

# REQUEST FOR INFORMATION 841 Broadway St. Site Ann Arbor, Michigan



Issue Date: January 8, 2012 Site Visit: January 30, 2013 Response Due Date: March 15, 2013



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# A. Purpose of Request for Information

DTE Gas Company<sup>1</sup> ("**DTE Gas**"), a wholly owned subsidiary of DTE Energy Company, hereby invites interested developers with experience in developing and financing mixed-use developments to respond to this Request for Information (RFI) pertaining to the development of a mixed-use project on approximately 14 acres adjacent to the Huron River at 841 Broadway St., Ann Arbor, Michigan (the "**Site**"). The objective of this RFI is to (i) determine developer interest in developing the Site; (ii) identify potential viable uses for the Site, and (iii) understand how the developer would propose to implement and finance the development.

Responses to this RFI should provide a conceptual plan for the development of the Site and concepts and strategies for implementing this plan, including a proposed development strategy and financing structure.

This RFI is an inquiry only. No contract or agreement will be entered into through this process. DTE Gas reserves the right to request additional information from some or all respondents, to issue a formal Request for Qualifications or Request for Qualifications to advance the review process, or to negotiation with any respondent. This RFI does not commit DTE Gas to select any development team(s) or to enter into negotiations with any development team(s) that may respond.

# **B.** Site Owner

The site is owned by DTE Gas, a Michigan public utility engaged in the purchase, storage, transportation, distribution and sale of natural gas to approximately 1.2 million customers throughout Michigan.

DTE Energy Company ("**DTE**") is one of the nation's largest diversified energy companies. Headquartered in Detroit, Michigan DTE is involved in the ownership and management of utilities and other energy-related businesses. Its largest operating units are DTE Electric Company<sup>2</sup>, an electric utility serving 2.1 million customers in Southeastern Michigan, and DTE Gas.

# C. The Site

The following information concerning the Site is provided solely for the use of interested parties in responding to this RFI. DTE Gas makes no representations or warranties regarding the accuracy of completeness of any information set forth herein. The furnishing of such information by DTE Gas shall not create or be deemed to create any obligation or liability for any reason whatsoever, and each respondent, by submitting its information, agrees that it has not relied upon the foregoing information, and that it shall not hold DTE Gas liable or responsible therefor in any manner whatsoever.

<sup>&</sup>lt;sup>1</sup> On January 1, 2013 Michigan Consolidated Gas Company changed its name to DTE Gas Company.

<sup>&</sup>lt;sup>2</sup> On January 1, 2013, The Detroit Edison Company changed its name to DTE Electric Company.



#### Location

The Site is located at 841 Broadway in Ann Arbor, Michigan in Section 20 of Township 2S, Range 6, Washtenaw County, Michigan. The Site encompasses approximately 14.2 (gross) acres along the Huron River near the intersection of Depot Street and Broadway Street. The Site is located in a mixed use area, and is currently zoned for light industrial use. Businesses are located to the northwest, south and west of the Site.

#### Description

The Site is divided into two areas consisting of the Western Parcel and Eastern Parcel. The Western Parcel is generally grassy and undeveloped, and a large portion of the Eastern Parcel is paved. The Eastern Parcel was, until 2009, used as a service dispatching center for DTE Gas and was historically used as a manufactured gas plant ("**MGP**"). The Huron River bounds the site to the north/northeast, an Amtrak railway station is located south/southwest of the Site, and Broadway Street is located to the east. Beyond Broadway Street is a city park. The nearest residence is located approximately 0.2 miles to the southwest of the Site. Site features and monitoring well locations are shown on Exhibit A.

#### Ownership

The site is currently owned by DTE Gas. An informational title commitment is attached as Exhibit B.

#### **Zoning & Utilities**

The Site is currently zoned M1, Limited Industrial District. A copy of the M1, limited industrial district ordinance is attached as Exhibit C. All utilities are available.





### **Historic Use**

The Site formerly housed a MGP known as the "Broadway Street Manufactured Gas Plant." In 1899 a predecessor of DTE Gas began MGP operations on the site that included "retort coal gas and carbureted water gas manufacturing processes." The operation of the MGP ceased in 1939. Through the 1940s the MGP sat idle for stand-by energy service until the MGP structures were decommissioned in the 1950s. DTE Gas used the Site as a service and dispatching center from approximately 1962 until 2009.



### Work Performed on the Site

#### Activities concluded prior to 2012

Constituents of concern ("**COCs**") have been detected in soil and groundwater on the Site at concentrations above the Michigan Department of Environmental Quality ("**MDEQ**") Part 201 Nonresidential Generic Cleanup Criteria ("**NRGC**"). The COCs are largely due to the Site's use as a MGP. The COCs include: volatile organic compounds ("**VOCs**"), semi-volatile organic compounds ("**SVOCs**"), metals, ammonia, and cyanide. Some of the same COCs were found within shallow sediment samples collected from the Huron River.

DTE Gas has performed several response and other activities at the Site since 1985. These response activities include, in part:

Activity	Year(s)
Excavation and off-site disposal of 1,680 Cu. Yds. of soil from the Western Parcel	1998
Installation of a groundwater treatment system and clean-up of 1.3 million gallons of groundwater	2001-2005
Excavation and off-site disposal of 4,340 Cu. Yds of soil from the Eastern Parcel	2006
Removal of Service center and office building (to foundation)	2009-2010
Removal of 2 "pole-barn" storage facilities (to Foundation)	2012

#### Activities completed on December 31, 2012

DTE Gas has implemented an MDEQ-approved Response Activities Plan to address the affected sediment, near shore soil, and upland source material located at the Site. These activities are expected to bring the concentration of COCs at the Site to below the MDEQ's NRGC. The sediment excavation area and the area of near shore soil excavation have been remediated to the most restrictive residential standard, with the balance of the Site remediated to an "industrial site" standard. The activities included, in part:

- Excavation and proper off-site disposal of upland and river bank soils impacted with COCs.
- Excavation and proper off-site disposal of sediment. The area of sediment removed was from an approximately 15 foot wide by 1,000 foot long section starting on the southern bank of the Huron River at approximately the Broadway Street Bridge to the northwest along the Broadway Site Huron River front; and
- The installation of a NAPL trapping cap and collection system ("**Cap**") after the affected bank soil and sediment was removed. The NAPL trapping cap and collection system was placed over



the area of formerly affected sediment as an additional protective barrier against any potential future COC migration to the Huron River.

# D. Goals, Objectives and Considerations

### **Goals and Objectives**

This RFI seeks information from interested developers experienced in the development of mixeduse projects pertaining to the manner in which they would implement the primary objective and additional goals of DTE Gas outlined below with respect to the development of the Site.

#### Primary Objective

DTE Gas's primary objective in developing the Site is to bring about a first-class, mixed-use development, capitalizing upon the unique features of the riverside Site, incorporating significant green space open to the public.

#### Additional Goals

DTE Gas has the following additional goals which should be addressed in the Responses:

- Creation of a first-class, mixed-use development, possibly including:
  - Restaurant(s)
  - o Retail
  - Residential
  - Commercial office space
  - Medical office space
- Creation of positive economic value for Ann Arbor
- Minimization of traffic impacts
- Incorporation of significant green space allowing public use and access
- Utilization of unique water front location, with public access, i.e.
  - $\circ \quad \text{Border to Border Greenway} \\$
  - o Future Allen Creek Greenway
  - New whitewater activities on the Huron River
- Creative financing strategy including use of public and private funding

#### Considerations

#### Valuation and Transfer of Site

Respondents should address valuation of the Site and consideration to DTE Gas for the transfer of the Site. DTE Gas is willing to consider contribution of the Site under an arrangement in which DTE Gas participates in the success of the development; however, DTE Gas does not wish to participate in development risk beyond its interest in the Site. As noted above, DTE Gas's primary objective is to ensure that the Site realizes its potential for a first-class, mixed-use development with significant green space.



### <u>Historic Use</u>

Recognizing the historic uses of the Site, the development of the Site should take into consideration the following:

- The Cap will need to remain in place and undisturbed;
- The collection system and wells will need monitoring for a period of years not that is not yet determined;
- Residential development will likely require additional remediation of the Site; and
- Depending upon the development plan, the Site may be subject to deed/usage restrictions and agreements with DTE Gas, the developer and the MDEQ.

## E. General Requirements

#### Timeline

Following is the current schedule for the RFI process:

January 8, 2012	RFI issues
January 30, 2013	Non-mandatory site visit
February 15 , 2013	Deadline for accepting written questions
February 15, 2013	Date for providing e-mail for additional notices
February 22 , 2013	Response to written questions provided
March 15, 2013	Submittals postmarked by this date

DTE Gas reserves the right to modify these dates at any time.

#### Questions

All potential respondents shall provide DTE Gas with a name and e-mail address to send communications to by February 15, 2013. The contact information should be sent to the following e-mail address: bway\_rdev@dteenergy.com.

All questions concerning this RFI shall be in writing and e-mailed to the following e-mail address: bway\_rdev@dteenergy.com, by February 15, 2013. Responses to all submitted questions shall be emailed to the prospective respondents by February 22, 2013.

#### Site Visit

On January 30, 2013 DTE Gas will conduct a tour the Site for interested respondents. All persons planning to attend should RSVP to Shayne Wiesemann at wiesemanns@dteenergy.com.



### Submissions

Each potential responder is responsible for properly identifying, addressing and ensuring the delivery of the proposal package. The package shall be marked "Request for Information – Broadway Site." One (1) original proposal to the RFI, one electronic copy, and three (3) copies shall be submitted, printed in hard copy and delivered to the following address post-marked no later than February 15, 2013.

DTE Gas Company One Energy Plaza, Suite 688 WCB Request for Information – Broadway Site Detroit, MI 48226 Attn: G. Dennis Schreibeis

# F. Submittal Contents

Proposals must be prepared and submitted in an organized and efficient manner. No page limitation is imposed, but brevity is appreciated. Page numbers are required and tab dividers would be appreciated. Proposals must be submitted in 8½ x 11 inch, 3-hole punched format (with the exception of design graphics/drawings).

1. <u>Section 1 – Cover letter</u>

Please provide a cover letter with:

name, address, telephone number of firm(s) submitting response;

brief summary of firms(s) interest in the redevelopment of the Site, experience on similar projects, experience on projects in the City of Ann Arbor; and

name of primary contact person(s).

2. <u>Section 2 – Proposed Development Vision</u>

Describe the conceptual plan for the development of the Site and provide a recommended development program, including:

- Description of the proposed development program, including mix of uses, types of uses, and square footages, (retail, restaurant, office, medical, dwelling units, etc.) parking spaces and other appropriate quantities;
- Description of retail and restaurant programs;
- Description of parking strategy;
- Descriptions of the schedule, phasing plan and approach to securing regulatory approvals in Ann Arbor;
- High level description of architectural and urban design including construction type and building materials; and
- Description of the operational plan.



Please provide a "sketch" (scale of not less than 1"=32') that includes the entire Site, clearly illustrating the urban design and landscape design concept(s) for the Site, and drawn as a ground floor plan of the Site.

3. <u>Section 3 – Compliance with Primary Objective and Additional Goals</u>

Discuss how the concept would achieve the primary objective and additional goals stated in the RFI, please support with any applicable documentation.

Discuss how the considerations addressed in the RFI have been taken into account in the concept.

4. <u>Section 4 – Conceptual Financial Structure</u>

Describe how the Site would be valued and the consideration to DTE Gas.

Indicate the source(s) and amount of debt and equity financing identified for the development in the proposal.

Describe the respondent's ability to raise equity and additional capital sources, including Michigan Business Development and/or Michigan Community Revitalization Programs.

5. <u>Section 5 – Other</u>

Please add any additional information that you deem relevant but was not requested.

## G. Conditions for Submission of Information

This RFI is an inquiry only and no contract or agreement will be entered into as a result of this process.

DTE Gas does not guaranty that the proposed development of the Site will advance to a request for qualification or request for proposal stage or will otherwise advance.

At any time, in its sole discretion, DTE Gas may modify, amend, cancel or reissue this RFI.

DTE Gas is not liable for any costs incurred by the respondent in the preparation, submission, presentation or revision of its information, or in any other aspect of the respondent's submission activity. No respondent is entitled to any compensation in connection with its response or preparation of any response to this RFI.

All materials submitted in response to or in connection with this RFI shall become the property of DTE Gas and will not be treated as the confidential or proprietary product of the responder.

Exhibit A

[see attached]

Exhibit B

[see attached]

Exhibit C

[see attached]