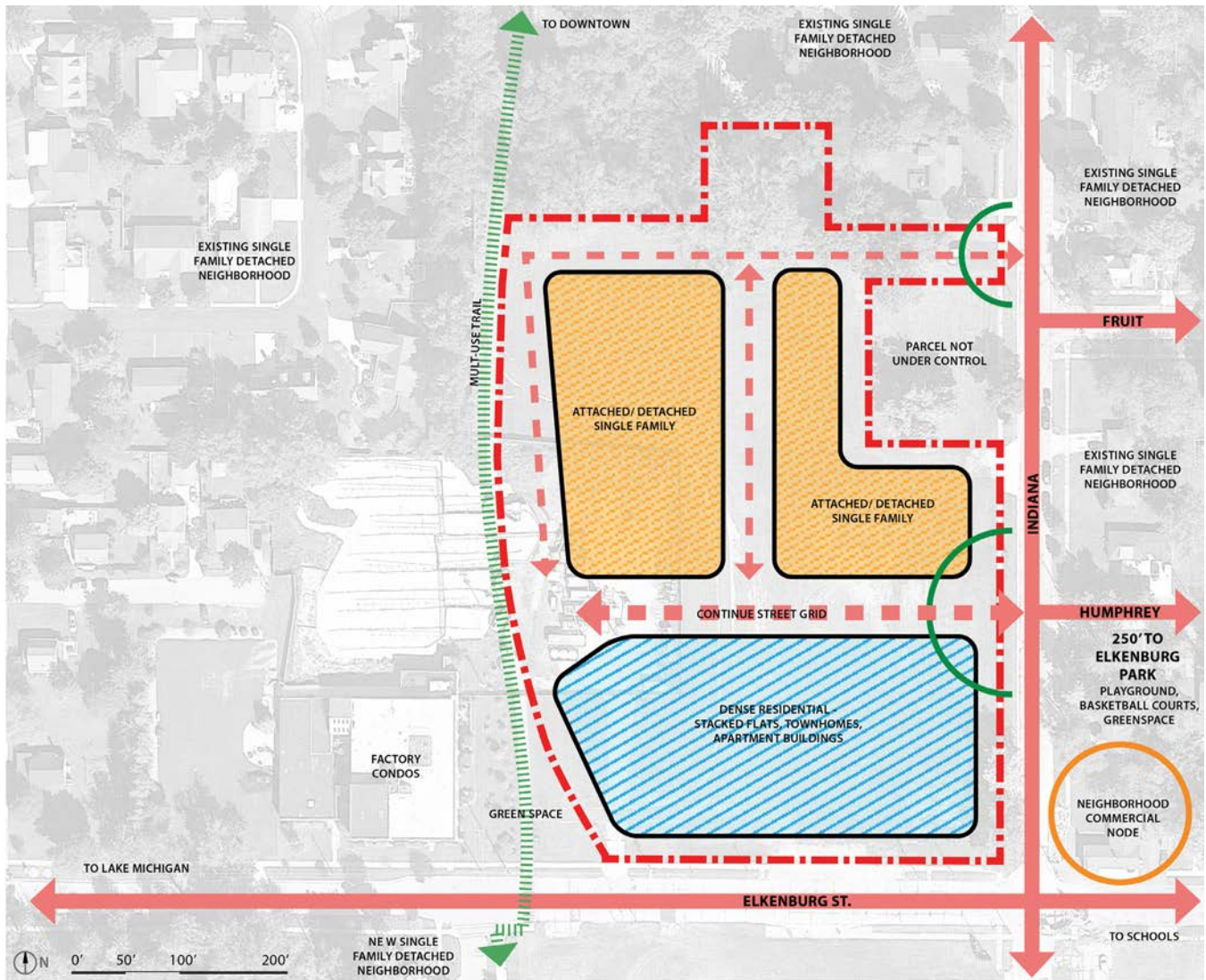
WALKABILITY

A **system of pathways** that **connect** districts, link neighborhoods, and encourage recreation, engagement and **neighborhood socialization**.

ATTAINABLE HOUSING

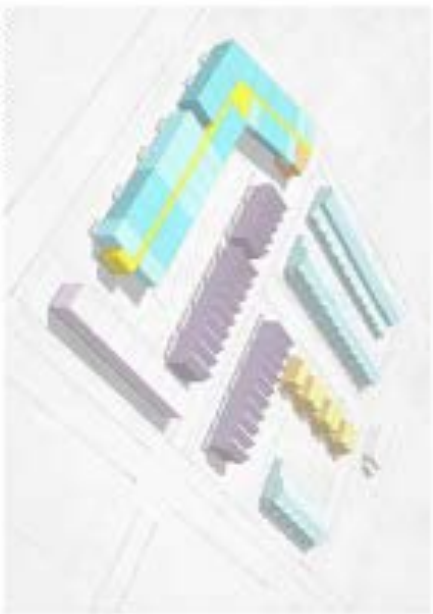
Through planning **efficiency**, construction cost **management** and development **incentives**, this development will introduce **quality, attainable housing** to the region.





In 2019, the City partnered with Housing Next and Integrated Architecture to define a concept development plan for the site. The concept plan illustrates a total of 100+ dwelling units in a walkable format and a mix of two and three-story buildings. The City Council has expressed unanimous support for this concept plan and seeks a qualified development firm to refine the plan for the local market and execute within 6-18 months.

See attached Concept Development Proposal for more details.



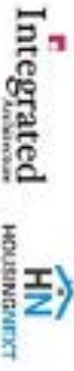
MASSING AERIAL VIEW

SUMMARY

TYPE A UNITS	- 24
TYPE B UNITS	- 0
TYPE C UNITS	- 0
TYPE D UNITS	- 31
TYPE E UNITS	- 14
TYPE F UNITS	- 42
TOTAL	- 111 UNITS

PARKING

GAARAGE	- 55 SPACES
PERMITTED GUEST	- 31 SPACES
APPROX. GUEST	- 19 SPACES
PARKING LOTS	- 99 SPACES
TOTAL PROVIDED	- 204 SPACES
REQUIRED	- 222 SPACES (@ 2 PER UNIT)



Site | Concept Plan



1" = 100'-0"



The city's asking price is negotiable, and we are **open to all reasonable offers** in support of an optimal development plan. A **range of incentives**, at the local, county and state levels, may be leveraged as part of a negotiated development agreement. Preference will be given to **projects with a mix of price points** that creatively incorporate some or all of the provisions described.

The City is also prepared to negotiate an incentives package to ensure that the project is able to generate an adequate amount of cash flow while meeting the community goals for attainable and affordable housing.

Potential incentive packages may include reimbursement of costs related to infrastructure, site preparation, soil remediation, and stormwater management. For projects pursuing LIHTC financing, the City is very open to a PILOT agreement to support the project.

The South Haven City Council has expressed a strong desire to see a mix of for-sale townhomes, multi-unit apartments, and stacked flats or smaller condominium units. The intent would be to provide both rental and for-sale housing options with a range of price points for both product types.

MARKET CONDITIONS

A Market Analysis for the City of South Haven was prepared in July 2018, and is presented as an additional attachment to this document. The analysis, prepared by Community Research Services LLC, shows these key findings:

- There is strong demand for additional market-rate rental product within the City of South Haven. An expected 150+ new market-rate rental units are needed by the end of 2020 to support the market.
- A 60 to 65-unit rental development is anticipated to perform very well in 2020 or 2021 with an estimated 5.2% penetration rate in the overall rental market.
- There is a total net demand for 75 new senior housing units by the end of 2020 in the South Haven market. A 30-unit senior housing project is expected to perform extremely well with a 2.5% market penetration rate.





Community Research Services provided the following input specific to the subject property at 229 Elkenburg:

- The location appears ideal as a transition-type zone that could support a wide range of housing types.
- The location will retain value – The site’s proximity to the lakeshore is most notable, but the proximity to schools and the city’s downtown district should also be considered of value. The presence of the adjacent Van Buren Trail is also extremely positive, particularly to those members of the target market segments that strongly value pedestrian walkways and recreational opportunities.
- Long-term demand potential points to smaller-sized units.
- Traditional home prices are inflated due to seasonal/vacation demand – The low ratio of generally affordable homes (less than \$300,000) within the area is evidence of the “crowding out” of homes available for moderate-income households.



PROCESS

Upon selection of a qualified developer, the city anticipates entering into a letter of intent and predevelopment agreement to allow for due diligence activities and completion of a final development agreement. The city expects this predevelopment agreement to be in effect for six months or until a final development agreement is reached.

The City of South Haven will review and evaluate all complete proposals in response to this Request for Qualifications (RFQ) to identify and engage with qualified developers for 229 Elkenburg. An initial response to this RFQ must include the following information:

- Letter of interest: Provide a letter (up to 3 pages) identifying the development team's background and vision for the site.
- Concept plans or renderings of a vision for site development.
- Development experience / portfolio: Provide a short description of past projects of a similar nature completed by the development team (up to 10 pages). Include a description of the projects, cost, completion date, and municipal references.
- Evidence of development team's fiscal capacity to undertake the proposed project.
- Outline of development incentives and community support needed to execute the vision
- Résumé of firm and lead team members.

City of South Haven staff may seek additional information upon receipt of a development proposal. Additionally, the city reserves the right to refuse or reject any or all proposals, or to abstain from selecting any proposal.

The RFQ and responses should NOT be considered a legally binding agreement. Upon selection of a qualified development team, the City of South Haven will enter into a predevelopment agreement including purchase price, due diligence period, and other terms.

PROPOSAL FORMAT

All proposals shall be submitted by email in a PDF format to:

khosier@south-haven.com

by 11:59 PM, Eastern Daylight Time, on Friday, July 31st, 2020.

Additionally, either a paper copy or digital copy on a USB drive shall be sent to the address below, postmarked no later than July 31st, 2020:

City of South Haven
ATTN: Assistant City Manager
539 Phoenix Street
South Haven MI 49090

QUESTIONS?

Kate Hosier,
Assistant City Manager

269.637.0775
khosier@south-haven.com

south-haven.com

SCHEDULE FOR REVIEW & SELECTION





SOUTH-HAVEN.COM