

City of Rochester
Request for Proposals

Rochester Public Market
New Storefront Building Construction and Land Lease
Issued December 19, 2023

For: New Storefront Building Construction and Land Lease

By: City of Rochester
Department of Recreation and Human Services
Public Market Operations
57 St. Paul St.
Rochester, NY 14604

Submission Due Date: No proposals will be accepted after February 12, 2024, 12:00 p.m. (noon), *No exceptions.*

Virtual Information Session: Thursday, January 4, 11:00 a.m.
City of Rochester via Zoom, hosted by Jim Farr
farj@cityofrochester.gov

<https://cityofrochester.zoom.us/j/82197287867?pwd=ZWg2RE1aVjNYNU1JRFgwcEpHZzYzUT09>

Meeting ID: 821 9728 7867
Passcode: 938409

Submissions: Email (preferred): farj@cityofrochester.gov

Mail:
Attention Jim Farr
Department of Recreation and Human Services,
City of Rochester
57 St. Paul St., Rochester, NY, 14604

City of Rochester
Request for Proposals
Public Market New Storefront Building Land Lease

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Related Materials

1. 2022 Master Plan and Market Management Plan (posted on the City of Rochester website with this RFP)
2. Developer Guidelines for Urban and Brownfields (2018):
[City of Rochester | Development Guidance Handbook](#)
3. East Main Market and Arts Initiative Final Report (2015):
[East Main Arts and Market Initiative Report](#)

Exhibits

- A. Master Plan Summary
- B. Union Lot Development Renderings
- C. Sources of Funding Standardized Format

Rochester Public Market
New Storefront Building Land Lease RFP

I. Purpose

The City of Rochester is continuing to pursue implementation of a Master Plan completed in 2012 and updated in 2022, for the Rochester Public Market District. Two primary goals of the Master Plan are to:

- a) Create an active market district throughout the week and year, and;
- b) Create expanded, modern enclosed facilities that meet the needs of current and future vendors, as well as the public.

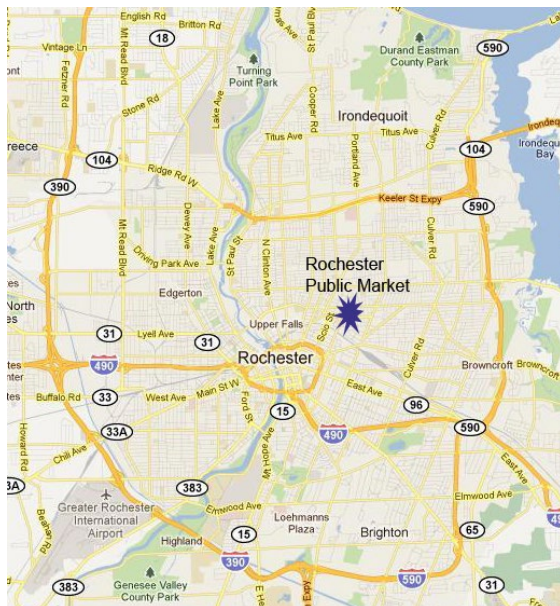
In 2017, the City completed a major phase of the Plan with the construction of a new outdoor market shed, the replacement and expansion of the “Wintershed” indoor market and replacement of the standalone restaurant kiosks. These facilities have increased the amount of covered outdoor vending space in the Market and significantly improved the indoor food retail space, allowing for more days of operation within an upgraded and attractive building.

Research and analysis conducted as part of the Master Plan determined that additional storefronts within the Market District, housing small-scale food producers and food service businesses, offer an excellent means for achieving the Plan’s goals. Furthermore, there appears to be strong demand for more storefront spaces. All of the storefronts along Commission Row are leased with produce wholesalers, bakeries, coffee roasters, and four restaurants with a fifth under construction, that attract crowds six nights a week. Additionally, aggressive development has taken place along the Railroad Street entryway to the market, including three restaurants, a brewery, retail space, and more to come. Market management reports frequent inquiries from artisan food makers and other retailers about renting space in or around the Market to house their businesses.

The City of Rochester seeks a private developer to lease City-owned land and construct and manage a new storefront building within the Rochester Public Market. While the building will be privately owned and operated, the City seeks developers who share its vision for creating attractive spaces for independent small-scale food producers and food service/restaurant businesses that reinforce the other food businesses within the Market District.

II. Site Location

The Rochester Public Market is a gated nine-acre site located within the Marketview Heights neighborhood near downtown Rochester, a site it has occupied since 1905. Generations of Rochester residents have grown up going to the Market and it continues to be one of the most well-known institutions in the region. In 2010, the Rochester Public Market won the America's Favorite Farmers' Market contest sponsored by American Farmland Trust.



The Market is 90% leased with over 300 indoor and outdoor stalls. The Market is open three days per week: Tuesdays, Thursdays, and Saturdays. Saturday is by far the busiest day, with over 25,000 shoppers often visiting the Market. The Market attracts 3 million visitors annually, including customers who come from throughout the region. The Market attracts people with a wide range of ages, races, and ethnicities, including recent immigrants whose primary language is not English, as well as tourists. The pandemic once again proved the Market's resilience and staying power. When the food supply system was disrupted, many relied on the locally sourced products at the Market to supplement what was not available in the supermarkets and many shoppers rediscovered or discovered the venue.

The Market conducts many events on Sundays and other non-market days, as well. In 2019 (prior to the pandemic), Market staff and their community partners ran the following major events:

- Community Garage Sales and Superfleas (12 Sundays from April to October)
- Flower Days at the Market (5 Sundays plus the Friday and Monday of Memorial Day Weekend)
- Food Demos and tasting
- Chef's Days at the Market
- Bands on the Bricks (6 events in 2023)
- Bike in Movies
- Halloween Eve
- Food Truck Rodeos
- Artists Row (organized by Friends of the Public Market)
- Holidays at the Market
- Festival of Food (organized by Foodlink, a local social service agency)
- Various private events including the Flour City Brewers Festival, Neighborworx Community Fair and others

All told, there were almost 60 events during the year on days when the outdoor market was *not operating*, bringing thousands of people to the Market district.

The development site is located within the Rochester Public Market at the corner of Union and Trinidad Streets. The site is currently a surface parking lot (see photo, right). The site has close proximity to Commission Row, the location of numerous independent food businesses. In addition, the property is adjacent to the Market's pedestrian bridge from parking so thousands of customers will walk by the building on Market days. Image B1, above, is taken from the 2022 Master Plan (Exhibit A) with the storefront building highlighted in orange.



III. Land Lease

The City of Rochester intends to enter into a Land Lease with the developer selected through the RFP process. The developer will be responsible for all costs related to planning and design, permits and approvals, construction, and operations. As part of the proposal, the developer should propose all key business terms, lease length, and any special conditions necessary for the business operation.

The Land Lease will include use restrictions that determine the types of businesses and activities that can occur in the building in order to support the Master Plan objectives. The businesses and functions within the storefront building should reinforce the master planning goals and support the other activities in and around the Market. These include:

- a) Ground Floor: The ground floor should include multiple independent businesses that include specialty food producers (such as cheese makers, butchers, pasta makers, ice cream and candy makers, bakers, pickle makers, nut roasters, etc.) Other desirable uses include restaurants and cafes.
- b) Upper Floors: Retail, offices that support food businesses located at the Public Market, general commercial/offices, education. Could also be multiple floors with residential as part of the mix.
- c) Annual lease payments will be at least \$10,000 per year. This fee is negotiable dependent upon other conditions included in the lease. The term will be 25- 49 years contingent upon a $\frac{3}{4}$ vote of Council, with an option to extend with additional approval of $\frac{3}{4}$ of Council at the end of the term.

Other uses for the building may be proposed as long as they support the Master Plan objectives.

IV. Site Factors and Considerations

Exhibit D shows the dimensions of the storefront building as conceptualized by the Master Plan design team. The proposed building is approximately 140' long and 65' wide (+/- 9,100 sf) and is divided into seven (7) bays of 20 feet width each. A loading dock is located at the building's southern end with a rear hallway permitting access to each bay. Respondents to this RFP may propose alterations to the building dimensions, layout, or exact location.

The site is currently a parking lot with about 25 parking spaces and backs up to a terrain drop and associated retaining wall that runs along Union Street. No representations are made as to the suitability of the site for Rochester Public Market

construction. Test borings and other due diligence will be the responsibility of the developer. Water, sewer, and gas are available and were extended to the site during a temporary relocation of food kiosks in 2016.

The initial site layout shows the site can accommodate the proposed building and, through better design, 28 parking spaces (including two handicap spaces), for a net gain of three spaces. It is important to maximize the number of parking spaces on the site. Parking spaces must be available for all Public Market customers and not dedicated to tenants or their customers in the storefront building. The Public Market provides over 1000 free parking spaces within the gates and in parking lots nearby which will be available to the storefront building’s tenants and their customers.

The site is located within the Public Market Village District zone (Chapter 120 of the Municipal Code, Zoning Code). Since the property is currently managed by the City as part of the Public Market, the Market Ordinance of the City of Rochester (Section 91 of the City of Rochester Code) is also relevant.

The Rochester Public Market is owned by the City of Rochester and operated through its Department of Recreation and Human Services.

The Department of Recreation and Human Services provides special snow removal and security services, including plowing and salting, as necessary. The security services include foot patrols from 5:00 p.m. to 5:00 a.m. on Monday through Saturday and all day Sunday and certain holidays. Part of the cost of these services is apportioned among the properties within the district. For each property, these assessments include both a fixed fee and a fee per frontage foot. The new storefront building will participate in this program.

The City of Rochester hosts a web site for the Market (www.cityofrochester.gov/publicmarket/) and publishes a quarterly newsletter called *Market Matters!* There is an active “Friends of the Public Market” page on Facebook and the Market also hosts Instagram and Twitter accounts and their own Facebook account. In totality these social media outlets have over 60,000 followers.

There is also an active Market District Business Association.

V. Reviews and Approvals

The successful proposal will undergo City of Rochester review and approval processes for new construction. Please review the City of Rochester Developer’s Guide listed in Exhibit A for full details.

VI. RFP Timeline

RFP Issued	December 19, 2023
Information Meeting	11:00 AM, Thursday, January 4, 2024
Submission Deadline	12:00 PM, February 12, 2024
Evaluation	February 13 - February 16, 2024
Finalists Notified	February 19, 2024
Interviews (If Necessary)	February 20 - 23, 2024
Developer Selected	February 26, 2024

VII. Pre-Submission Information Meeting

An informational meeting will be held for potential RFP respondents. Attendance is optional. Minutes from the meeting will be available upon request.

A virtual meeting will be held:
11 a.m. on Thursday, January 4, 2024 via Zoom:

<https://cityofrochester.zoom.us/j/82197287867?pwd=ZWg2RE1aVjNYNU1JRFgwcEpHZzYzUT09>

Meeting ID: 821 9728 7867
Passcode: 938409

(hosted by Jim Farr farj@cityofrochester.gov)

VIII. Submission Requirements

The proposals being submitted must demonstrate a well-planned and detailed development program, high quality and appropriate design concept, and financial strength to undertake the project. The minimum items that should be submitted for consideration for the development of the Public Market site are listed below. **The City reserves the right to reject any proposal submissions without the minimum items indicated below.**

A. Summary of Overall Proposal

1. Narrative summarizing the overall proposal including the need/demand for the proposed use, key benefits (public and private) of the proposal and project development costs
2. Development team
3. Ability to undertake the project
4. Marketing plan. Please include a marketing plan that includes, at a minimum, the following items:
 - Identification of targeted market sector/population that the project is intended to serve
 - A narrative describing how the project will be successfully marketed to reach the intended targeted market sector/population
 - Any applicable pre-sale/rent/lease marketing strategies
 - Phasing of Project
 - Marketing team members

B. Project Proposal- Development Plan

1. Design concept drawings—minimum concept drawings to include:
 - Site plan (to scale and legible) showing building elements, landscaping, parking, and access (vehicular and pedestrian)

- Elevations (to scale and legible)

Please note: Perspectives, renderings, 3D modeling and electronic presentations are not required, however, they may enhance understanding of the proposal. Digital presentation material may be submitted via email to supplement proposal hardcopies.

2. A project narrative describing:

- Key development components
- How the project complements the history and existing uses of the public market and the proposed master plan.
- Any unique and/or highlighted features and how these features will be beneficial.
- How the project will support the Master Plan objectives of full-week activity, appealing to a wide range of customers, offer wider variety of vendor space, etc.

3. Development program including square footage by proposed use(s) for rent/lease with breakdown for each floor of the building.

4. Project schedule including:

- Closing on property land lease
- Design
- Anticipated zoning and permit approvals
- Funding commitments based on the proposed funding sources
- Construction start/completion
- Occupancy

C. Project Proposal- Funding

1. Cost estimates detailing all hard costs and soft costs, and including all assumptions.
2. Table showing the source of all funds to undertake development (including bank participation, owner equity, and any other sources that may be pursued). The proposed financing arrangements must be verified by a letter from the financial source/institution indicating that the project has been reviewed and the source/institution is willing to favorably consider a loan application to finance the project.
3. Expected terms for the project financing by source, including loan amounts, interest rates, term length, and any special loan covenants/requirements.
4. 10-year project pro-forma including all capital costs, operating expenses, income/revenues, and detailing all assumptions.

5. Exhibit E. includes a standardized format for summarizing the sources of funds for construction financing, permanent financing and uses of funds. The standardized format will assist the selection committee in comparing proposals during the evaluation process. At minimum, the three Exhibit E tables must be completed as part of the proposal submission. Additional funding information may be added.

D. Project Team

1. Provide an organization chart for the development of the project, including the Developer, project manager, architects/engineers and marketing personnel.
2. Provide resumes of the principal participants involved in the project.
3. The proposals should include a summary of the experience of the project team, similar projects that the development team has been involved with and how that experience will be useful in undertaking the proposed project.

E. Financial Information:

The developer must submit the following items:

- Last three (3) fiscal years complete and detailed Certified Public Accountant prepared financial statements for the main development firm. Signed federal tax returns are acceptable if CPA-prepared statements are not available.
- Current detailed personal financial statement for each person owning 20% or more of the development firm
- Personal Credit Consent Form
- Commercial Bank reference
- Current global real estate report showing all real estate owned along with, for each real estate project owned:
 - Date acquired
 - % of ownership
 - Initial cost
 - Current market value
 - Current property debt
 - Annual net operating income (NOI)
 - Annual debt service
 - Annual debt service coverage ratio
 - Occupancy ratio

F. Issues and Concerns

The proposal should identify any issues or concerns in relation to the project. Any financial assistance requested from the public sector should be presented in detail with any projected budget gaps clearly calculated and specifically indicated in the 10-year project pro-forma as well as in the proposal summary. If requesting public assistance, the 10-year project pro-forma should demonstrate a need for the assistance through the projected rate of return for the Developer.

G. Sustainable and Environmentally Sensitive Construction Methods and Materials

The City of Rochester is committed to encourage efforts to increase and enhance building methods that promote sustainability, increase energy efficiency and reduce adverse impacts on the environment. Therefore, preferences will be given to proposal designs that incorporate sustainable and environmentally sensitive construction methods and materials. Proposal submissions should indicate how the project will utilize green building methods to address the aspects of development listed below:

Integrated Design: An integrated design process incorporates sustainability up-front, uses a holistic and total-systems approach to the development process, and promotes good health and livability through the building's life cycle. Examples include utilizing a developer, an architect, an engineer, a landscape architect and a contractor who are all experienced with green building. The team must be committed to environmentally responsive, resource conserving and healthy building principles and practices.

Site, Location and Neighborhood Fabric: The site provides unique opportunities to create a more walkable, livable community, while helping restore, invigorate and sustain livable development patterns. Examples include making the site safer and more inviting for walkers and bicyclists and making connections to surrounding amenities.

Site Improvements: Sustainable design and site planning integrate design and construction strategies to: minimize environmental site impacts; enhance human health; reduce construction costs; maximize energy, water, and natural resource conservation; improve operational efficiencies, and promote environmentally sensitive transportation. Examples include appropriate surface water (run-off) management and use of vegetation to reduce energy use.

Water Conservation: Water efficiency conserves finite fresh water resources and reduces utility bills. Examples include specifying and installing water-efficient appliances and plumbing fixtures, implementing low-water landscape and irrigation strategies, and taking advantage of rainwater catchment.

Energy Efficiency: Energy efficiency helps to maximize resident comfort and health, and reduces utility bills. Examples include the installation of high efficiency mechanical and electrical systems.

Materials Beneficial to the Environment: Reducing, reusing and recycling building materials conserve natural resources and reduce emissions associated with manufacturing and transporting raw materials. Examples include the use of recycled building materials and recycling and reuse of construction debris.

Healthy Living Environment: Creating a healthy living environment involves the use of materials that do not cause negative health impacts for residents or workers, especially for more sensitive groups such as children, seniors and individuals with existing respiratory problems and compromised immune systems. Examples include limiting the use of hazardous materials on the job site and reducing the use of volatile organic compounds (VOC) paints and primers.

The criteria above were inspired by the work of Enterprise Community Partners through the Green Communities Initiative. Additional information on this initiative is available at www.greencommunitiesonline.org. This RFP does not establish green community standards for the development. However, the proposals will be evaluated according to the extent that the projects will address the above criteria. This will be included as a consideration during proposal review.

IX. Proposal Submission

All submissions must be received by 12:00 p.m. on February 12, 2024. Submissions received after the deadline will not be evaluated.

Submissions and associated materials are preferred via email in PDF file format:

farri@cityofrochester.gov

Submissions will also be accepted via mail:

**Attention: Jim Farr
City of Rochester
Department of Recreation and Human Services
57 St. Paul St.
Rochester, NY 14604**

X. Evaluation Process

A proposal review committee will be formed to evaluate the submissions and will include City staff from various departments. Proposals will be evaluated on the following criteria, which are ranked in order of importance:

Rochester Public Market
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- Quality of the Development Plan
 - The leasing plan for the storefront building, including evidence that the developer has identified and secured (letters of intent or equivalent) appropriate food-related tenants for the ground floor spaces
 - Quality of the building's design and materials, sustainability elements,
 - Quality of the site plan, including the buildings ability to enhance the Public Market District
 - Number of public parking spaces adjacent to the storefront building
- Project financing
 - Certainty of project funding/financing
 - Level of developer cash equity in the project
 - Economic feasibility of the proposal. The developer should submit, at minimum, a ten year pro forma that clearly identifies all assumptions about rent and other tenant costs
- Experience
 - Developer's experience and success with similar projects
- Financial return to the City of Rochester
- Project schedule
 - Developer's ability to complete the project in a timely manner

XI. Issuing Office, RFP Contacts

Issuing Office:

Department of Recreation and Human Services, City of Rochester

RFP Contacts:

Jim Farr, Director of Markets
 Public Market Operations
 Commissioner's Office
 Department of Recreation and Human Services
 57 St. Paul St.
 Rochester, NY 14614
 Phone: 585-428-6755
 Email: farrj@cityofrochester.gov

XII. Restriction on Communication

The City of Rochester will be unable to discuss the selection process, including individual proposal evaluations, until such time that a final decision has been made as to the winning proposal. The City of Rochester will consider proposal contents confidential, and will not disclose such trade secrets to anyone but the submitting entity and the proposal review committee.

XIII. Rights Reserved

Only proposals that comply with all the objectives, provisions and requirements of this RFP will be considered for review. All determinations of completeness of any submission and compliance with the objectives, provisions and requirements of this RFP, and the eligibility or qualification of any respondent shall be at the sole and absolute discretion of the City of Rochester.

All materials submitted in response to this RFP become property of the City of Rochester, without obligation of the City to return such materials. The City reserves the right to request additional information from any or all RFP respondents, if necessary, to clarify that which is contained in the proposals. The City could be required to disclose proposals under the New York Freedom of Information Law (Public Officers Law §§ 84-90). The City will, to the extent permitted by law, seek to protect the respondent's interests with respect to any proprietary information that is submitted. Any proprietary information submitted with the proposal must be clearly identified and a request to keep such information confidential must be submitted.

Should it become necessary to revise any part of this RFP, provide additional information necessary to adequately interpret provisions and requirements of this RFP, or respond to written inquiries concerning the RFP, the City reserves the right to issue an Addendum to the RFP to all respondents who received the initial RFP and to post an Addendum to the RFP on the City's website.

The City reserves the right to extend the Submission Deadline by a reasonable time and may do so by posting a notification of the extension on the City's website. The City may waive any of the provisions, requirements, terms and conditions of this RFP. The City reserves the right at its sole discretion to accept or reject any and all proposals received as a result of this RFP, to waive minor irregularities, to withdraw from the sale of the property, to elect not to proceed with the process set forth in this RFP, to enter into exclusive negotiations with a respondent prior to acceptance of the proposal, and to conduct discussions with all responsible respondents, in any manner necessary, to serve the best interest of the City of Rochester. No brokerage fees, finder's fees, commissions or other compensation will be payable by the City of Rochester in connection with selection of a developer/purchaser. The City has no obligation to discuss its reasons for selecting, accepting, negotiating or rejecting any proposals with any respondent.

The City shall not be liable for any costs or expenses incurred by any respondent in responding to this RFP, including, without limiting the foregoing, whether or not a particular proposal was accepted, rejected or otherwise designated or selected or if the City elects not to proceed with the disposition process. All costs and expenses incurred by each respondent in connection with this RFP will be borne by the respondent, including without limiting the foregoing, all costs and expenses in connection with: surveys, reports, studies, research and other due diligence work; preparation of each proposal; advice and representation of legal counsel; responding to this RFP; and the proposed land lease and new storefront building development at the Public Market.

END OF RFP

EXHIBIT A: Rochester Public Market 2022 Master Plan and Market Management Plan

Executive Summary (p. 4)

After a year-long study of the Rochester Public Market, the Master Plan Project Team has developed recommendations for the City's consideration to foster the continued success of this important community asset for the next decade, and beyond. The Rochester Public Market is recognized as one of the Region's greatest gathering spaces. It brings together people from all walks of life and backgrounds, and it serves as an aspirational example of an atmosphere that is strengthened by diversity. In addition, the Market offers affordable healthy food and great entrepreneurial opportunities for its residents. And the public infrastructural investments that have been made at the Market over the last few decades have influenced significant surrounding private financial investment, multifold.

The primary goal of the 2022 Rochester Public Market Master Plan was to build upon this success and develop recommendations that help perpetuate the Market's growth and influence. The Master Plan outlines opportunities for both the physical and operational aspects of the Market.

Union Lot (p. 38)

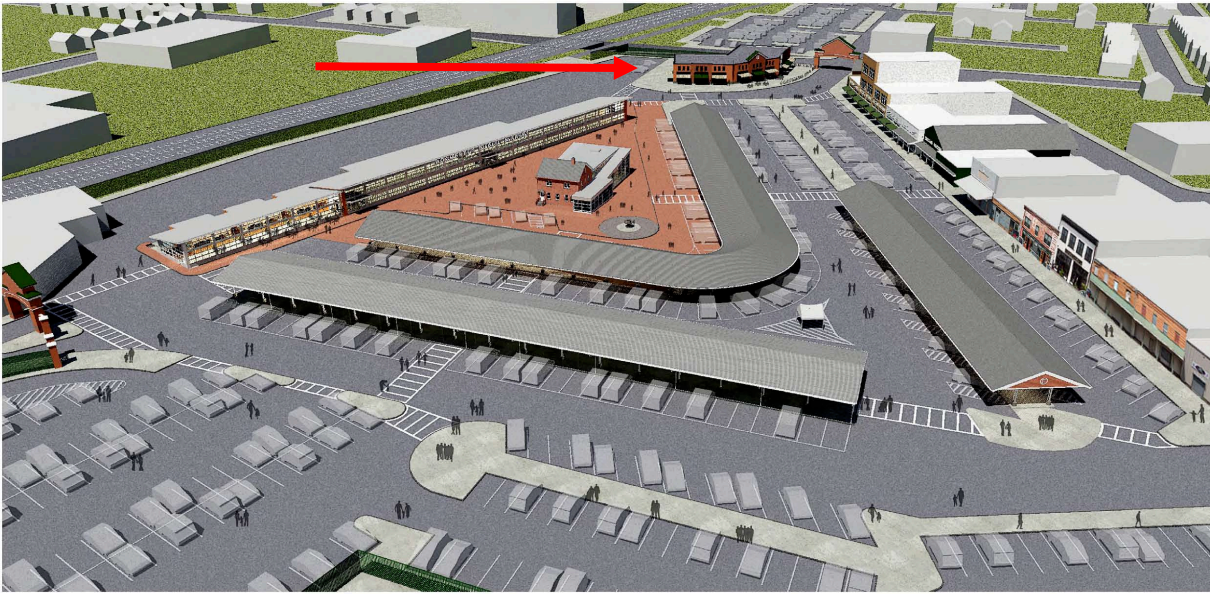
Another carryover from the previous master plan, this site, the parking area just southeast of the Union Street Entrance, continues to be considered for potential development. The idea would be to provide a new structure that is of similar scale and function to the buildings along Commission Row. Architecturally, it is conceived as a one or two-story 'storefront style' building that would offer a retail atmosphere along the north façade, and directly interact with the heavily-trafficked sidewalk at the Union Street Entrance.

Its mass would act as a counterpoint to the Commission Row buildings across the street to the north, and reinforce a formal gateway into the market. Programmatically, the building is envisioned to house vendors and businesses that desire larger tenant spaces to facilitate small-scale food production. The concept would orient shipping/receiving and production spaces to the back (south) of the structure, and offer retail space on the north side. It would also be designed to promote an active sidewalk atmosphere that encourages outdoor seating.

It should also be noted that development of this site would displace some market parking spaces, and it may be contingent upon the creation of new parking (refer to the Big Apple Lot for more information and potential strategies for this displacement).

*See the City of Rochester webpage for this RFP to view the full 2022 **Master Plan and Market Management Plan**.*

EXHIBIT B
Union Lot Development Renderings



(SEE NEXT PAGE)

EXHIBIT C: Sources of Funding Standardized Format

<u>USE</u>	<u>ESTIMATED COST</u>	<u>NOTES</u>
Property Acquisition		
Professional Fees (Arch., Legal, Eng., etc.)		
Site Work/Mobilization/Staging		
Construction Costs		
FF&E/Finishes		
Financing Fees/Carrying Costs/Closing Costs		
Contingency		
Other:		
Other:		
Other:		
Other:		
TOTAL		

USES OF FUNDS

Additional Comments:

CONSTRUCTION SOURCES OF DEVELOPMENT FUNDS

<u>TYPE</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>TERMS (Term, Interest Rate)</u>	<u>NOTES</u>
Cash Equity				
Const. Loan				
Other				
Other				
Other				
Other				
Other				
TOTAL				

Additional Comments:

PERMANENT SOURCES OF DEVELOPMENT FUNDS

<u>TYPE</u>	<u>SOURCE</u>	<u>AMOUNT</u>	<u>TERMS (Term, Interest Rate)</u>	<u>NOTES</u>
Cash Equity				
Bank Loan				
Other				
Other				
Other				
Other				

Other				
TOTAL				

Additional Comments: