



DEVELOPER REQUEST FOR QUALIFICATIONS

Paper Mill Site – 200 W. Allegan St. City of Plainwell, Michigan



Plainwell, Michigan

Table of Contents

- Development Opportunity 6
- Community Overview 8
- Market Conditions and Opportunities 10
- Site Overview 14
- Site Utilities. 18
- Additional Site Information 18
- Preferred Development Scenario and Concept Plan 20
- Project Incentives 25
- Selection Process and Criteria 26



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The City of Plainwell is offering a development opportunity for a 15-acre site at the western gateway to the historic downtown district. Asking price for this property is negotiable, and the City is eager to work with interested respondents deemed qualified on negotiating a mutually beneficial arrangement.

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Development Opportunity

The City of Plainwell, Michigan seeks interested developers for a property at 200 West Allegan Street. The property consists of two legal parcels comprising a portion of the former Plainwell Paper Mill site. The two parcels on offer total 14.94 acres of developable land fronting the Kalamazoo River, and are located adjacent to Plainwell's City Hall and Public Safety buildings. The property provides an opportunity to bring desirable residential development to the community, including housing in formats that are currently underrepresented in the local market.

The subject site is located at the western gateway to Plainwell's historic downtown district. The portions on offer include over 500 feet of linear frontage on Allegan Street (M-43/89) and extends nearly 2,000 feet along the Kalamazoo River at the rear. The City has reserved a narrow parcel of land extending along the riverbank for future extension of the riverfront trail system. The historically significant portions of the Paper Mill complex—which closed permanently in 2000—have been retained, and are located on a parcel adjacent to those on offer (see Site Overview, p. 14). These buildings have been repurposed as Plainwell's City Hall, Public Safety Headquarters, and private office space.

A successful partnership between the Paper Mill's former owner and City, State, and Federal agencies spanning two decades has resulted in the remediation of the Paper Mill site to the US Environmental Protection Agency (EPA) standard for residential development. This process is detailed on pages 18-19.

Plainwell City staff and municipal stakeholders have been collaboratively developing a vision for future development on the Paper Mill site since the City purchased it in 2006. The overall vision for the site is depicted in a Concept Plan that was originally created in 2007 and has been revised several times, most recently in 2020. A Preferred Development Scenario for the two parcels on offer was then created in 2021, and is based on the Concept Plan. Proposals meeting the goals of this scenario would:

- Create new residential options through attached housing formats including townhomes and lofts;
- Incorporate a block structure consistent with the historic development patterns found in adjacent residential neighborhoods, and street design that includes on-street parking and other contextual design features to facilitate slow vehicular speeds;
- Provide a central gathering place internal to the site, with waterfront views, as an amenity for residents;
- Consider the architectural character of the remaining historic Mill buildings on the site, and ensure new residential buildings are responsive in their design.
- Ensure that the Kalamazoo Riverfront is open to the public, and is fronted with residential buildings.

The City's asking price is negotiable, and it is open to all reasonable offers in support of an optimal development plan. The City has diligently worked with the Michigan Economic Development Corporation (MEDC) and other agency partners over fifteen years to bring the Paper Mill site to a development-ready state, leveraging over \$9 million in outside funding to-date. Furthermore, the City and MEDC have worked collaboratively to develop this RFQ. Preference will be given to projects that creatively incorporate some or all of the provisions described above.

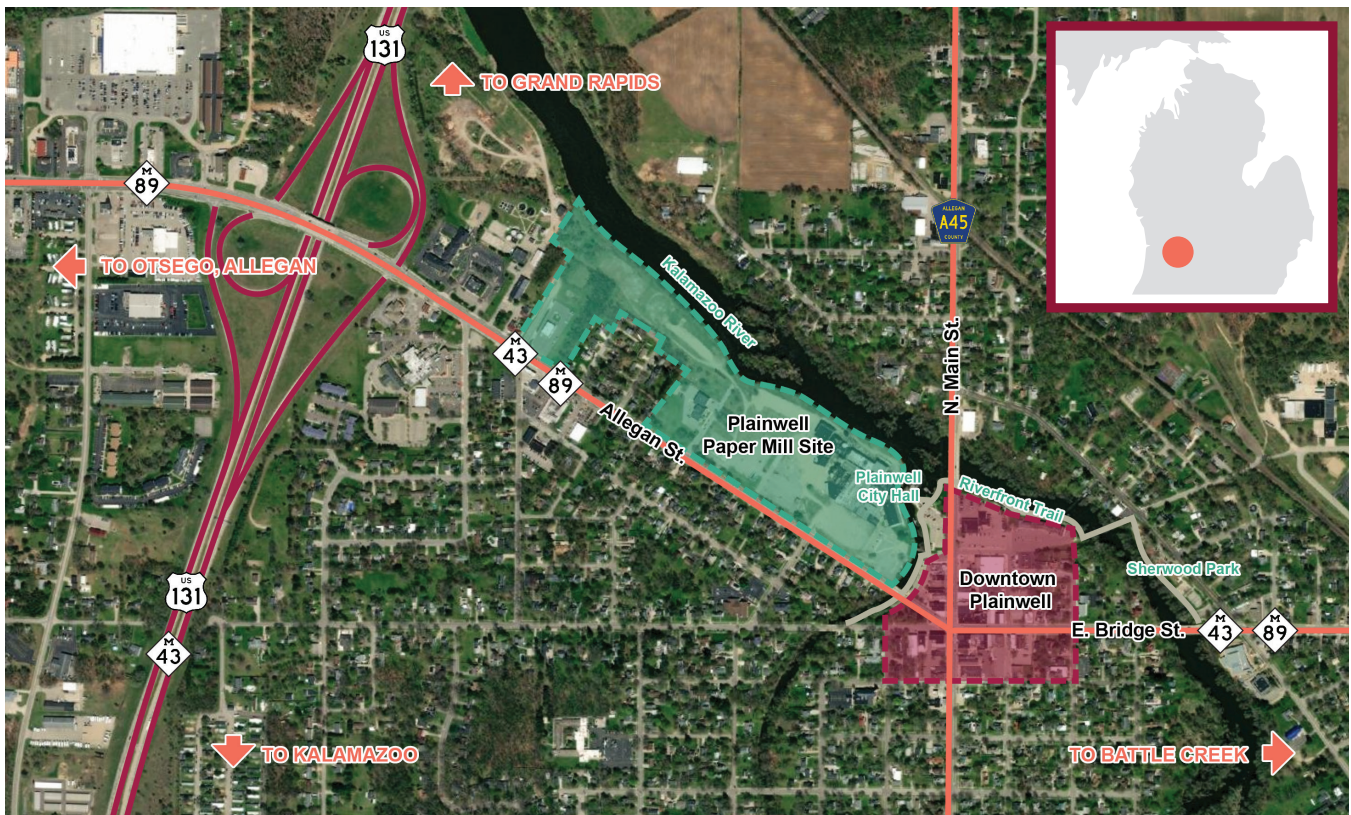


Community Overview

The City of Plainwell is a historic community in southeastern Allegan County, in the southwestern Lower Peninsula of Michigan. Plainwell is situated approximately 35 miles south of Grand Rapids, and 10 miles northwest of Kalamazoo. Plainwell is approximately 2 square miles in size with a stable population of 3,794 residents (2020) that is forecasted to grow to 4,021 by 2028.

Served by the north-south US-131 freeway, state highways M-43 and M-89, and Allegan County route A45, Plainwell is well connected to regional destinations. The major employment centers of Grand Rapids, Kalamazoo, and Battle Creek can be accessed within a 30-minute drive time. Resort communities on the Lake Michigan shore are within an hour's drive.

Plainwell is a community known in the region for its historic roots and reputation as a great place to live and visit. Throughout the 20th Century, the Plainwell Paper Mill was the community's largest employer. Since the mill's closure in 2000, Plainwell has increasingly become an attractive community for families with employment in the nearby Grand Rapids and Kalamazoo markets. The City also supports a diverse range of light industrial and manufacturing businesses that are concentrated to the north and east. The Plainwell Industrial Park is home to thirty-seven businesses that employ over 650 people.



Plainwell is known as the “Island City,” and its small-town charm is embodied in a historic downtown sited on an island in the Kalamazoo River. This traditional downtown charm is home to traditional mixed-use buildings, retail, entertainment, restaurants, and office space. Classic main street charm includes active sidewalks, pedestrian crossings, and outdoor gathering spaces, and other pedestrian-scaled amenities.

Bordering the downtown area, Plainwell has walkable, historic neighborhoods of predominantly single-family houses. The City also has shown a commitment to the natural beauty of the area, with plentiful street trees and outdoor recreation opportunities that utilize the scenery of the Kalamazoo River and adjacent woodlands.

The Kalamazoo River is a vital component of Plainwell. The City has developed a Riverfront Trail that encircles the downtown district (see map on p. 8), providing a pedestrian connection from Sherwood Park and the northeastern residential neighborhoods. A western extension of this trail is envisioned to coincide with redevelopment of Parcels 2 and 5 on the Paper Mill site.

The City’s efforts to improve quality-of-life has captured growing demographic markets such as college-educated young professionals and families with young children in the home. These demographic groups are seeking moderately affordable places to live that are near outdoor recreation activity centers, outdoor festivals, and have walkable and bikeable neighborhoods, yet are within a short drive to a larger urban center such as Kalamazoo or Grand Rapids.



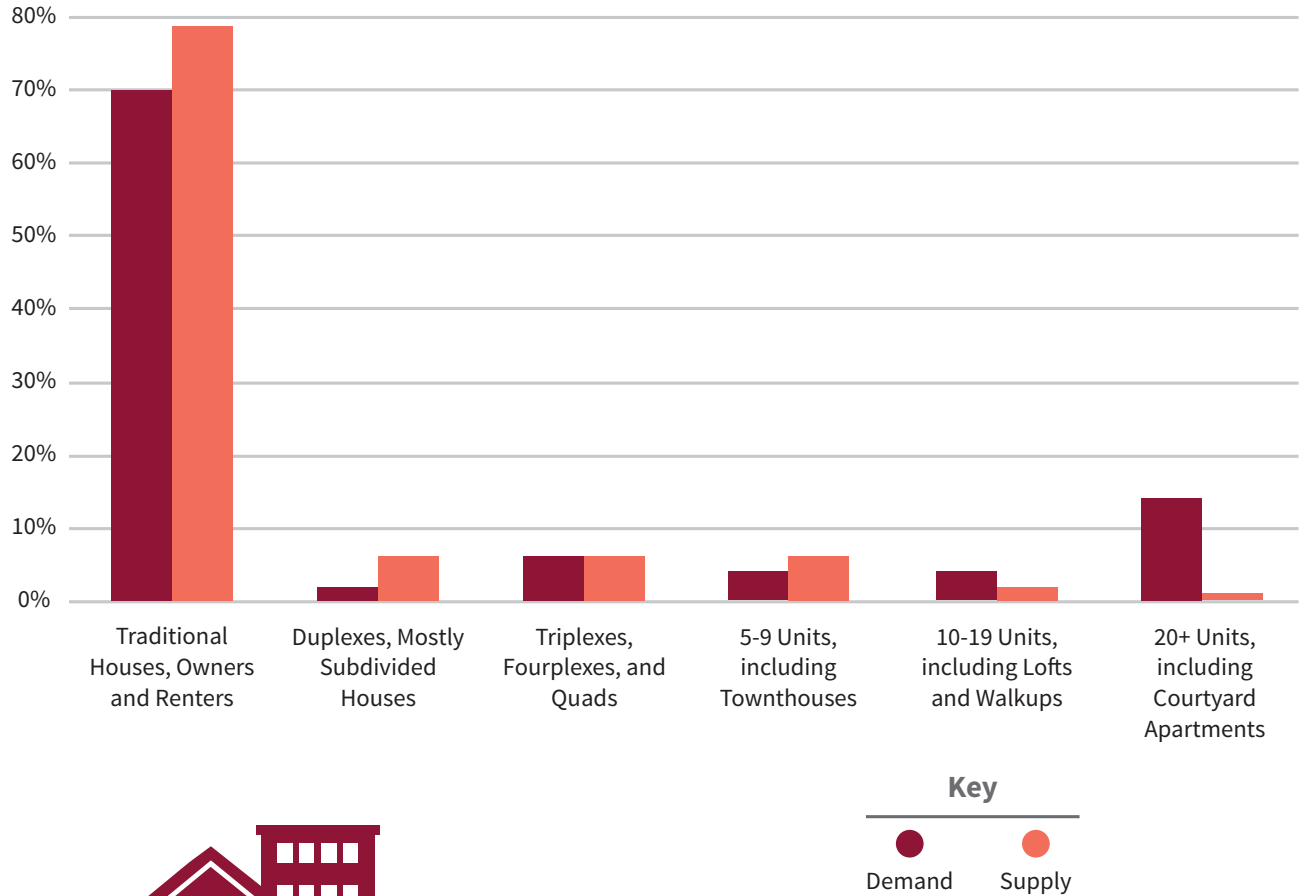
Market Conditions and Opportunities

A Financial and Market Analysis pertaining to the subject site was prepared by LandUseUSA of Laingsburg, MI in February 2021, and is presented as an attachment to this document (Appendix A). This analysis and the conclusions drawn therefrom are summarized in the following text:



- There is a markedly greater demand for attached, non-traditional housing product than traditional detached single-family housing product. The City of Plainwell, is oversupplied with detached housing, a figure that when correlated with demand of those moving into the City is mismatched. Those projected to move into the community will primarily seek single-family housing, however, as mentioned above, the demand will have less impact due to the existing oversupply of detached housing in the City.
- Attached formats are heavily under-represented, comprising only 21% of all housing, and potential residents seeking this product have fewer options. Therefore, the demand impact for attached and non-traditional products outweighs detached product.

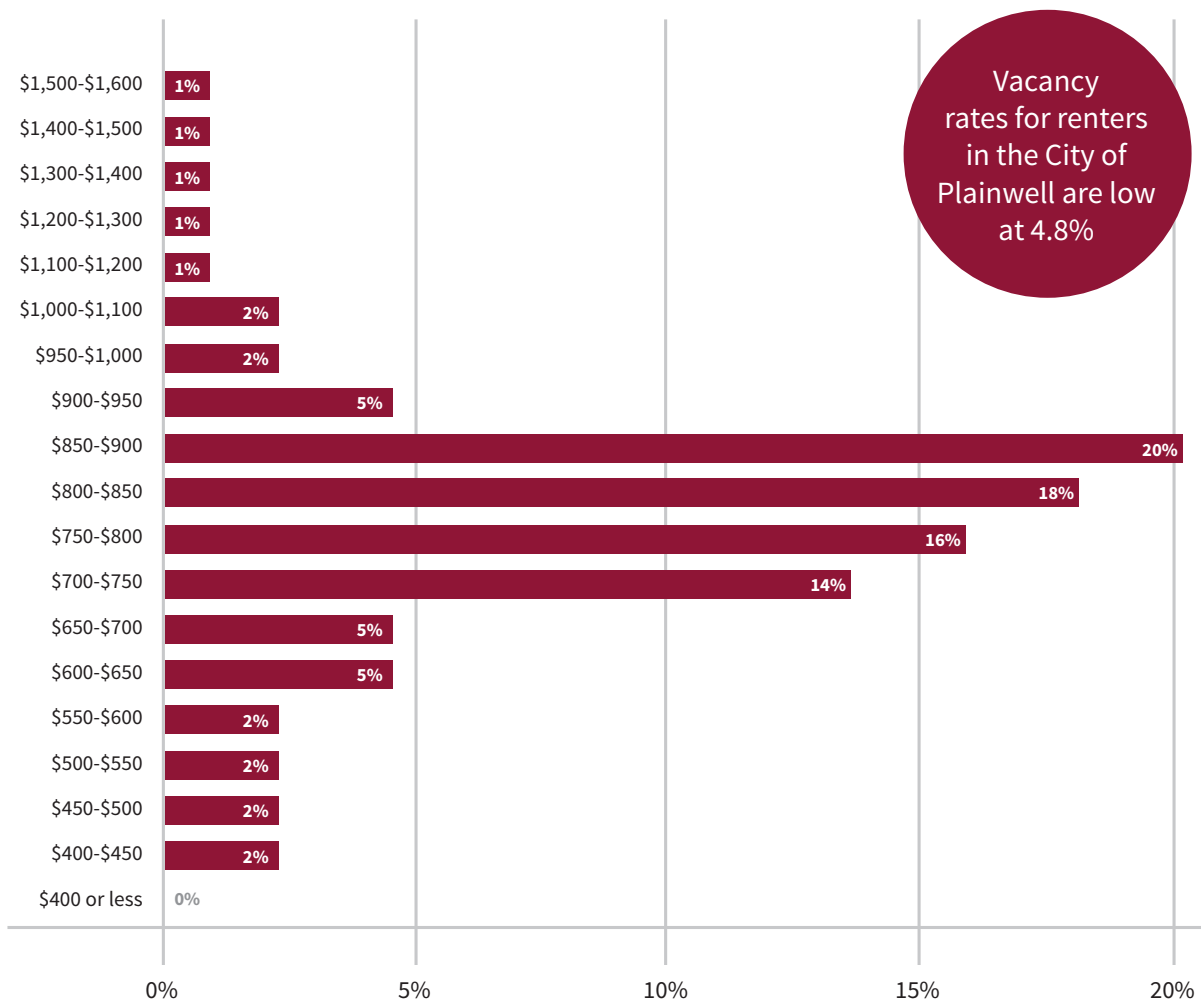
Plainwell In Migration Demand v. Existing Unit Supply 2022



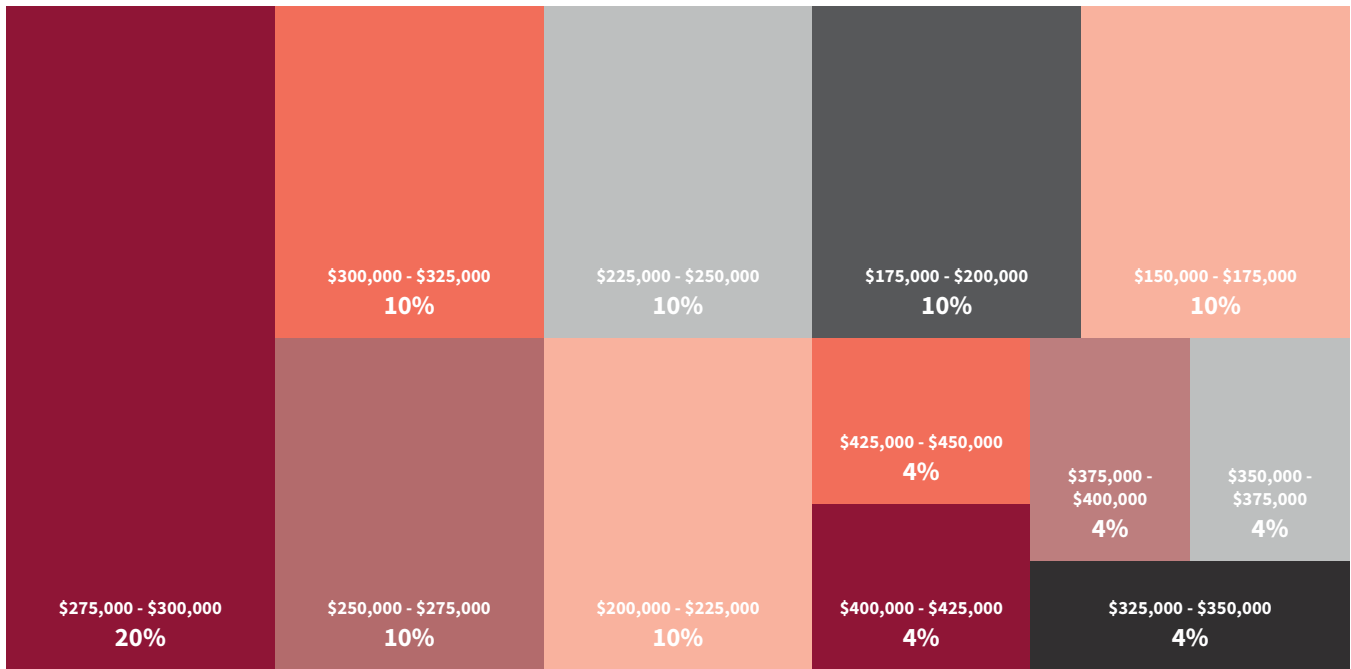
- The subject site provides an opportunity to create new attached housing choices that are currently underserved in the local market. Ideal formats for revenue maximization will consist of a mix of 2-4 story for-lease lofts and 2-3 story for-lease townhomes and/or brownstone units, at market rates. A small number of traditional houses with modern amenities should be offered as for sale units.
- Between 175 and 220 new renter households could move into Plainwell each year, and they are seeking a variety of housing formats. Of these potential renters, eighty are seeking attached housing formats with five or more units.

- Plainwell is forecasted to have roughly four and a half times the amount of new renters moving into the community annually over the next several years than home purchasers. Today most renters are paying between \$550 and \$700 per contract month for remodeled detached single-family homes, therefore, the greatest majority will be seeking monthly contract rents below \$1,000 per month. The demand for new, modern, and attractive alternative formats will be able to capture between \$1.75 and \$2.25 per square foot monthly, while more affordable options around \$1.25 to \$1.50 per square foot would be highly successful as well. Rent roll ranges assume varying degrees of investor risk tolerance.

All Format For-Lease Monthly Rents for New Build Units - 2020



Detached Housing Values for New Build For-Sale Units - 2020



- Over half of the eighty yearly potential new renter households mentioned above are concentrated in two moderate-income Lifestyle Clusters (Bohemian Groove and Family Troopers) with a propensity to seek attached housing formats with five or more units. These are young, up-and-coming singles and couples that may have young children who enjoy small town settings within driving distance to larger cities. These consumers look for outdoor recreation and quality of life amenities to satisfy their active social lives and eclectic natures.
- New attached units in this market should be developed in a range of sizes, with varying levels of fixtures and amenities. Units should be marketed as “For-Lease Lofts” rather than “For Rent Apartments.” The most expensive units should maximize views of the Kalamazoo River and contain porches, terraces and/or balconies that capture these views. The smallest units can have the highest rents per square foot, and the largest units will command the lowest rents per square foot.



- Each year, twenty potential new renter households will have a price tolerance for monthly rents greater than \$950, and an additional fifty-five will tolerate monthly rents between \$850 and \$950.
- While the market demand for non-traditional detached single-family housing is not as strong as traditional detached formats currently in the City of Plainwell, there is strong evidence supporting desire for non-traditional housing development. Data suggests this moderate non-traditional market demand can absorb approximately fifty new market-rate for sale units per year with valuations of \$150 per square foot for units under 1,000 square feet in floor area and up to \$250 per square foot for units up to 2,000 square feet in floor area.

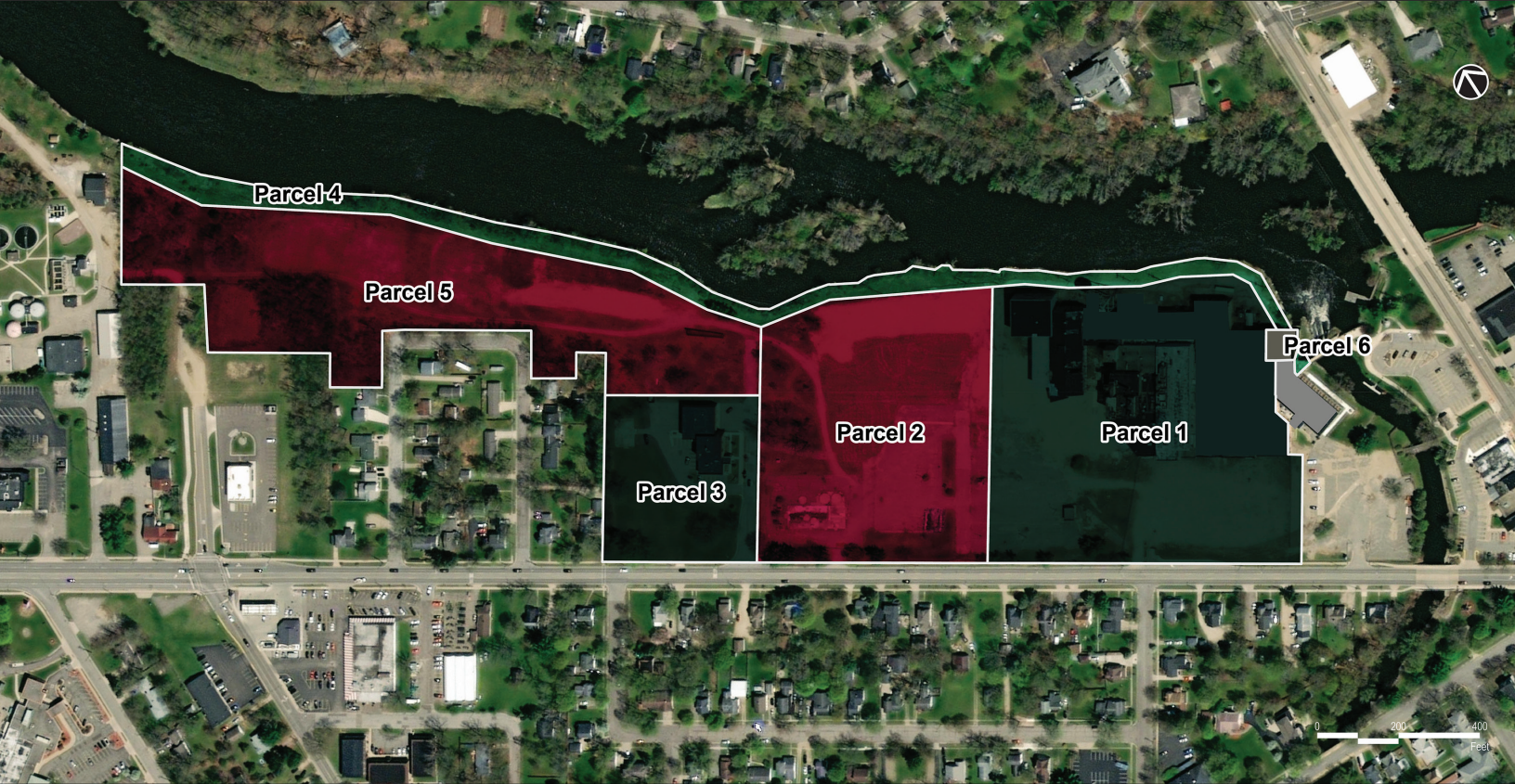


Site Overview

The following exhibits show the location of the two legal parcels on offer in the context of the Mill site and surrounding area. Aerial photography was completed in November 2020 and June 2021, and reflects site conditions present at those times.



This photo of the remaining Paper Mill buildings on Parcel 1, adjacent to the parcels on offer, illustrates the final phase of demolition in June 2021.



Current Property Ownership

The subject site consists of six legal parcels, all of which are owned by the City of Plainwell. The parcels include:

- Parcel 1 (Remaining Mill Buildings): 9.21 acres
- **Parcel 2 (Vacant): 6.77 acres (subject of this RFQ)**
- Parcel 3 (Plainwell Public Safety Building): 2.88 acres
- Parcel 4 (Riverfront Trail extension): 2.64 acres
- **Parcel 5 (Vacant): 8.17 acres (subject of this RFQ)**
- Parcel 6 (Portion of Remaining Mill Buildings in use as Plainwell City Hall): 4,509 square feet

For the purposes of this RFQ, the City is seeking proposals for development of Parcels 2 and 5, which encompass approximately 14.95 acres of vacant land. Parcel 4 is reserved for a future extension of the City's riverfront trail, to be owned and maintained by the City of Plainwell.

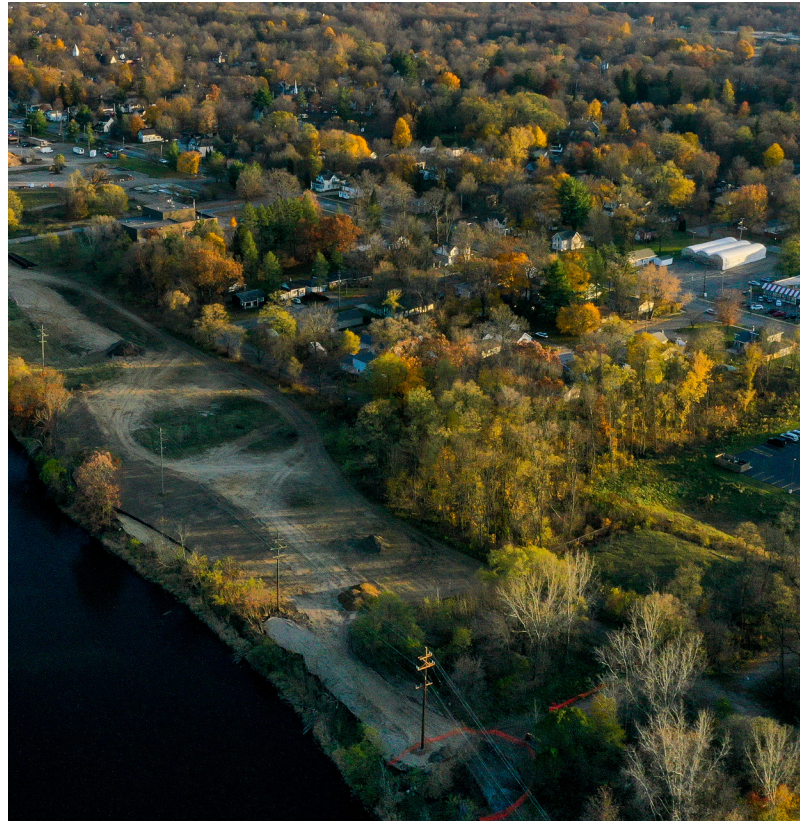
Master Plan and Zoning

Planning Documents: The City of Plainwell adopted its most current master plan in 2023. The Plan includes a section discussing redevelopment of the Paper Mill site (p. 50). Key themes that the Master Plan highlights for the redevelopment of the Paper Mill site include:

- High-quality building and site design with street trees, pedestrian connections, decorative lighting, and other aesthetic amenities;
- Incorporation of a riverfront promenade along the Kalamazoo River;
- Inclusion of “missing middle” housing (e.g., duplex, triplex, townhouse, etc.);

Additionally, the City’s Master Plan also emphasizes inclusion of low-impact development principles and design compatible with existing development in the City. Overall redevelopment of the Paper Mill site shall comply with the City’s overarching planning goals, which include:

- Preservation and protection of the community’s unique riverfront setting;
- Promotion of Plainwell as a vital community where people can comfortably live, raise families and age in place;
- Raising median household incomes and providing access to job opportunities for residents;
- Preservation, protection and enhancement of Plainwell’s residential neighborhoods;
- Enhancing the character of Plainwell’s unique downtown, commercial corridors and waterfront.



Zoning: The subject site is currently zoned as “Central Business District (CBD).” The intent of the CBD District is to, “permit a variety of commercial, administrative, financial, civic, cultural, residential, entertainment and recreational uses in an effort to provide the harmonious mix of activities necessary to further enhance the Central Business District as a commercial and service center.”

Future portions of the Paper Mill site, not subject to this RFQ, are envisioned to incorporate mixed-use and commercial uses. City officials will work with the selected respondent to ensure that a mutually acceptable proposal for development of Parcels 2 and 5 is allowable through modifications to the Zoning Ordinance, if necessary.

Site Utilities

Allegan Street serves the subject site to the south, and full access to utilities is provided from Allegan Street.

The site includes:

- Sanitary sewer access, provided from Allegan Street, Cedar Street, Michigan Avenue, and Fairlane Street;
- Storm Sewer lines existing along Allegan Street, Cedar Street, Short Street, Michigan Avenue, and Fairlane Street;
- Water mains present along Allegan Street, Cedar Street, Prospect Street, Short Street, Michigan Avenue, and Fairlane Street.

Contact information for site utilities noted to the left include the following:

- **Water/Sewer/Streets/Storm Sewer/Right-Of-Way:** City of Plainwell Department of Public Works (DPW), Robert Niewenhuis, Superintendent, (269) 685-9363, DPW@plainwell.org
- **Electric:** Consumer Energy (800) 477-5050
- **Natural Gas:** Michigan Gas Utilities (800) 401-6402
- **Cable, Broadband, Internet, Phone services:** Charter Cable (800) 545-0994; Frontier Communications Corporation
- **Telephone and Broadband:** AT&T (800) 288-2020

Additional Site Information

Constructed in 1887 by the Plainwell Paper Company and expanded many times in the ensuing years, the Plainwell Paper Mill had a longstanding history in its namesake city. The mill complex grew to include facilities for de-inking and recycling of paper materials, paper sludge dewatering, wastewater treatment, waste and raw materials storage, and coal and fuel storage, encompassing nearly 30 acres in total.

Site Demolition: Since the City's purchase of the subject site in 2006, it has undergone substantial change. Beginning in 2010, the City embarked on clearing the majority of the mill complex buildings from the site. This was achieved through several grant awards and positive working relationships with MEDC and other state and national partners. As of late 2020, 24 buildings on the site had been demolished, and the newly vacant land was graded, remediated, and returned to a buildable state. Phase II of site demolition was completed in March 2021.

Those structures that were retained were subsequently renovated, and are now the current sites of Plainwell City Hall, Plainwell Department of Public Safety, and private office space.

Environmental Considerations: During the Paper Mill's existence, companies operating on the subject site used the Kalamazoo River as a discharge area for production waste. In addition, the soil on the mill complex grounds became polluted with arsenic, polychlorinated biphenyl (PCB), and other similar contaminants.

In 1977, the Michigan Department of Natural Resources (MDNR) issued a public health warning regarding PCB contamination in the Kalamazoo River. As a result, the subject site was added to the United States Environmental Protection Agency's (EPA) Superfund National Priorities List (NPL) in 1990.

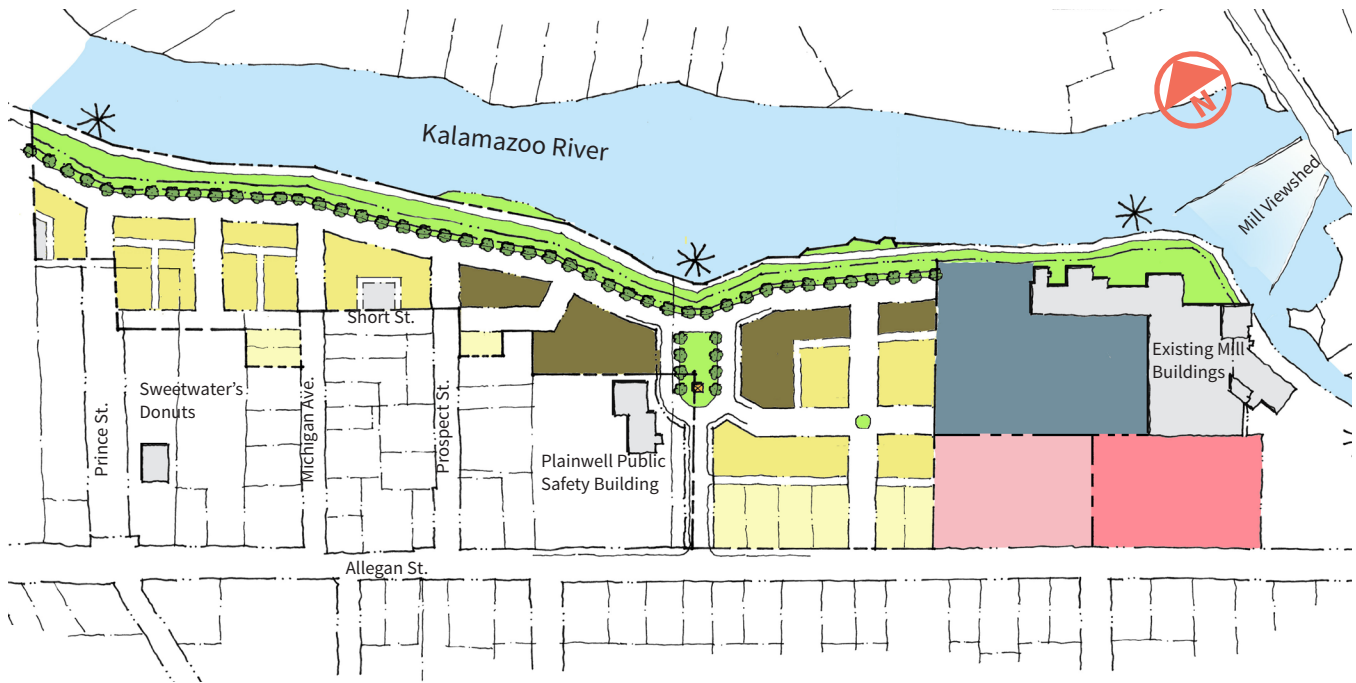
In August 2005, EPA signed a Consent Decree with former mill owner Weyerhaeuser Company, designating it the responsible party for cleanup. PCB contaminants were removed from the site between 2007 and 2009. Additional soil studies conducted in 2015 concluded that further cleanup of the site was needed.

Between 2015 and 2020, EPA, in partnership with City staff and the Michigan Department of Environment, Great Lakes, and Energy (EGLE, formerly known as MDEQ), oversaw remedial action. Per the Remedial Design approved by EPA, Weyerhaeuser removed over 55,000 tons of contaminated soil and debris, and over 2,000 tons of concrete from the site between 2018 and 2020. Impacted areas were backfilled with clean soils and graded. Cleanup was completed to EPA's standard for future residential development, in the event the site is utilized for mixed use or residential purposes.

The Appendices to this RFQ contain a curated selection of the most important information and resources related to site history, cleanup, and other environmental considerations.

A full catalogue of documentation relating to the Paper Mill and its site may be found on the City of Plainwell's website: <https://www.plainwell.org/Government/Plainwell-Paper-Mill-Redevelopment.aspx>





Preferred Development Scenario and Concept Plan

Plainwell City staff and municipal stakeholders have worked collaboratively to envision a Preferred Development Scenario for Parcels 2 and 5 of the subject site. The Preferred Development Scenario is based on a Concept Plan for the entire Paper Mill site, which is depicted below. The Concept Plan, the fundamentals of which date to 2007, shows the desired street network and block pattern around which future development should occur, and the desired sequence of land uses on the entire Paper Mill site.

The design concept illustrated in the Preferred Development Scenario is rooted in stakeholder workshops that were held virtually in early 2021. It is intended to be an illustrative example of the desired level of creativity in design and range of functional elements to be included on Parcels 2 and 5. City staff are nevertheless open to receiving alternative design approaches that fit the site and community context, keeping with the parameters expressed in the illustrations.

In addition, several site precedent images are provided. These images are of projects that embody various aspects of the Preferred Development Scenario.

Again, the rendering of the Preferred Development Scenario is intended to be illustrative, and Plainwell stakeholders are eager to consider an alternative approach that advances equally the goals for the overall site, and fits the community context.



Concept Legend:

- A** Connection to existing streets
- B** Townhome/brownstone
- C** Multi-story lofts
- D** Central public gathering place
- E** Traditional detached homes
- F** Tree-lined Riverside Drive and riverfront trail extension
- G** Existing overhead utilities

Design Rendering Concepts

- The block structure is designed to be consistent with the historic development patterns found in adjacent residential neighborhoods: existing Michigan Avenue, Prospect Street, and Short Street have been extended, and connect directly with new streets (A). A connected “tissue” of streets that serves different generations of development is a feature of quality urban places, large and small. It is imperative that the design of the internal street network integrates with Plainwell’s existing streets, and does not “wall off” new development from existing development.

Design Rendering Concepts Continued:

- Building types are, predominantly, attached housing formats currently undersupplied in the local market (see Market Conditions and Opportunities section). Townhome and/or Brownstone formats (B) are clustered to the western and southern sides of the plan; mixed-use multi-story lofts (C) are clustered around a central public gathering place (D). ESRI consumer behavior and spending data suggests that successful businesses that could support these multi-story mixed-use buildings are family oriented casual dining restaurants, bakeries, specialty markets, cafes, and retail shops.
- Ten lots, shaded in yellow, are shown as traditional detached houses (E). Three of these lots are sited to make use of irregularities in the parcel boundaries; the remaining eight are sited facing Allegan Street, to mirror the context and intensity of the existing residential development found there. Other creative approaches to including a variety of housing products in a contextually appropriate manner would also be considered on these lots. The market study identifies the need for affordable rental options and traditional detached single-family homes are excellent places to fill this necessity by incorporating accessory dwelling unit capabilities into the design scenario.
- A tree-lined Riverside Drive (F) parallels the future riverfront trail extension. This promenade-inspired street has parallel parking and is intended for slow vehicular traffic. Importantly, residential buildings lining Riverside Drive are at a higher elevation and have their front entrances oriented towards the river, overlooking both the street and future trail.
- Following detailed study by the City and Consumers Energy, the existing raised utility lines that occupy the riverfront corridor (G) are anticipated to remain in place. The siting of buildings and streets in this scenario accommodates these lines.
- The progression of buildings from west to east along Riverside Drive becomes more intense and culminates around the central gathering place (D). It is envisioned that loft buildings surrounding the gathering place are three-to-four stories in height—but no taller than the tallest remaining Mill building. The central gathering place is sited to provide residents a signature view of the Kalamazoo River, and is also partially fronted by the existing Public Safety building, giving it civic purpose.
- Parking for Townhome and Brownstone residents is accomplished through rear garages on those units and on-street parking. Loft buildings have access to highly-screened surface parking at the rear of those buildings, internal to the blocks, as well as on-street parking.

Site Precedent Images



Located 60 miles southwest of Plainwell, downtown Mishawaka was the site of a large Uniroyal Tire factory on the St. Joseph River, dating from the 1860s. Upon the factory's closure in 1997, the site was purchased by the City of Mishawaka, and the site was designated an EPA Superfund site. Cleanup and demolition was completed in the early 2000s. The factory site is now the home to an award-winning riverfront park, a 232-unit loft development with a retail component, and a beer garden. Several mixed-use projects are currently in development on the remaining portions of the property.

SOUTH BEND, IN



Site Precedent Images, continued



The images on the previous page depict townhomes and lofts at Eddy Street Commons in South Bend, Indiana. Buildings in this community, adjacent to the University of Notre Dame, are compatible with the architectural character of many historic campus buildings nearby. The above image depicts residential development along Quarton Lake in Birmingham, Michigan. Both the Eddy Street Townhomes (top and lower-right photos on p. 21) and the houses on Quarton Lake front a street, which in turn fronts a body of water; a waterfront trail is also present in the Birmingham example. These design elements are integral to the Concept Plan and Preferred Development Scenario shown on pages 20-22.

Project Incentives

As mentioned previously, City of Plainwell staff and stakeholders have worked diligently with the Michigan Economic Development Corporation (MEDC) and other agency partners over fifteen years to bring the Paper Mill site to a development-ready state, leveraging over \$9 million in outside funding to-date. As a measure of the City's commitment to ensuring high-quality future development occurs on Parcels 2 and 5, it is willing to offer these parcels to the selected developer at a negotiable price.

In addition, the site's particular geographic location and previous use as a mill gives the advantage of further flexibility to utilize existing brownfield incentives in the Brownfield Redevelopment Financing Act (P.A. 381, 1996). These incentives include a Brownfield TIF program administered by the City, which could be used to fund site preparation and infrastructure improvements through reimbursement from state and local property taxes¹. The City offers these incentives with the aim of ensuring the feasibility of high-quality proposals, that meet the parameters and goals of the Concept Plan and Preferred Development Scenario (see pages 20-22).

¹ See reimbursement for "eligible activities" as set forth in Act 381 of the Public Acts of Michigan of 1996, as amended, including, without limitation, those identified in MCL 125.2652(o)(ii); and definition of "former mill" as identified in MCL 125.2652(t).

Selection Process and Criteria

The property owner, in cooperation with City of Plainwell, will review and evaluate all complete proposals in response to this Request for Qualifications (RFQ) to identify and engage with qualified developers. An initial response to this RFQ must include the following information:

- **Letter of interest:** Provide a letter (up to three pages) identifying the development team and providing a brief description of the team's vision for the site.
- **Concept plans or renderings** of a vision for site development if different from the conceptual site plan contained in the RFQ.
- **Development experience/portfolio:** Provide a short description of past projects of a similar nature completed by the development team (up to 10 pages). Include a description of the projects, cost, completion date, and references.
- **Evidence of the development team's fiscal capacity** to undertake the proposed project.
- **Résumé** of the firm and lead team members.

The property owner and/or Plainwell City staff may seek additional information upon receipt of a development proposal. Additionally, these parties reserve the right to refuse or reject any or all proposals, or to abstain from selecting any proposal.

The RFQ and responses should **not** be considered a legally binding agreement. Upon selection of a qualified development team, the property owner and/or City of Plainwell will enter into a predevelopment agreement including purchase price, due diligence period and other terms.

A schedule for the receipt and evaluation of proposals is appended to this document as Attachment A.

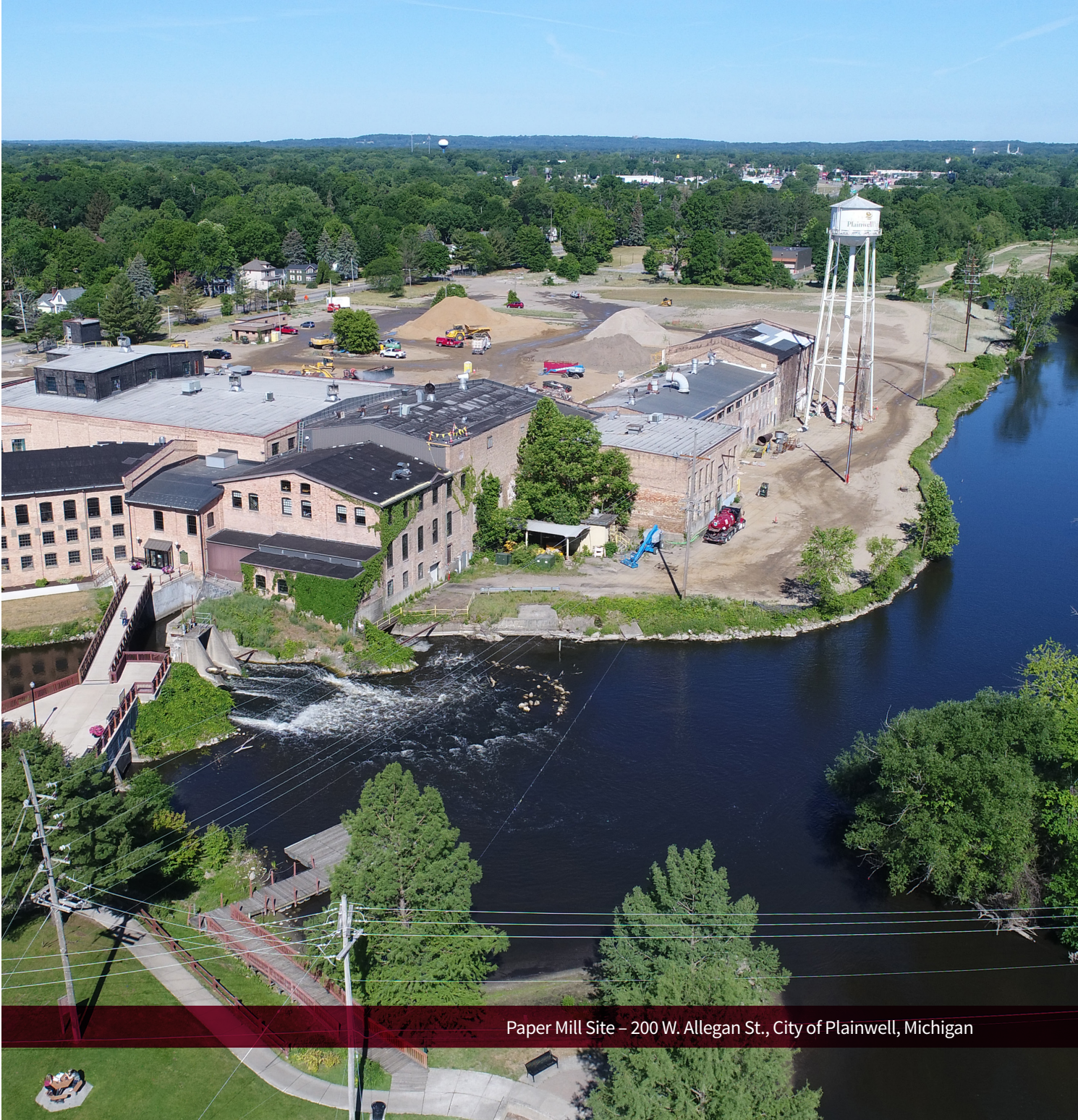
Proposal Format: All proposals should be submitted by email in a PDF format to Jlakamper@plainwell.org

Additionally, either a paper copy or digital copy on a USB drive shall be sent to the address below:

City of Plainwell
Attn: Justin Lakamper, City Manager
211 N. Main Street
Plainwell, MI 49080

Contact/Questions:

Justin Lakamper, City Manager
City of Plainwell
211 N. Main Street, Plainwell, MI 49080
jlakamper@plainwell.org | 269.685.6821



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