



CITY COUNCIL AGENDA ITEM

Date: May 23, 2016

To: The Honorable Mayor and City Council

From: Brian Kischnick, City Manager

Subject: Approval of the Civic Center Market Study Proposal Submitted by Gibbs Planning Group – (Introduced by: Brian Kischnick, City Manager)

History

The City of Troy's civic center campus is an approximately 100-acre property located at Big Beaver Road and I-75. Its central location makes the campus a desirable property with great potential. The City of Troy has long envisioned turning this largely unexplored property into a vibrant civic campus with a combination of public, residential and retail spaces.

During the 2016 City of Troy Retreat, City Council members, Planning Commissioners, Downtown Development Authority advisors and staff had an opportunity to hear from New Urbanist Planner and President of Gibbs Planning Group (GPG) Robert Gibbs. A world-renowned expert in human-scaled urban design and retail planning, Robert Gibbs helped the participants realize that a walkable, mixed-use civic center campus can be a reality in the City of Troy.

Carrying momentum from the retreat into the year forward, City Council adopted "Explore the development of civic center property by conducting a market study and developing a concept plan" as one of the 2016 Strategies on March 14, 2016. GPG and CORE Partners will together lend their expertise to accomplish these critical first steps.

Proposal

GPG's proposal, which delineates the scope of work and lists a detailed breakdown of tasks, is attached for City Council review. The proposed professional services include 8 different tasks, and highlights from each task are below.

Task 1: Pre-planning Services

- Present at the **June 14, 2016 Joint Study Session** with City Council, Planning Commission and Downtown Development Authority
- Conduct residential and retail market studies for the site
- Lead a multi-state tour of relevant new town centers and coordinate meetings with their developers



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Task 2: Alternative Master Plans

- Prepare two alternative master plans illustrating potential land uses
- Test each master plan with a preliminary real estate pro forma

Task 3: Consensus Workshop

- Conduct workshops with both the public and stakeholders to review alternative plans and build a consensus

Task 4: Consensus Master Plan

- Prepare a long-range master plan based on consensus workshops

Task 5: Presentations

- Make up to 30 presentations to various City boards, commissions and public groups to gain input and consensus for the master plan
- Meet with up to 10 potential real estate developers and anchor tenants for the proposed master plan
- Present the proposed master plan at the **2016 International Council of Shopping Centers National Deal Making on December 5-6, 2016**

Task 6: Summary Report

- Gather community feedback and prepare a booklet illustrating a summary of findings and recommendations

Task 7: Tax Increment Financing (TIF) Study

- Prepare a TIF model based on the proposed master plan and pro forma models.
- Detail the costs, financing and returns on investment through tax increments to allow the City to understand if public financing is necessary to implement the proposed master plan

Task 8: Financing

- Seek various public sector financing and grant programs to assist the City with the implementation of the proposed master plan

Financial

GPG's proposed fee for the professional services is \$200,000 including all expenses for travel, lodging and document reproduction. The fund for this project is allocated in the fiscal year 2016/17 budget.

Recommendation

It is recommended that City Council approve the civic center market study proposal submitted by Gibbs Planning Group, INC. with a total cost not to exceed \$200,000.

20 April 2016
Rev. 29 April, Rev 18 May 2016

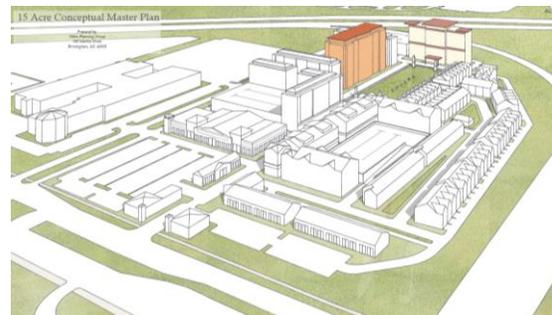
Brian M. Kischnick
City Manager
City of Troy
500 W. Big Beaver Road
Troy, Michigan 48084

Dear Mr. Kischnick:

On behalf of Gibbs Planning Group, Inc. and CORE Partners, LLC, (GPG), I am pleased to respond to your request to provide urban planning consulting services for the proposed Troy Town Center. GPG's expertise allows us to formulate and refine a proven and focused approach to accomplish creative land planning and urban design services. GPG is dedicated to providing practical, actionable results, which reflect economic development realities and not just theoretical research and planning.

GPG has a broad range of both private and public sector experience across North America. Public urban retail consulting clients include: Alexandria, Birmingham, Cambridge, Charleston, Grand Rapids, Houston, Madison, Miami, Portland and Seattle. GPG's private sector clients include EDS, Rosemary Beach, Steiner Associates, The St. Joe Company, The Taubman Company and the Walt Disney Company.

Please find below my proposed scope and fees based upon our recent discussions and my understanding of the City's objectives:



Gibbs Planning Group © 1999

Views of GPG master planning projects proposed in Oakland County, Michigan.

Project Understanding

The City of Troy is seeking to master plan a new mixed-use town center on its existing approximate 100-acre Civic Center property located at Big Beaver Road and I-75. The City envisions a new market-based walkable town center that includes civic uses, hotels, residential and retail landuses planned around main streets and town squares. As a part of this process, the City would also like to explore the potential to build a new library and city hall. This plan shall be the basis for the City to find a third party development company to implement most of the plan.

Proposed Professional Services

Task 1: Pre-planning Services

240 Martin Street · Birmingham, Michigan · 48009
TRADITIONAL TOWN PLANNING + LANDSCAPE ARCHITECTURE + MARKET RESEARCH
Tel. 248.642.4800 · Fax. 248.642-5758 · www.gibbsplanning.com

During Task 1, GPG will complete the following services to prepare for the town center site's master plan and design:

- Review existing research, documents and plans prepared by others relevant to the civic center site.
- Establish a preliminary development program including various landuse types (residential, hotel, etc.) with CORE.
- Visit the civic center and community at large.
- Meet with the planning commission, DDA, City Council and City Staff to present "New Trends in Town Center Planning and Development."
- Conduct residential and retail market studies for the site.
- Robert Gibbs will lead a multi-state tour of relevant new town centers and coordinate meetings with their developers and city officials.

Task 2: Alternative Master Plans

Based on the findings of Task 1 and direction from the City, GPG shall prepare two alternative master plans illustrating potential landuses. These alternatives will include: market rate housing, community center, hotel and civic uses. At least one plan will explore a new city hall and library. Each proposed master plan will be designed to allow the City to understand the site's adaptive reuse and to visualize its long-term build out potential.

Each master plan alternative shall include the following:

- Color site plan.
- Illustrated proposed landuses, buildings, streets, parking, pedestrian walks, parks, recreational amenities and other improvements as appropriate.
- A computer model birdseye view of the proposed site plan.
- Two (2) character illustrations of proposed site improvements (signage, streetscape, etc.).
- Preliminary real estate pro formas of each master plan.

Task 3: Consensus Workshop

GPG shall present the above alternative proposed master plans to the City's study task force or the public at large, and lead a workshop to review each plan and build a conceptual development consensus. During the workshop, GPG shall explain each alternative's merits, potential community impacts and market feasibility. In addition, GPG shall seek to build a consensus master plan by selecting preferred development and plan design elements from each alternative.

Task 4: Consensus Master Plan

Based on the above alternatives and consensus workshop, GPG shall prepare a long-range master plan for the proposed town center for the City's consideration. This plan shall illustrate all landuses, potential building footprints, parking, vehicular and pedestrian circulation corridors, parks, landscape massing and linkages to surrounding landuses. GPG shall be available to present the Town Center Master Plan to various city boards and commissions, the public, citizen groups and other organizations as directed by the City.

The master plan shall include the following:

- Color site plan.
- Four (4) detailed urban design areas.
- Two (2) watercolor birdseye views of the proposed master plan.
- Four (4) character illustrations of the proposed site improvements.
- Computer-generated Sketch-up models.
- A brochure and design booklet describing the master plan.
- Other documents as mutually agreed.

Task 5: Presentations

As a part of this proposal, GPG shall be available to make up to 30 presentations to various City boards, commissions, public groups and others as necessary to gain input and consensus for the master plan. GPG shall be available for additional meetings and presentations as mutually agreed. GPG shall also meet with up to 10 potential real estate developers and anchor tenants for the proposed town center.

Task 6: Summary Report

Based on community feedback gained during the above presentations and discussion groups, GPG shall make minor revisions to the master plan and prepare a booklet illustrating the summary of findings and recommendations.

Task 7: TIF Study

GPG shall prepare a Tax Increment Financing (TIF) model based on the above master plan and pro forma models. This TIF model shall estimate gaps (if any) between the private development costs and market rate returns on investments to allow the City to understand if public financing is needed to implement the above

master plan. The TIF model will detail the costs, financing and returns on investment through tax increments. The TIF may be needed for public realm improvements such as parking garages, streets, utilities, streetscape, parks and other public realm types of enhancements.

As a part of this proposal, GPG shall also be available to make modifications to the above TIF plan or prepare a second TIF model if necessary.

Task 8: Financing

If the City implements GPG's proposed Town Center Master Plan, GPG shall seek various public sector financing and grant programs to assist the City in developing the town center.

Schedule:

GPG shall complete all services by November 14, 2016, or as mutually agreed.

Proposed Professional Fees:

GPG's proposed fee for the above consulting services is a lump sum fee of **\$200,000** including all meetings, presentations, plans and expenses for travel, lodging expenses and document reproduction.

Limits of Scope of Services:

The services described in this agreement are for qualitative retail and planning analysis only, and should not be used as the sole basis of development, financing or leasing. Actual site, building, parking, utility, environmental, grading, civil engineering and architectural plans, cost projects, real estate leasing, brokerage services and construction documents are not included within the scope of work of this proposal and are to be completed by others.

Conditions of Agreement:

- a. GPG will begin services as described by this proposal upon receipt of a non-refundable retainer as outlined below. This retainer will be deducted from the final invoice for services completed by this proposal.
- b. GPG will invoice the City on a monthly basis or at the completion of each step.
- c. GPG shall be responsible for contracting and reimbursement of all sub consultants engaged by GPG for the services outlined in this agreement.
- d. All invoices will be paid by the City within 30 days receipt.
- e. Invoices shall be charged a 1.5 percent fee when paid over 30 days.
- f. This agreement will not be enforced by either party until each party has in its possession a copy of this agreement signed by the other.
- g. In the event of termination or suspension by the City, the City will send written notice of termination to GPG, and GPG will stop all work at notification. GPG will be paid compensation for all completed work prior to receipt of the written notification, plus other fees that may have been authorized by the client for expenses resulting from such termination or suspension.
- h. GPG does not imply or warrant that the findings of its market research will include any minimal amounts or types of commercial development at the subject site.

If you agree with the terms, fees and conditions of this proposal, please sign below. GPG will begin these services upon the receipt of a **\$20,000** retainer check made out to GIBBS PLANNING GROUP, INC.

Thank you for the opportunity to submit this proposal and we are looking forward to working with you in the near future.

Sincerely,
GIBBS PLANNING GROUP, INC.



Robert J. Gibbs, AICP, ASLA, CNU-A
President
rgibbs@gibbsplanning.com

The above terms accepted by:

.....
Signature *Date*

Title

Representing

- END OF AGREEMENT -