



Islandview Greater Villages

Butzel Infill Request for Proposals

Release Date: November 8, 2024

Pre-Submission Conference: November 18, 2024

Proposal Submission Deadline: January 17, 2025





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I. PROJECT OVERVIEW

The City of Detroit's Housing and Revitalization Department (HRD), the City of Detroit Planning & Development Department (P&DD), and the Detroit Land Bank Authority (DLBA) seek a qualified development team to design and construct new multi-family and mixed-income infill housing on the underutilized parking lot in front of the Butzel Family Recreation Center and Playfield.

The City completed an 18-month neighborhood framework planning initiative for the Islandview and Greater Villages area, designated as the first of ten Strategic Neighborhood Fund investment areas, a \$300M effort to leverage public and private funds. It resulted in over \$30.2M in comprehensive improvements to parks and open spaces, street improvements and streetscapes, greenways, housing stabilization, and mixed-use developments along Kercheval Street and directly adjacent to the proposed site. The proposed project presents a unique opportunity to build on the momentum of these strategic improvements.

The development site is located on Kercheval between Townsend and Van Dyke at 7737 Kercheval. A lot split will be conducted for approximately 35,000 square feet or 0.80 acres. The lot split will be coordinated with the city upon final design approval. The City of Detroit seeks a well-designed development that will build on the inherent strengths of the site, overlooking the improved Butzel Park entryway and integrating the site seamlessly with the adjacent duplexes and surrounding neighborhoods.

The successful respondent will:

- Demonstrate successful experience in planning, developing, constructing, and managing development projects of comparable size.
- Have significant new construction infill development expertise coupled with a commitment to creating quality, well-designed mixed-income housing.
- Have significant experience completing mixed-used development including commercial space.
- Demonstrate a strong track record in delivering quality projects on time
- Provide an affordable housing program that minimally allocates 20% of the units for rent to households earning 80% of the area median income (AMI) or greater depending on financing and incentives. *The City will give preference to deeper affordability targets.*
- Demonstrate successful experience with ownership and management of multifamily developments of similar size.

Respondents are asked to submit the following:

- Letter Of Intent, which includes a narrative of the Respondent's approach to developing the site, including unit mix and proposed affordability.
- Detailed experience of the development team (including current resumes).
- Graphic representation, financial details, and references for a minimum of three (3) past projects of similar size.
- Detailed and vetted Sources and Uses for the proposed project (including operating income proforma).
- Basic schematic design. The applicant should provide a graphic representation of a general massing, site plan, and neighborhood context of the proposed project. **However, the City prefers that applicants invest their time and resources in a detailed financial analysis rather than upfront design work for this project.**
- Preliminary project schedule, construction timeline, and strategy for developing the site.



Evaluation Criteria will also include:

Local Hiring and Participation

- Detroit-based project team, minority or women-owned businesses, and/or significant partnerships with local firms and community organizations, and evidence of previous local hiring experience.

Preliminary Program Strategy

- The proposed development and methodology provided by the Respondent are logical and feasible, indicating an understanding of realistic sources and uses of funds required for the project (**Letters of Intent are not required for submission**).
- Preliminary programming strategy of commercial space, parking, and amenities reflects an understanding of local market conditions.
- The extent to which the developer intends to engage the community within their development timeline.
- The budgets provided indicate the Respondent's commitment to ensuring the pricing proposed is reasonable.
- The proposed timeline and phasing ensure timely completion of the project.

Financial and Leverage Capacity

- Ability to obtain, structure, and implement financing for the Project, including demonstrated ability to procure financing and complete projects on schedule and within budgetary assumptions.
- Depth and credibility of financial pro forma, ability to deliver identified financial sources, and capacity of development principles.
- Consider the percentage of equity the developer intends to put toward this project.

Project Design Standards

- Any work that was done in the preparation for submission by the Respondent will be taken into consideration.
- The extent to which the preliminary site plan proposed, and design adheres to the Guiding Development Principles.
- The degree to which the proposed construction budget is realistic and implementable.



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II. AREA SUMMARY

The Islandview Greater Villages (IVGV) area is a remarkably rich collection of neighborhoods, corridors, open spaces, institutions, and commercial enterprises. Like many parts of the city, segments of the district are experiencing rapid growth and investment, while others are beginning a larger transformation from industrial activity to mixed-use development and recreation. Even still, other areas continue to struggle with long-term disinvestment and depopulation.

Moving forward on Mayor Duggan's commitment to neighborhoods, the City of Detroit's Planning and Development Department (P&DD) and Housing & Revitalization Department (HRD) have completed an 18-month-long neighborhood framework initiative in Islandview, West Village, Indian Village, and East Village. The IVGV area was the first of 10 areas of the city designated for investment by the Strategic Neighborhood Fund (SNF), a \$300M effort to leverage public and private funds to create inclusive neighborhoods throughout the city. This investment will supplement and build on the work the City is already pushing forward in its neighborhoods. With a \$30.2M investment to date, the City will continue investing public dollars in public spaces and infrastructure as a comprehensive neighborhood approach so residents can see real projects working together to strengthen the neighborhood.

The City of Detroit has implemented various neighborhood components in the past 1-3 years. Projects include the following:

Butzel Playfield: The City released an RFP seeking a landscape architect to redesign the park to become a hub and centerpiece and to create greater accessibility and connections in the neighborhood. \$1.5M in improvements were completed in 2019. The improvements were made to Butzel Playfield's Street entrances, outdoor spaces, recreation amenities, and landscape design to enhance park beauty and promote positive community and intergenerational interaction.

Streetscape Improvements: The City invested \$7.8M in streetscape improvements which included wider sidewalks, protected bike lanes, improved parking, and landscaping along Kercheval from Bellevue to Fischer.

Street Improvements: Traffic calming and new pedestrian crossings were installed around the perimeter of Butzel Playfield and on Van Dyke at Agnes and Lafayette.

Housing Rehabilitation: The City and the Detroit Land Bank Authority (DLBA), through the Rehabbed & Ready Program, have renovated 16 homes. The development completed at Lafayette and Townsend consists of 24 units, 6 affordable at 60-80% AMI and 18 market rates. The John Gray Library is an in-progress development located at 1117 Field Street of 12 units, 7 are affordable with 50-80% AMI. There are also a significant number of single-family, multi-family, and duplex rehabilitation projects actively under construction.

Mixed-use Development: Invest Detroit and the Roxbury Group completed the construction of a \$22.5M mixed-use infill development known as the Parker Durand. The development includes 92 units of residential apartments and 6,000 sq ft of retail, at the Northeast corner of Kercheval and Van Dyke, bringing a high level of affordable housing including 50% of the rental units at 120% AMI or below, 30% at 80% AMI or below, and 20% at 50% AMI or below. The commercial space also helps bring much-needed neighborhood retail back to the area by rebuilding the traditional main street.



Pre-development: These projects are to be completed within the next 5 years.

- 7850 E. Jefferson: Ginosko Development; new construction of 150 units all affordability at 60% AMI for a total of \$27M.
- 7200 Mack: Genesis Hope and Cinnare Solutions; new construction of 30 units all affordable at 60% AMI for a total of \$11M.
- 1500 Van Dyke: Woodborn Partners; new construction mixed-use in West Village for a total of \$16M.
- 2156 Townsend: Develop Detroit; new construction of approximately 40 units with 20 units at 80% AMI.
- 130 E. Grand Blvd: Communities First and Messiah Housing CDC; new construction and rehab of approximately 60 units for \$15M.
- 1265 Parkview Street: The Shepherd is an adaptive reuse project transformed into a cultural arts center.



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III. AREA RETAIL DEVELOPMENT

As the area grows, the IVGV neighborhood has seen several retail and services open in existing buildings clustered near the intersection of Kercheval and Townsend including:

- Sister Pie – a bright corner bakery with non-traditional flavor combinations reflecting the local Michigan Agriculture.
- Detroit Body Garage – a neighborhood gym focusing on group fitness classes where people gather, work out, and share their goals without competition or ego.
- The Village Parlor – a high-end salon and apothecary where anyone is welcome.



- Heavyweights Barber Shop – an old-school neighborhood barber shop.
- Hawkins Real Estate – a locally owned real estate sales office specializing in neighborhood sales.
- Red Hook Coffee – a charming neighborhood coffee and bake shop.
- Metropolitan Bar & Kitchen – a neighborhood market with an adjoining bar and pizza kitchen.
- Two Birds – a family-run neighborhood bar and seasonal custard shop.
- La Fonda Street – a culinary destination that bridges the vibrant flavors of Latin America with the heart of Boston and Detroit.
- FAIRCLOTH Boutique – located in the retail space of Parker Durand is a neighborhood fashion boutique that makes you look and feel good.
- Barkside – off-leash dog park, and coffee shop where humans and their pups can socialize safely.
- Marrow – a neighborhood steakhouse and butcher shop.



IV. THE PROPOSED DEVELOPMENT – BUTZEL INFILL

The City seeks a highly qualified and experienced developer (and/or development team) to submit a new construction multi-family infill development proposal that supports the highest and best use of the proposed site. The current parking lot and a portion of the entryway to the Butzel Playfield will be split into a separate parcel to create approximately .80 acres for the development. Applicants should propose a footprint to allow space for the City's potential plan to enhance the gateway to the existing park.

Directly adjacent to the cluster of investments being made by the City and overlooking the new enhanced entry and improvements to Butzel Play Field, is an assemblage of approximately 35,000 square feet of vacant City of Detroit owned parcels fronting Kercheval Street.

The City sees the proposed project as an opportunity to add density and diversity of housing types, and an opportunity to preserve affordability in an area with rapidly rising rental rates and home values. In the last five years, the average rent for a 1,300-square-foot flat has increased from \$700 - \$750 per month to \$1,400 - \$1,500 per month identifying the need for the City to intervene to ensure more affordable options are developed.

The City envisions this site to be competitive for a 9% LIHTC funding allocation.

The City is open to mixed-use infill to include commercial storefronts and multi-family infill housing on the proposed site. Residential Infill Design Precedents are included in **Exhibit A**.

These options reflect the City's vision for the site but are not intended to directly prescribe site development.



V. PROPERTY DESCRIPTION

Address: 7737 Kercheval

Location: West of Kercheval and Van Dyke (Islandview)

City/County: Detroit/Wayne

Land size: Vacant Land Approx. 35,000 sq ft or 0.80 acres

Zoning: The site is currently zoned R-2 Residential – proposed SD1. Multi-family housing is permitted as a Conditional Land Use. The City will support any zoning changes or variances required to accomplish the selected development scheme.

Asking Price: \$4 per square foot – assuming 35,000 sq ft \$140,000



VI. LOCATION MAP/AERIAL PHOTOGRAPH

Proposed Site Location





VII. AFFORDABILITY REQUIREMENTS

The proposed project, at a minimum, must make at least 20% of the total unit count available to residents earning 80% or less of the area median income (AMI) for the current fiscal year as set by the United States Department of Housing & Urban Development (HUD).

The proposed project may also trigger greater affordability requirements as outlined in the City’s Inclusionary Housing Ordinance and/or the City’s Community Benefits Ordinance.

In addition to the minimum requirements, the City may favor projects that propose and show evidence of the ability to provide a greater range of affordability. There is a preference for a greater affordable housing component to the project that would potentially be competitive for a LIHTC allocation from MSHDA.

Potential Incentives

The City of Detroit Housing and Revitalization Department (HRD) releases a Notice of Funding Availability (NOFA) semi-annually in January and July. The NOFA accepts development proposals and makes available resources such as The United States Housing & Urban Development (HUD) HOME Partnership and Community Development Block Grant (CDBG) funds.

LISC is currently raising funds for the next round of the Detroit Housing for the Future Fund (DHFF) to provide low-cost capital for projects that offer deeper affordability.

The Detroit Housing Commission (DHC) manages rental subsidy programs including Project Based Vouchers (PBVs).

The Michigan State Housing Development Authority (MSHDA) manages the State’s 9% and 4% Low-Income Housing Tax Credit (LIHTC) Program. MSHDA also funds projects with state bond financing, HUD HOME Partnership funds, and other financing and grant programs.

Several low-cost financing and grant programs are offered through Community Development Financial Institutions (CDFI).

The City of Detroit through the Detroit Economic Growth Corporation (DEGC) offers many tax abatement programs and incentives. More information can be found here: [TAX INCENTIVES | DEGC](#)



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VIII. EVALUATION AND SELECTION PROCESS

A Selection Committee (the “Committee”) will be established to review submissions. The Committee will consist of representatives from public entities such as HRD, P&DD, and the Department of Neighborhoods, as well as one community stakeholder representative. Additionally, the Committee may seek assistance from selected consultants. The Committee reserves the right to contact references and verify material submitted in any proposal.

The Submission of a proposal with all the requested information does not guarantee the Respondent will be a candidate for an interview.

Submission Process and Timeline

SCHEDULE

Release Date:

Pre-Submission Conference:

Proposal Submission Deadline:

Selection of Preferred Developer List:

Shortlist Interviews:

Final Selection/Recommendation:

DATE

November 8, 2024

November 18, 2024

January 17, 2025

January 25, 2025

January 27-31, 2025

February 14, 2025

Direction for Submissions

To be considered, all RFP responses must be received by **5:00 P.M. EST on January 17th, 2025.** The responsibility of submitting the RFQ response rests entirely with the Respondent to the RFQ.

Submissions shall be limited to 20 pages and must be made electronically with an 8.5x11 page size (plans/renderings may be up to 11x17) PDF via email to publicprivatepartnerships@detroitmi.gov or by USB thumb drive delivered to the City of Detroit Housing and Revitalization Department, located in Suite 908 (9th Floor), CAYMC, 2 Woodward, Detroit, Michigan 48226.

Proposals sent by overnight delivery service will be considered timely if the delivery date stamped is at least one (1) day before the due date set for receipt of the RFP. The burden of proof to establish timely filing of a proposal by overnight delivery service shall be solely upon the entity or person submitting the proposal. The Respondent must ensure the required submission arrives on time at the specified location. Any submission that is not properly marked, addressed, or delivered to the submission location, in the required form, by the required submission time will be ineligible for consideration. **Hard copies and faxed submissions will not be accepted.**



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Once received by HRD, the submission will not be returned. Formal communication, such as requests for clarification and/or information concerning this solicitation shall be submitted by email to publicprivatepartnerships@detroitmi.gov. Response will be provided to all inquiries and answers to frequently asked questions will be available. No information concerning this solicitation or request for clarification will be provided in response to telephone calls.

All expenses involved in the preparation and submission of the RFP to the City of Detroit and any work performed in connection therewith shall be assumed by the Respondent. No payment will be made by the City of Detroit for any responses received, nor for any other effort required of or made by the Respondent before the commencement of work.

All information in a Respondent's proposal is subject to disclosure under the provisions of Public Act No. 442 of 1976, as amended (commonly known as the Freedom of Information Act FOIA).

Pre-Submission Conference & Timeline

On Monday, November 18th, HRD will conduct an optional Pre-Submission Conference through Microsoft Teams starting at 1:00 p.m. (Virtual) Additional questions can be directed to publicprivatepartnerships@detroitmi.gov. [JOIN MEETING HERE](#)
Meeting ID: 265 496 702 165 Passcode: myRAzM



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IX. GUIDING DEVELOPMENT PRINCIPLES

The City of Detroit is committed to advancing design excellence in all projects, which will produce equity, sustainability, resilience, and healthy living for those who live, work, and play within and around project areas. Accordingly, proposals shall exhibit walkable urban design principles, and sustainable neighborhood development strategies that may include a variety of uses and appropriate building typologies with a variety of architectural expressions. Buildings shall be designed in proper form and function within the neighborhood context. Successful RFP proposals will adhere to the following guiding design principles for the redevelopment of the Property:

Community-Oriented Development Process

- Building should define the public space of a street or park in a meaningful way.
- Mixed-use structures should be designed in such a way as to allow observation of the street.
- Buildings generally should have minimal front-lot line setbacks. Well-designed, varying setbacks (discontinuous with the lot frontage) will break up blocks and provide relief for the pedestrian.
- The built environment should provide interesting building typologies with varied architectural expressions and should be designed to complement the community.
- The selected development team must be transparent with community residents and maintain an open dialogue with stakeholders throughout the development process.
- The proposed residential units' design, scale, and quality should enhance the existing house typologies within the neighborhood.

Sustainable and Equitable Development

- Provide a diverse residential stock and density at a variety of price points, ownership types (i.e. rent, own), housing types (i.e. lofts, flats, apartments), and a minimum of 20% of the affordable units at an 80% market rate.
- Densities shall support opportunities for neighborhood commercial investment and job creation, thereby stimulating and supporting growth in the local economy.
- Design for environmental sustainability – both in the natural (i.e. wetlands, natural plant species) and built environment (i.e. stormwater mitigation, LED lighting, renewable energies).

Parking

- The developer will be requested to support and identify the replacement of parking for the existing recreation center and playfield.
- The developer will encompass the planning, design, and implementation of parking and creating a new gateway to the park.
- The parking design must comply with all relevant codes and regulations.
- Consideration should be made for efficient use of space, accessibility, and sustainability features.
- Parking shall not be designed fronting a street without sufficient screening and buffering, subject to the approval of P&DD. Furthermore, parking shall be buffered with screening, buildings, or landscaping.
- Detailed plans and cost estimates should be provided.
- Vehicular access should be located to minimize, if not avoid, conflicts with the pedestrian, utilizing alleys, where possible.
- Bicycle parking should be located to minimize, if not avoid, conflicts with pedestrians, utilizing alleys and adequate shelter, where possible.
- **The city will make every effort to secure funding to assist with replacement parking. However, if these efforts are unsuccessful the selected bidder will be required to cover the associated cost.**



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X. EXHIBIT A

Residential Infill Design Precedents

Kercheval Front Facing





Exhibit A (continued)

Residential Infill Design Precedents

REAR





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Exhibit A (continued)

Residential Infill Design Precedents

Site Plan





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Exhibit A (continued)

Residential Infill Design Precedents

Floor Plan

