

# Traverse City Downtown Development Authority Special Meeting

Friday, July 7, 2023

## Immediately following the Study Session

Commission Chambers, Governmental Center  
400 Boardman Avenue  
Traverse City, Michigan 49684



The City of Traverse City does not discriminate on the basis of disability in the admission to, access to, treatment in, or employment in, its programs or activities. Penny Hill, Assistant City Manager, 400 Boardman Avenue, Traverse City, Michigan 49684, phone 231-922-4440, TDD/TTY 231-922-4412, VRS 231-421-7008, has been designated to coordinate compliance with the non-discrimination requirements contained in Section 35.107 of the Department of Justice regulations. Information concerning the provisions of the Americans with Disabilities Act, and the rights provided thereunder, are available from the ADA Coordinator.

If you are planning to attend and you have a disability requiring any special assistance at the meeting and/or if you have any concerns, please immediately notify the ADA Coordinator.

The City of Traverse City and Downtown Development Authority are committed to a dialog that is constructive, respectful and civil. We ask that all individuals interacting verbally or in writing with board members honor these values.

Downtown Development Authority:  
c/o Jean Derenzy, CEO  
(231) 922-2050  
Web: [www.dda.downtowntc.com](http://www.dda.downtowntc.com)  
303 East State Street, Suite C  
Traverse City, MI 49684

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**Welcome to the Traverse City Downtown Development Authority  
Special Meeting**

**Agenda**

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<b>1. CALL TO ORDER</b>	
<b>2. ROLL CALL</b>	
<b>3. PUBLIC COMMENT</b>	
<b>4. OLD BUSINESS</b>	
A. West End Mixed-Use Development for Housing, Retail and Parking	4 - 6
<a href="#">West End Mixed-Use Design Recommendation - Memo</a>	
<a href="#">West End Mixed-Use Design Fee Summary - PDF</a>	
<b>5. PUBLIC COMMENT</b>	
<b>6. ADJOURNMENT</b>	



# CITY COMMISSION

## GOALS & OBJECTIVES

### 2022-2023

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#### **HOUSING & HOMELESSNESS**

Increase opportunities for more diverse housing through public and private options.



#### **ACCESS & MOBILITY**

Invest in multi-modal mobility strategies and existing and future infrastructure so that individuals of all ages, abilities and income have a network of complete, barrier free, safe, year round access to our community's amenities and basic needs.



#### **CONNECTING PEOPLE WITH EACH OTHER AND NATURE**

Invest in facilities and amenities in order to create vibrant City spaces that connect all people to nature and to each other.



#### **ECONOMIC DEVELOPMENT**

The City will foster economic development by adopting a growth mentality and by conserving and maintaining natural resources. It will work with partners to invest in and maintain amenities that support a wide variety of industries, build the workforce, and attract well-paying jobs with the region's future in mind.



#### **WATER SYSTEMS**

Proactively and consistently maintain, conserve, and manage water and water systems to reduce harm to the systems themselves as well as public health and safety.



#### **CLIMATE CHANGE**

Address climate within all of our City priorities, goals, policies, and actions.



Downtown Development Authority  
303 E. State Street  
Traverse City, MI 49684  
jean@downtowntc.com  
231-922-2050

## Memorandum

To: DDA Board of Directors  
From: Jean Derenzy, DDA CEO  
Date: July 3, 2023  
Subject: West End Mixed-Use Development for Housing, Retail and Parking

The Downtown Development Authority (DDA) and the City of Traverse City (City) received five responses to the Request for Proposals (RFP) for the above referenced project on June 7, 2023. The firms submitting responses included:

- Rich and Associates, Inc., Southfield/Traverse City
- Tower Pinkster, Grand Rapids
- Fishbeck, Inc., Grand Rapids/Traverse City
- Ghafari Associates, Grand Rapids
- Progressive AE, Grand Rapids

The RFP is available on the City's website and a summary of the cost proposals is attached for reference. A review committee consisting City Planner, Shawn Winter, Transportation and Mobility Director, Nicole VanNess, Executive Director of BATA, Kelly Dunham, City Engineer, Tim Lodge and myself interviewed all five firms on June 22<sup>nd</sup>.

The interview team identified that Fishbeck and Cornerstone Architects was the preferred team based on their approach to the mixed-use development plans and the architectural experience with commercial development. Further, that discussion occur with Fishbeck and Cornerstone to identify expertise in identifying approaches for public/private opportunities and the leadership team integration between Fishbeck and Cornerstone. A second in person interview was conducted with Fishbeck and Cornerstone on June 27.

As noted in the RFP, there are two phases to this project. The first phase is to develop a schematic design for the mixed-use development, which will provide the DDA and City clarity on the full cost of the project. The first phase will identify the housing and commercial costs as well as the parking structure costs. This phase will also identify how a public/private partnership could be structured for both the retail and residential component of the project. The Fishbeck team has a brownfield specialist that will assist in leveraging the new state brownfield legislation with the DDA legislation as it relates to housing as well.

Once the full costs of the development are identified, the engineering/architectural work will pause until the full costs are reviewed with the City Commission (and community), the project is included in the new Moving Downtown Forward TIF Plan and a notice of intent to issue bonds for the project is formally made (in April 2024).

Should this notice of intent be approved, the DDA and City would then move forward with the second phase of the project – completing construction of the development. The costs for the schematic design phase is \$383,570 and the final design construction phase is \$1,207,571. There will be one contract for this project, noting the pause in between the two phases identified.

The review committee is recommending that a Consultant Agreement be approved with the Fishbeck and Cornerstone Architects, Inc for a not to exceed fee of \$1,591,141.

Representatives from Fishbeck and Cornerstone will be at our meeting on Friday to address any questions the Board may have.

**Recommended Motion**

That the DDA Board of Directors approve to enter into contract with Fischbeck and Cornerstone Architects for a cost not to exceed \$1,591,141; with \$383,570 for schematic design phase. Further, that the funds for this project come from TIF-97, with schematic design work listed in the 2023/2024 budget.

**West End Mixed Use Development  
Engineering and Architectural Services  
Fishbeck - Cornerstone**

Parking Structure & State St Housing		A/B Housing Beyond SD	
Survey	\$6,000	Parcel A & B -Design Design	\$45,240
Parking Structure Schematic Design Services	\$161,000	Parcel A & B -Construction Documents	\$90,480
Upper Level State St Housing - Concept Design	\$49,760	Parcel A & B -Bidding	\$12,300
Upper Level Housing - Schematic Design	\$49,760	Parcel A & B -Construction	\$40,720
Parcel A & B - Schematic Design	\$56,550	<u>Escalation for 6-12 month extension (Est. 5%)</u>	<u>\$9,437</u>
Geotech - Parking Structure	\$20,000	<b>Subtotal</b>	<b>\$198,177</b>
Geotech - A/B Housing	\$2,000		
Geotech - Pressure Meter Test	\$15,000		
Traffic Engineering	\$13,500		
Funding Assistance - T & M Allowance	<u>\$10,000</u>		
<b>Phase 1 Total (August '23 to December '23)</b>	<b>\$383,570</b>		
Design Development	\$129,000		
Construction Document	\$291,000		
Bidding and Award	\$18,000		
Construction Administration	\$107,000		
<u>Escalation for 6-12 month extension (Est. 5%)</u>	<u>\$27,250</u>		
<b>Subtotal</b>	<b>\$572,250</b>		
<b>Total - Base Parking Structure (No State St Housing)</b>	<b>\$955,820</b>	<b>With A/B Housing</b>	<b>\$1,153,997</b>
State St. Upper Level Housing Beyond SD	\$397,280		
<u>Escalation for 6-12 month extension (Est. 5%)</u>	<u>\$19,864</u>		
<b>Subtotal</b>	<b>\$417,144</b>		
<b>Parking w/ State St Housing</b>	<b>\$1,372,964</b>	<b>With A/B Housing</b>	<b>\$1,571,141</b>
<b>Optional Services</b>		<b>Optional Services</b>	
Parksmart Certification	\$20,000	Parksmart Certification	\$20,000
<b>Parking w/ State St Housing + Options</b>	<b>\$1,392,964</b>	<b>With A/B Housing</b>	<b>\$1,591,141</b>