

LOUISVILLE METRO GOVERNMENT  
*Economic Development*

**DRAFT REQUEST FOR QUALIFICATIONS**  
**Downtown Development Opportunities**

Date of Issuance:	May 10, 2023
Pre-Submission Meeting	May 24, 2023
Pre-Submission Written Questions Due:	June 2, 2023
Response to pre-Submission Questions:	June 9, 2023
Submission Due Date:	June 23, 2023

Economic Development

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## I. GENERAL INFORMATION

### A. Summary

Louisville/Jefferson County Metro Government is seeking qualified development teams for redevelopment of city-owned sites in Downtown Louisville. The best qualified team(s) will have expertise in downtown/urban core development, mixed use projects, projects with a public-private component, historic renovation and conversion, architecture, and planning. Maps and property information is attached for the opportunity sites.

Louisville Metro will pre-qualify the winner(s) of this solicitation. The winner will then be expected to begin a due diligence period which may include creating conceptual design renderings, construction analysis, economic analysis, environmental analysis and submitting a development proposal. Louisville Metro Government through Economic Development will then negotiate with the winning development team details for the development plan. The winners for each parcel (or parcels) or property will have the exclusive rights to negotiate with Louisville Metro Government for a period of 6 to 9 months to complete a development plan.

### B. Pre-Submission Process

In order to address the concerns of development teams considering submitting qualifications, Economic Development will host a meeting (the “Pre-Submission Meeting”) on May 24, 2023 at 1:30 PM in the meeting room on the first floor of the building located at 444 S. 5<sup>th</sup> Street, Louisville, Kentucky 40202. Economic Development representatives will be present to take questions from those in attendance who are considering submitting their qualifications.

Those who cannot attend in person may join the meeting virtual using the below link:

<https://louisvilleky.webex.com/louisvilleky/j.php?MTID=m5d661cc558ec04e3041ba125751dc98c>

Access code: 2313 713 7692

Password: 8q29Wv7nxfj

### C. Addenda to the RFQ

If it becomes necessary to revise any part of the RFQ, an addendum will be provided by the issuing office to all consultants who receive the RFQ.

### D. Oral Presentations

Within a week of the submissions, the selection team will determine a short list of development teams, who will be requested to make an oral presentation of their qualifications. These presentations will provide the selection committee an opportunity to ask questions regarding the qualifications and an opportunity for the developers to clarify their qualifications.

### E. News Releases

Any news release pertaining to this RFQ or the services, data, or project to which it relates will not be made without prior written approval by Economic Development, and then only in accordance with the explicit written instructions from same.

## **II. BACKGROUND ON THE OPPORTUNITY**

Downtown Louisville is the vibrant center of a region with approximately 1.4 million people. Increasingly, Downtown is the hub of economic activity and tourism related to the Kentucky Bourbon Trail, conventions and other attractions. Downtown Louisville currently boasts 24 hotels and 10 distillery and tasting experiences, with more under development. Additionally, Downtown Louisville is home to critical business, art and entertainment venues. An estimated 19 million visitors came to Louisville in 2019, 10.2 million of those visitors came just to Downtown. Tourism numbers have continued a strong rebound in the number of years post-COVID-19 Pandemic. However, office workers have declined with the advent of remote work. Further, while Downtown has a number of residential units and several large residential projects in the development process, Louisville lags behind its peer cities in the number of people residing Downtown.

For many years, the city has held a number of properties for parking or other uses that are no longer desirable or helpful toward realizing the potential of Downtown. The city is offering the below opportunities for qualified development teams. Together, these properties present an opportunity to build on the previous downtown development and harness the neighborhood's true potential. Maps and additional information about the opportunity sites are attached.

Most of Downtown Louisville is contained in a redevelopment area dedicated to paying off bonds for the KFC Yum! Center arena. However, several of the opportunities are carved out of this redevelopment area and have broader city and state incentive tools available. All of the sites provide opportunities for public-private partnerships for uses including housing (including both affordable and market-rate housing), hospitality, arts, entertainment, distilling/bourbon-related, commercial, grocery and/or mixed-use projects.

### **OPPORTUNITY SITES**

#### **1. Louisville Civic Center**

This opportunity contains four distinct sites – the Fiscal Court Building (531 Court Pl), the former headquarters for the Louisville Metro Police Department (LMPD) (225 S 7<sup>th</sup> St), the Market Street Parking Garage (536 W Market) and the surface parking lots on the south side of Market Street between 6<sup>th</sup> and 7<sup>th</sup> Streets. Metro is in the process of demolishing the former LMPD headquarters.

The lack of a central use other than governmental service hinders the area's vitality, especially during non-workday hours. Louisville Metro owns a number of properties within this area that are no longer needed for its own use or are underutilized, and thus can serve – if redeveloped in a coordinated manner – as a catalyst for infusing the area with more vitality on a 24/7 basis.

These properties may be packaged as a phased development project under control of a master developer or may be bid on separately. The desired end uses include rehab/adaptive reuse of the Fiscal Court Building, residential units (including affordable/workforce housing),

retail/service, hotel, retail outlets, entertainment venues, structured parking that includes replacement for lost surface parking for Louisville Metro employees (including similar or better facilities for Louisville Metro Council Members), and public open space/amenities for guests and residents.

The Fiscal Court Building sits on the corner of 6th Street and Court Place, is designated as a Local Landmark, and is a 10-story, 109,570 square foot office building. The building's main entry faces Court Place, which is gated and used by pedestrians along with limited parking. Green space for Metro Hall in front of the Fiscal Court Building may have to be redesigned in order to provide for a more inviting entrance for residences. The Market Street Garage abuts the Fiscal Court Building on its north side. The Fiscal Court Building is in moderate to poor condition. While the overall structure appears to be sound, many aspects of the building envelope are failing. The roof, stone and brick cladding, rear façade windows and other fenestration are all in need of major repairs or replacement. All major building systems including HVAC, lighting, plumbing, fire protection, communications, etc., need replacement or upgrades.

Additional resources regarding the Fiscal Court Building, including a facilities report from the consultant, EOP, are located at the web addresses/links below:

<https://louisvilleky.gov/government/louisville-forward/eop-facilities-report>

The former LMPD Headquarters is vacant, and Metro is in the process of demolishing the building. It is expected that the building will be demolished and site cleared by the end of 2023.

The Market Street Parking Garage has 555 spaces and was constructed in 1980. This facility contains a mix of Metro employees and employees of other companies that would need to be relocated. Including this property is optional at the development team's discretion.

The outstanding debt on the City Hall parking lot is \$2,205,729 (as of March 2023) and is currently in need of \$95,000 in repair. The outstanding debt on the Market Street Garage is \$643,488 (as of March 2023) and is currently in need of \$2,761,375 in capital repairs. See attached sheets for more detail.

## **2. Main Street/Washington Street**

This opportunity contains several sites owned by Louisville Metro. The properties include the vacant lot at the northeast corner of West Washington St and North 7<sup>th</sup> Street (2.97 acres), the surface parking lot at the northwest corner of West Washington and North 7<sup>th</sup> Street (0.92 acres) and the two lots 615-621 West Main Street (behind the building facades) (0.36 acres). Together, these sites are commonly referred to as the Museum Plaza parcel and the ReSurfaced lots, respectively. The total site size is 4.24 acres.

These properties abut the vibrant and active West Main Street Cultural District and have been subject to several prior redevelopment proposals. For a variety of reasons, these efforts have not come to fruition and they remain currently vacant, although the West Main site has been used successfully in recent years as a location for temporary uses, including the most recent Baird Urban Sports Park.

Louisville Metro desires one developer to complete a unified development on these sites. The desired development program would ideally include an infill project on Main Street incorporating the existing historic building facades, access to the Muhammad Ali Center Plaza, and a larger scale tower north of Washington Street (including structured parking).

### **3. Mudd Lot**

This opportunity is a surface parking lot at the southeast corner of Jefferson Street and 9<sup>th</sup> Street. The lot is 2.97 acres and is currently used for employee parking for Louisville Metro.

Metro is working in partnership with the Louisville Metro Housing Authority to complete redevelopment of the Beecher Terrace housing site on the west side of 9<sup>th</sup> Street. Additionally, Metro received a federal RAISE grant in 2022 to complete a reconstruction of 9<sup>th</sup> Street from the Ohio River to Broadway. The project will improve facilities for all street users especially pedestrians traveling between the Russell neighborhood and Downtown.

Metro desires a developer to complete a mixed-use development that ideally includes housing. This project will build on improvements at Beecher Terrace and the 9<sup>th</sup> Street corridor.

The outstanding debt on the parking lot is \$3,722,168 (as of March 2023) and is in need of \$195,000 in repair. See attached sheet for more detail.

## **III. POST-SELECTION WORK**

Metro anticipates selecting several development teams to work on the above opportunities. The selection will be a qualification-based selection. No specific development plans are required as part of this solicitation. The process will be a two-step process.

### Step One

Working in conjunction with Economic Development Department, the selected development team will negotiate a Letter of Intent and Access Agreement (example attached), which will provide the selected development team with the right to perform due diligence on the respective opportunity. The initial due diligence phase is expected to be 6-9 months and may be extended at the mutual agreement of Louisville Metro and the selected development team. As part of the due diligence phase, Metro will allow the development team access to the selected site(s). Additionally, during due diligence the development teams and Metro will discuss requested Metro support (if any is needed or requested).

### Step Two

Towards the end of the due diligence period, if the selected development team opts to move forward, Economic Development staff will finalize development plans and the key terms of a development agreement. Development plans should be in alignment with the goals of Louisville Metro outlined above and should further Metro's goals of making Downtown Louisville an active, vibrant, unique and green 24/7 neighborhood, business district and tourist destination. The development plan shall include preliminary concept drawings, an appraisal of the project, a business plan, sources and uses of funds, a projected ten-year proforma, and a marketing plan. If

the initial development plan is agreed to by Metro and the selected development team, the parties will negotiate final terms for a development agreement.

#### **IV. QUALIFICATION INFORMATION REQUESTED FROM THE APPLICANT**

Applicants shall provide the following information:

1. Contact Information: name, address, email address, and phone numbers of the contact person;
2. Business Operation: full name and address of the organization, operational status (individual/partnership/corporation), federal tax ID number;
3. Qualifications and Experience: provide team's relevant experience and qualifications for successful completion of downtown and urban infill projects. This information should be responsive to the evaluation criteria provided in Section V below. This section shall not exceed 15 pages; and
4. Project Schedule: an adequate time should be allowed in the schedule for public comment, stakeholder review, revision of draft deliverables and for preparation of final documents.

#### **V. AWARD CRITERIA AND EVALUATION**

All applications received by the deadline shall be subject to an evaluation by Economic Development. Applicants must be complete and respond to all sections of the RFQ. Applicants that do not fulfill all program requirements or omit any of the contents as described in the RFQ may be rejected. Economic Development will evaluate applicants based on three Award Criteria. The **Award Criteria** and the percentage of their importance in making the selection are listed below.

1. **Capability and Qualifications (50%)**: qualifications and experience of the firm and the personnel assigned to the project; a successful bidder is required to show a detailed track record of performing work on projects of similar size and scale and historical significance, if applicable.
2. **Schedule (30%)**: clarity and adequacy of the detailed plan for due diligence and delivering the information requested as part of the development or rehabilitation plan.
3. **Method of Approach (20%)**: technical soundness of the development team's general approach to the project, including anticipated Metro incentives and participation, if any; preliminary concepts for the project; comprehensiveness of the plan; inclusion of minority and woman-owned business enterprises; and, the entirety of the team and the techniques to be used.