



INNOVATION DISTRICT OF CHATTANOOGA

ACE MENTOR PROGRAM 2018-2019 STUDENT TEAM PROJECT



REQUEST FOR DEVELOPMENT PROPOSAL “City Hall Annex” – 100 E. 11th Street

The Enterprise Center - Edney Innovation Center
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INNOVATION DISTRICT OF CHATTANOOGA

August 18, 2018

RE: Development Opportunity – The “City Hall Annex” 100 E. 11th Street

Dear Potential Developers:

Thank you for your interest in Chattanooga’s downtown Innovations District and in the prospect of helping realize the Innovation District Framework Plan.

With this RFP we are seeking an experienced private real estate partner who understands and is fully committed to the overall vision and values of the Innovation Center, and as they are outlined in the Innovation District Framework Plan.

As the initial phase of the Building & Redevelopment Priorities Strategy, issuing this RFP is a milestone in the work of The Enterprise Center, as it implements the Innovation District Framework Plan. The Innovation District Redevelopment Strategy is intended to become another of Chattanooga’s fine examples of a public/private partnership as it adds to an already vibrant and high-quality downtown.

In addition to the information contained within this RFP, there are several documents produced during our due diligence work on the Annex Building that will be of value to you in the preparation of a complete proposal.

Again, we appreciate your interest and eagerly look forward to your proposal.

Sincerely,

Clint Dean

The Enterprise Center

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A. The Enterprise Center Annex Building Request for Development Proposals

“Letter of Interest Form”

By submitting this Letter of Interest Form I acknowledge receipt of the Request for Proposal (RFP) issued August 20, 2018 by The Enterprise Center for the Annex Building in Chattanooga, Tennessee.

I hereby document my request on behalf of _____ (ACE Team) to review all components of the RFP as part of determining our intent to respond with a proposal based on the requirements contained in the RFP.

I understand that submission of this Letter of Interest Form will be required before I may be provided access to all due diligence documents that accompany the RFP.

Completed Letter of Interest Forms must be returned by email to:

Clint Dean

The Enterprise Center

C: 423-503-0707

cdean@modusbuildllc.com

I hereby submit this Letter of Interest.

Signature and Printed Name

Title/Contact Information

Team Name _____

Team Meeting Location _____

Team Member Names _____

Date _____

Request for Development Services

The Enterprise Center in Chattanooga is seeking qualifications from development firms interested in providing development services to assist with the Innovation District Framework Plan Building and Redevelopment Strategy. This initial phase will include:

- The “City Hall Annex Building” – 100 E. 11th Street



Background

The Enterprise Center is a non-profit organization in Chattanooga, TN whose mission is to build on Chattanooga’s gigabit-per-second infrastructure, create a distinct location to recruit & build new technology-based businesses, and to assist in providing digital equality to all Chattanooga residents.

One of the key strategies of the Enterprise Center and its board of local public and private stakeholders is to complete the development of the Innovation District. As such, the Enterprise Center will be spearheading the building & redevelopment strategies outlined within the Innovation District Framework Plan (<https://framework.chainnovate.com/building-redevelopment-priorities/>) which entails the redevelopment & repurposing of numerous city owned properties, beginning with the City Hall Annex building outlined above.

The Enterprise Center is requesting a proposal for development services for the referenced property. It is imperative that each responding firm familiarize themselves with the Innovation District Framework Plan (<https://framework.chainnovate.com/>) in its entirety.

With this RFP we are seeking a private real estate partner who understands and is fully committed to the overall vision and mission of the Innovation District and to the economic development strategy it represents. For this reason, it is important to explain how and why Chattanooga came to be at this juncture with the decision to create an Innovation District.

Chattanooga's top elected officials have acted at every important turn to multiply the impact and reach of the public assets in their commitment to create foundations of the knowledge-based economy. Mayors Berke and Copping, by supporting the Innovation District today are taking earlier efforts forward, from Mayor Corker's Metro-net explorations, to Mayors Littlefield and Ramsey requesting local foundation funds to jump-start community smart grid and high fiber economic development discussions.

How Chattanooga Became Gig City

In 1997 when EPB's new President and CEO, Harold DePriest, sat down with Jon Kinsey, Chattanooga's new mayor, Harold would later say that he left that meeting "steamed". Mayor Kinsey had challenged Harold by asking "What is EPB doing for the community?"

Insulted, Harold responded that EPB was providing low cost, reliable power! But the conversation with the Mayor stuck with Harold, and he began thinking about how EPB could better contribute to the community as a whole.

Guidance from another Chattanooga mayor, now US Senator Bob Corker, inspired Harold further. The city-owned fiber optic network, MetroNet, stirred a new level of interest in the power of robust communications for economic development.

There began the vision for the network that would ultimately be responsible for the "Gig City" nickname. A proponent of public power, Harold believes that public power organizations were created for the ultimate benefit of the communities they serve. In the 20th century, they met the community's need for reliable, affordable electric power. However, Harold realized that the industry had done very little to improve on that. He set out to change it.

The fact of the matter was that while pharmaceuticals, telecommunications, transportation and other industries were spending billions on R&D to make their products better, the electric power distribution industry was investing almost nothing. If public power were to truly deliver its mission, EPB needed to start with making its core product better. That's where the Smart Grid came into play – long before anyone knew to call it a "smart grid".

EPB saw a long-term goal: make the power distribution system a greater asset for customers and the community's economic development efforts by automating more processes within the EPB electric system. Give the system a powerful communications network. Attach smart sensors and controls that can identify problems with little to no human intervention. Even better, use automation to fix these problems. All of this would lead to better power quality, fewer lengthy power interruptions, greater operational efficiency and more options for customers.

After extensive research, it was obvious the communications technology that fit the bill was a fiber optic network deployed throughout EPB's 600 square mile service area. So EPB completed the construction of a fiber optic network that serves as the communications backbone for the sensors and devices to "talk" to each other, customers and the utility. The utility then installed thousands of specialized computers and a state-of-the-art Smart Grid Management System that collects billions of data points daily. This [highly automated system](#) is already demonstrating its ability to reduce outage duration by 60% on average.

However, EPB also realized that once the fiber optic network was in place for the purpose of modernizing the electric grid, it's virtually unlimited capacity could support other communications functions, including the ability to serve as a catalyst for economic development and ultimately improved quality of life. As a community-owned utility, EPB wanted to make sure customers supported the plan. While the company conducted research, issued RFP's, and planned for the massive construction project, they also solicited community input.

EPB met with dozens of groups – of all sizes and backgrounds – to talk about the proposed strategy. The sentiment across the community was consistent; people wanted EPB to do it. Today, Chattanooga has a fiber optic network capable of delivering Internet speeds of 1 gigabit-per-second, available to more than 150,000 homes and businesses in communities spread over a 600 square mile service area in two states.

The question then became, "Now what?" How do you turn the Gig opportunity into something more than several thousand miles of fiber optic cable? Chattanooga began tackling these questions with a series of gatherings to talk about how to take advantage of the incredible opportunity the Gig brings. Business leaders, educators, entrepreneurs, philanthropists, interested parties of all backgrounds sat together and tossed around ideas that generated palpable enthusiasm – from the basic strategy of letting the world know Chattanooga has this asset, to bringing in manufacturers to build and test smart appliances, to tapping the network to improve health care and education.

Opportunities, the likes of which Chattanooga has never seen, are coming into full view. Less than five years since the launch of EPB's communications services, and two years since completion the first major phase of the "smart grid", EPB's responsiveness to the market and groundbreaking approach to economic development is helping attract new business to town.

And Chattanoogaans are thinking even bigger. As a direct result of the early effort to organize the community the [Lamp Post Group](#) (a venture capital firm founded and funded by a group of young local entrepreneurs) decided to offer a \$50,000 bounty to college students from around the country to come up with the best gigabit ideas. Multiple local and national organizations got behind the idea – in a big way. The inaugural Co. Lab [GIGTANK](#) business accelerator has now completed its third year of attracting and supporting tech entrepreneurs throughout an intensive 12-week program. The [Chattanooga Public Library](#) jumped on board, transforming itself from a 20th century institution to one that encourages innovation by offering a public laboratory and educational facility with a focus on information, design, technology, and the applied arts.

Even the best new business accelerators cannot spur entrepreneurial success in a world without investors. That's why Chattanoogaans are now coming together with venture capital to support new business opportunities of all kinds. In recent years alone, Chattanoogaans have raised over \$14 million through the [Chattanooga Renaissance Fund](#), [Blank Slate Ventures](#), [Spartan Ventures](#) and the [Jump Fund](#), the Southeast's only women-led fund earmarked specifically for women-led enterprises. [Chattanoogaans have also successfully organized a network of active Angel investors throughout the region that have invested millions of dollars in entrepreneurial companies.](#) [SwiftWing Ventures](#), Chattanooga's newest venture capital group, aims to make investments in early growth startups that have already demonstrated proof of their business concepts. For these companies, SwiftWing is providing both capital and strategic guidance – helping new companies build the structure needed to scale quickly.

Several Chattanooga start-ups have achieved significant growth and investment milestones. Access America's founders sold their highly successful freight logistics startup to Coyote Logistics in Chicago, which kept and is growing Coyote in downtown Chattanooga. QuickCue, emerging out of a Co.Lab 48-Hour Launch, sold first to OpenTable, then to Priceline, and is expanding its downtown presence. Bellhops, a Lamp Post accelerator company, has achieved Silicon Valley investment and is moving into a new Innovation District location. In the INCubator, [Variable Technologies](#) is flush with orders thanks to a Forbes article "NODE: What Every Techie Wants for Christmas" which praised the company's cutting-edge, palm-sized wireless sensor that works with a smartphone.

In an ongoing effort to explore the use of next-generation technology, the Mozilla Foundation selected Chattanooga to be one of the two cities included in the [Mozilla Gigabit Communities Fund](#), allocating dollars and other resources for innovators to develop applications related specifically to education and workforce development.

In 2013, newly elected Chattanooga Mayor Andy Berke tasked a group of 25 Chattanoogaans with determining how to build on the success already realized through ad-hoc, volunteer-based, loosely-organized efforts to maximize the "gig" opportunity. A few months later, Mayor Berke, Hamilton County Mayor Jim Coppinger, and Congressman Chuck Fleischmann responded to the task force's recommendations by forming a new entity focused solely on guiding community efforts related to the "gig": The Enterprise Center, which would serve as the central hub of the Innovation District.

Chattanooga's Innovation District was announced in January 2015 to full a recommendation by the City's Chattanooga Forward Gig, Entrepreneurship and Technology Task Force. This task force met for almost a year to develop ideas for making the city more competitive in the innovation economy. National thought leaders on innovation were consulted and visits made to other districts. The 140 acres downtown were selected because of the critical mass of dense uses in the district and the presence of innovation economy generators.

In March 2018, after almost 3 years of collaboration, intensive planning and meeting with community stakeholders, the Innovation Framework plan was unveiled.

Innovation Framework Plan - Vision

Building on Chattanooga's unique integrations of its advanced digital assets with a dynamic culture of innovation and entrepreneurship, the Framework Plan for the Innovation District of Chattanooga articulates our community's shared values and vision for embracing the energy and excitement in our innovation economy. This plan will ensure that decisions are intentional and that we achieve the goals set out in the planning process to improve the district, while building new places to support innovation and a knowledge-based economy.

The Framework Plan revolves around shared values that animate our work, inform our proposed use of land and inspire how we think about the people and culture that are integral to the Innovation District. These shared values reflect our belief in the importance of:

- **Diversity & Inclusion** in all aspects of the Innovation District
- The area's **Culture** and history for creating an authentic district identity
- Integrating **Education**, students and learning throughout the District
- **Innovation** as a way to solve problems and create new social and economic value

- **Public Life** and the public realm that makes public life possible and vital
- Creating an **Urban Lab** to grow new economic opportunities in today's economy

Distilled from the hopes and dreams expressed by Chattanoogaans during the planning process, the vision for the Innovation District is that it be a place that adds unique value to the city around it. Tangible outcomes will include such things as new jobs and businesses, buildings renovated for new economy uses, more places for learning, better public spaces and more places to live. Equally important will be the intangible outcomes such as greater diversity, inclusion and sense of belonging, a pervasive air of creativity, risk taking and innovation and a shared image for the future of our city and the people who call it home.

The Project

Students should familiarize themselves with the entirety of the Innovation District Framework plan (<https://framework.chainnovate.com/>). Using the Innovation District Framework Plan Vision, Values & Building and Redevelopment Strategy Goal Statement as their guide, students should develop a program, budget, floor plan (s), exterior elevations and other drawings/models so as to clearly define their proposed development intent.

Design Considerations

- Improved Qualities and Better Use of the Structure
- Potential Animation of the Western Elevation nearest Warehouse Row
- Sustainability and Green Infrastructure
- Engaging the adjacent public green space between the Annex and Warehouse Row
- Adding natural light into the Eastern facing elevation
- Enhancing Openings and Improved Interaction with the Public Spaces
- Incorporation of Landscape Elements

Budget

- There is no set budget or limitations, but students must develop and present a budget for redevelopment.
- Within their budget students must also clearly outline the basis of their overall development costs; including but not limited to proposed purchase price, design & construction costs, etc.

Submission Requirements

1. Design should include floor plan(s) and exterior elevations and may include computer modeling/rendering and/or actual scale model.
2. Site Plan and renderings to clearly depict the character of the development.
3. Project Display Boards and Rendering/Model Criteria:
 - a. Contains enough information to stand independently
 - b. Students should be able to answer questions about the project
 - c. Display board is professionally organized and aesthetically pleasing
 - d. Scale model is professional in appearance

- e. Students should be able to answer questions about the construction of the model
 - f. 3D model shows required spaces with furnishings to scale
 - g. Students should be able to answer questions about the development
4. Project Presentation Criteria:
- a. Presentation file must be PDF slides or PowerPoint
 - b. Dress professionally
 - c. Come prepared and rehearsed
 - d. Do not read from slides
 - e. Presentation is well organized, easy to read, and professional in appearance
 - f. Discuss team structure
 - g. Address zoning requirements (or lack of) and site constraints
 - h. Discuss team design of site and community assets
 - i. Discuss ACE experience
 - j. Limit presentation to between 6 and 8 minutes

Resources

- Innovation District of Chattanooga Framework Plan: <https://framework.chainnovate.com/>

Appendices

- City Hall Annex Building Renovation Drawing Set 1985 – Floors 1 thru 4
- Space Planning Drawing Set 1994 – Floors Basement thru 3
- Annex Plat 1985
- Annex Survey 2008
- Chattanooga-Hamilton County Regional Planning Agency Case Study 2018
- Project & Presentation Scoring Rubric

Qualifications

Architect selection will be made based upon, but not limited to, the following evaluation criteria:

- Experience with similar project types
- Proposed design team
- Portfolio showing comparable work
- Ability to meet schedule
- Client References
- N.T.E. Budget to perform required services for each building/parcel

Pre-submission questions should be sent to Clint Dean at cdean@modusbuildllc.com or via phone at 423-503-0707.