CITY OF BLOOMINGTON, INDIANA
REQUEST FOR QUALIFICATION

HOPEWELL NEIGHBORHOOD DEVELOPMENT
(LEGACY BLOOMINGTON HOSPITAL SITE)

COMMERCIAL REAL ESTATE SERVICES (CRE)

City of Bloomington
401 North Morton Street
Bloomington, IN 47404

DATE OF SUBMISSION: JUNE 16th, 2022
RESPONSE DEADLINE: JULY 14th, 2022
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**ATTACHMENTS**

APPENDIX A – COMPREHENSIVE PLAN
EXECUTIVE SUMMARY

The City of Bloomington Indiana (City) seeks to identify the best Commercial Real Estate Partner to bring industry expertise and development activation services to the Hopewell neighborhood development, a 24-acre urban core site, that is the former location of the IU Health Bloomington Hospital.

Following a comprehensive community engagement process from 2020-2021, the City of Bloomington created a guiding Master Plan that is the basis of this aspirational Hopewell neighborhood development. Hopewell offers the Bloomington community the chance to imagine and realize a new neighborhood in the heart of our city, a neighborhood to embody 21st century realities and aspirations:

- **Bloomington must diversify and expand opportunities for all.** Hopewell should be an inclusive neighborhood where people from all walks of life and all ages, incomes, abilities and backgrounds can thrive.

- **Bloomington must create sustainable neighborhoods to advance toward a zero-carbon future.** Hopewell should exhibit best practices in sustainable redevelopment, as a blueprint for a more equitable, livable, and resilient Bloomington.

- **Bloomington must continue to be a place of beauty and excellent design for all.** Hopewell should be an inspiring neighborhood of excellent design and public and private amenities.

This development supports the City’s Comprehensive Plan (reference Appendix A) and envisions housing of many types as well as commercial and retail development to support the neighborhood. Project designs (affordable and market rate) must incorporate standards from the City of Bloomington’s Unified Development Ordinance, which may from time to time be updated, as well as align with the vision of the 2020 Housing Study commissioned by the City of Bloomington Housing and Neighborhood Development Department. The Housing Study stated a need of 2,592 additional available housing units that would be needed in the wider Bloomington community by 2030.

Through this Request for Qualifications (RFQ), the City of Bloomington seeks to engage a Commercial Real Estate Partner to move this project to the development phase. The “Evaluation Criteria” section of this RFQ describes the immediate and ongoing needs specific to the market financial guidance, CRE mix and ratio guidance, developer awareness / marketing campaign and management of the transaction processes with the selected Development firms.
INTRODUCTION

In 2015, IU Health announced that it would relocate the IU Health Bloomington Hospital from its downtown location to a new regional academic health campus on Bloomington’s east side. On December 26, 2017, the City of Bloomington and IU Health signed a letter of intent documenting the intent of the City of Bloomington through its Redevelopment Commission to purchase property at what was then the IU Health Bloomington Hospital site. Following the opening of the new IU Health Regional Academic Health Center in December 2021, IU Health began the process of transferring the property and other nearby parcels to the City for its development in the community’s interest. These transfers are ongoing and will be completed by the end of 2023.

“Hopewell” Identity Defined

The City of Bloomington & its Redevelopment Commission announced on February 7, 2022, that “Hopewell” will be the name for the new neighborhood located on the legacy site of the IU Health Bloomington Hospital. The Hopewell name has a long history of association with the site.

“The Hopewell name captures a bit of the history of the site and at the same time projects an inspiring vision for its future. Generations to come will be influenced by the notion that this is a community with a long and proud history of people stepping up to take care of each other. Today, that means we must work together on not only accessible healthcare, but accessible greenspace, equitable housing opportunities, and a commitment to sustainability. We look forward to continuing to work together to build a neighborhood that reflects our core values,” commented Mayor John Hamilton.
In 1905, Bloomington’s Local Council of Women bought a 10-room red brick house that would become Bloomington’s first hospital. The house, located on a portion of the acreage that became Bloomington Hospital and later IU Health Bloomington Hospital, once belonged to Isaac Hopewell. The property came to be known by that name, linking “Hopewell” to the site for generations to come. The Local Council of Women converted that home into the much-needed local hospital. The local activists and volunteers supported the hospital with canned goods, garden produce, fundraisers, and even raising chickens to help feed patients. Serving as part of Bloomington’s hospital for nearly six decades, Hopewell House was eventually razed in the summer of 1963. The beautiful legacy of Hopewell House – residents taking action to care for each other – continues to inspire the many individuals working to ensure that this new neighborhood in the heart of Bloomington remains a place of compassion, good health, and perpetual optimism.

Please review the “Bloomington Hospital Site Redevelopment Master Plan Report, January 2021” for additional information on the evolution of the planning framework and for details on proposed development across the Hopewell site.

More information about the history of the former hospital site, now known as Hopewell, can be found at "https://bloomingtonhospitalsite.com/wp-content/uploads/2021/01/2021.01.13_BHRU-Reuse-Master-Plan-2-pg-per-screen.pdf"
COMMUNITY BACKGROUND

Nestled in the rolling hills of southern Indiana, Bloomington is a small town with big-city amenities, atmosphere, and culture—home of Indiana University’s flagship Bloomington campus (IUB); the Little 500 bicycle race; the Lotus World Music & Arts Festival; the WonderLab Museum of Science, Health, and Technology; a thriving food culture; and some of the most sought-after craft beers in America.

The City’s built environment blends historic districts from the last century and a half with collegiate Gothic architecture on the IUB campus and more contemporary structures throughout the city. Bloomington is a community steeped in tradition, but with an eye always on progress and sustainability.

Bloomington is the sixth most populous city in Indiana, with an estimated population of approximately 84,000. The city is fairly densely populated, with 3,594 people per square mile, compared to only 87.4 people per square mile, on average, nationwide.

Bloomington supports a vibrant economy and a thriving business district composed of roughly 6,000 businesses. The City’s business community is noted for excellence in biopharmaceuticals, medical devices, technology, healthcare, craft beverages, and the arts. Its concentration of employment in the life sciences is six times greater than the U.S. average and growing. Indiana University, IU Health, and IU Health Bloomington Hospital recently opened a new $500 million regional academic health center, which will employ thousands and expand opportunities for health sciences education and research.

In addition to major employers such as IUB (7,701 employees), IU Health Bloomington (over 2,200 employees), the Cook Group (3,330 employees), Catalent (3,200 employees), Baxter Healthcare Pharmaceutical (1,100 employees) and nearby federal Crane NSWC (more than 5,000 employees) and Boston Scientific (800 employees), downtown Bloomington alone boasts more than 140 local and unique restaurants, bars, and coffee shops, seven local breweries, and a distillery.

The City of Bloomington is frequently heralded as a desirable place to live and work, with a high quality of life: recognized by Inc. Magazine as one of “America’s Best Cities for Doing Business” and as one of Entrepreneur Magazine's Top 50 “Hottest Small Cities for Entrepreneurs.” Forbes Magazine ranked Bloomington No. 3 in its “Best Places for Business Careers” feature and as a top city for work-life balance. The city has also been named one of the “Top 5 Food Towns in the Midwest” by Midwest Living Magazine and the “7th fastest growing destination for wine and culinary enthusiasts in the nation” by Orbitz Research Travel. In 2021 - in the height of the pandemic, Bloomington was recognized by TechPoint as Indiana’s “Rising Tech City”, highlighting the many innovations and partnerships underway to build an economy for the future.

Potential residents and business owners recognize Bloomington’s attributes—and the City’s wages and assessed value (AV) are consistently on the rise. Weekly wages grew 2.8% during 2021 and Monroe County is one of only 11 counties in the state with average weekly wages above $1,000. AV grew 6.3% from 2020 to 2021. Bloomington’s population is younger than the national average, reflecting the City’s large number of university students, with a median age of 24 years, compared to 37.7 years nationwide.
To help develop affordable housing, the city has a number of programs to benefit renters and homeowners. For instance, the City’s new Shared Appreciation Home Ownership Program can be used to help lower income individuals and families purchase a home in the development. The Program offers qualifying (income and other guidelines met), first-time homebuyers a city-funded forgivable loan for up to $50,000 for a down payment.

Finally, Bloomington is home to two higher education institutions, including IUB, the flagship campus of Indiana’s eight-campus university system, with a total 2021 fall enrollment of 45,328. IU is renowned for teaching and research in fields ranging from informatics and chemistry to African studies and music and receives top rankings for the O’Neill School of Public and Environmental Affairs and the Kelley School of Business, to name just a few. Just down the road, Ivy Tech Community College boasts region-specific programming to better prepare the area’s workforce. Our vibrant community has earned its recognition as one of the “best college towns to live in forever.”

6. Travel Indiana [https://travelindiana.com/a-sophisticated-urban-oasis/#:%7E:text=Named%20one%20of%20the%20%E2%80%9CTop,a%20meadery%20and%20distillery](https://travelindiana.com/a-sophisticated-urban-oasis/#:%7E:text=Named%20one%20of%20the%20%E2%80%9CTop,a%20meadery%20and%20distillery)
SUBMISSION REQUIREMENTS

Submittal Deadline

In order to be considered, full responses must be received by the city no later than 12:00 p.m., Eastern Daylight Time on JULY 14th. All entities with interest in this RFQ must complete the attached Google Form: https://forms.gle/UpGKEuxsdNFgdc3E7. All questions must be submitted through the Google Form above. All questions will receive responses through a formal addendum. All addendums will be issued to those entities logged in the Google Form. The deadline for questions is JUNE 30th, 3:00 pm, with a response from the City of Bloomington no later than JULY 7th at 5:00 PM.

A site visit is available upon request Monday, JUNE 27th @ 1 PM.

Submittal Requirements

All responses, including any supporting documents, shall be submitted electronically to Alex Crowley at crowleya@bloomington.in.gov by the specified deadline by 12:00 p.m., Eastern Daylight Time on JULY 14th. If the respondent consists of a team of several entities, an authorized representative of each entity shall be identified in the application materials.

Proposals that are not received by the specified deadline will not be accepted.

Proposals shall reference "Hopewell – CRE RFQ 2022" in the subject line, and the name and address of the submitting organization(s) must be included in the body of the e-mail. The city will not provide any pre-selection information concerning the status of proposals other than the acknowledgment that they were received.

Note - Select finalists may be asked to interview with City Officials as part of this selection process.

RFQ - Contractual Expectation

The purpose of this RFP is to identify the best Commercial Real Estate Team to achieve the City of Bloomington’s vision. The City of Bloomington intends to enter into an agreement directly with the selected service provider for the services listed in this RFQ with a stipulation that this engagement is based on periodic reviews of the City’s satisfaction of services and will remain committed to the service provider by phase, pending their performance.

In the event that there is a need for a Residential Real Estate Service Provider, related to
single family homes the City reserves the right to issue a request to additional Residential specific firms and enter into a separate agreement for this effort, at which time our CRE partner would be allowed to participate in that RFQ pending interest.

The initial agreement resulting from this process will encompass specifically the services needed for Phase I East.
EVALUATION CRITERIA

The following criteria will serve as the basis of selection. We aim to partner with a passionate and experienced CRE firm that demonstrates alignment with Bloomington values as well as possesses a national development reach that can effectively market and help develop this once in a lifetime opportunity to create this new neighborhood in the heart of our city.

1. **Alignment with Bloomington Values** – Shows alignment with Bloomington initiatives and values including, but not limited to, working with a progressive city with a strong emphasis on sustainability and affordability and a focus on developing a dense mix of multiple housing types and commercial real estate to create a neighborhood that embodies 21st Century realities and aspirations.

2. **Urban Core Redevelopment Expertise** – Demonstrates experience relative to implementing a multi-block masterplan and redevelopment of urban core commercial real estate with a Public Owner and Program Manager. Team demonstrates expert experience with development of commercial real estate services and the specific services required in this RFQ.

3. **CRE Development Services Depth** – Exhibits a national and local “reach” for attracting development, including a passion for matching the right developers with Bloomington. Establishes a depth of applicable services, experience with multiple deal structures, and leverages technology platforms where needed.

4. **Market / Development Analysis Expertise** – Provides strong details and examples of the Team’s involvement in creating and assessing Best Use / Product Ratio Assessments, including but not limited to your approach to supporting the Real Estate Mix and Market Absorption specific to Developments and identification of the data sources you rely on to support feedback specific to the Hopewell Master Plan. Defines how this initiative would be best managed by your team and your approach to supporting Development-wide financial analyses to validate and support the balancing of Development Costs and Land / Lease Value. It is imperative our partner can bring value and expertise with affordable housing and sustainability.

5. **Marketing and Developer Socialization Campaign** – Provides strong and successful examples for your firm’s previous development expertise and approach to marketing to Developers across your firm’s geographical footprint, including but not limited to defining your understanding of the process of socialization (bring awareness) to the Developer communities and the marketing campaign efforts that must be incorporated to create a successful Development Activation (Leasing and Sale of Parcels for Development).

6. **Transaction and Campaign Fee Structure** – Considerations of fees and structure will be included in the evaluation.
SCOPE OF REAL ESTATE SERVICES

A. Financial Proforma Model Validation (August – November 2022)
   ● Share Current Market Trends
   ● Prepare Market / Ratio Analysis
     ▪ Test Masterplan unit and rent ratios against current market conditions
     ▪ Develop current Fair Market Rent (FMR) and Fair Market Value (FMV)
   ● Support Financial Modeling and Options for Balancing the Proforma

B. Development Awareness Campaign (August 2022 to Sale / Lease Up)
   ● Generate Marketing Package
   ● Socialize Development Opportunities
   ● Secure Interest of Developers Matching Bloomington Expectations
   ● Manage Digital Marketing Campaign
   ● Manage Social Media Campaign
   ● Ongoing Communication / Reporting to City on Activity
   ● Progressive marketing package updates at lease up

C. Developer RFI Support (August 2022 – November 2022)
   ● Secure multiple Development Prospects matching Bloomington Expectations
   ● Create Developer RFI, Secure City Approval and Issue RFI Package Support
   ● Manage Developer Selection Process including but not limited to RFI Reviews, Assessments, Interviews, and Recommended Selection Interview / Assessment
   ● Support Facilitation of City Approval Process

D. Developer Sale Transaction Management (October 2022 through Sale / Lease Up)
   ● Brokerage Transaction Services
   ● Developer Engagement Services
   ● Transaction Document Generation
   ● Lease / Sale Process Ownership
PROPOSAL FORMAT

Please restrict proposals to no more than 30 pages (front and back).

All submissions must provide a summary of their qualifications below with general adherence to the page limitations for each qualification. The submission should encompass information for partnering subconsultants qualifications (if any). Any submission not meeting these criteria may be deemed non-responsive.

1) **Statement of Interest** – Provide a statement of the proposer’s interest in representation for Commercial Real Estate Services, highlights of the proposer’s qualifications and a summary of the proposer’s understanding of the objectives of the RFQ. (1 page)

2) **Firm’s History / Experience** in Commercial Real Estate Services supporting the successful development and activation of urban redevelopment efforts. (3 pages).

3) **Team / Org Chart.** - List all Team Members (internal and any outsourced) and provide an Org Chart identifying lines of communication and responsibilities. (2 pages)

4) **Resumes / Bios** – Provide key team leader resumes / bios with summary of applicable leadership experience relevant to the content in this RFQ. (1-2 pages per key team member)

5) **Demonstrated “relevant” development services experience** including your role specific to working with the Owner and the Developers in addition to duration of engagement and team structure. (3 pages per development, limit of 3 relevant re-developments, maximum 9 pages total)

6) **Referrals for Development Experience.** (Min 3 @ 1 page each) - Professional Client Referrals, whom the city may contact, for urban redevelopment projects similar to this RFQ. Please include development, reference’s name, title/role on project, email address, phone number, and their relationship to the project.

7) **Proposal Criteria Response.** This section should include a detailed response to specific RFQ Evaluation Criteria using the 6 criteria in the structure of your response. It will be important to clearly outline your approach to how each of the proposed services will be implemented and managed by your firm. (9 pages max)

8) **Transaction and Campaign Fee Structure** – Define the costs for all services your firm intends to provide, including outsourced service costs. Define
Transaction Fee structures by product type and any stipulations on additional fees to be forecasted for adjustments in duration or multiple socialization campaigns pending Developer interest. Include payment terms for any Client paid fee services, no actual fees or ranges are required to be presented. It is imperative that a fair fee-sharing protocol be in place for Brokerage fees for both parties (when applicable) to ensure interest in this development is not stifled by non-negotiable fee sharing practices, in-state or out-of-state cross borders engagements. (1 page)

9) **Sample Contract Terms.** Respondent should include a sample contract and/or standard terms and conditions generally associated with the requested services. The City reserves the right to utilize its own forms or to incorporate its standard terms and conditions into Respondent’s proposed agreement. (1 page)

10) **Notice of Deviation. If Applicable.** Deviations from the requested ‘Scope of Work,’ or from any of the terms and conditions outlined throughout this Request, must be expressly disclosed. Proposals failing to meet the above guidelines may not be considered.
PROPOSAL EVALUATION AND SELECTION

The city has the ultimate responsibility for determining the responsiveness of the submissions and selecting the preferred submission(s), with the assistance of consultants, as needed. There is no guarantee that the City will select any of the respondents to develop the Project, and any submission shall be submitted at the submitter’s sole risk and cost.

An evaluation committee established by the Mayor will review submissions for completeness and to verify that both the applicant(s) and the proposed project(s) respond to the requirements of this RFQ. Submissions determined to be non-responsive will not be considered or evaluated. Any submissions deemed ineligible or non-responsive may appeal to the Mayor for reconsideration at the Mayor’s sole discretion. The City is the sole and final decision-maker regarding this selection, and it reserves the right to reject any or all submittals.

If negotiations with the preferred CRE Partner do not proceed in a timely or satisfactory manner, an alternative respondent may be selected, or the City may reissue a subsequent RFQ.

The final selection will be made solely by the City of Bloomington, which reserves the right to request additional information from submitters, reject any and all submittals, waive any irregularities in the submittal requirements or cancel, suspend, or amend the provisions of this RFQ at any time.

PUBLIC RECORDS NOTICE

Pursuant to the Indiana Public Records Act, unless otherwise excepted from the law, all documents submitted in response to this RFQ will be considered public records and will be made available to the public upon request. Submissions received may be posted on the City’s website as part of the review process. Please do not submit any information to the city that you wish to keep confidential.