

CITY OF FRANKFORT, KENTUCKY  
and  
FRANKLIN COUNTY, KENTUCKY FISCAL  
COURT

**Request for Information (RFI)**

For

CAPITAL PLAZA PARCEL "B"  
REDEVELOPMENT

**Mixed-Use Development of a 6.4 acre  
site in Downtown Frankfort, Kentucky**

## **Purpose**

This RFI is being issued by the City of Frankfort (City), Kentucky and Franklin County, Kentucky Fiscal Court (County).

The City and County are seeking information from a qualified developer or development team. This information could potentially be used to create one or more Requests for Proposals (RFP) for the construction and operation of a mixed-use development in Downtown Frankfort, Kentucky.

The City and County would like to meet with all who submit a response. The City Manager of the City of Frankfort or her designee for the purpose of this RFI shall serve as the sole point of contact (local government project coordinator). If you are interested in meeting, please provide your contact information as part of your response to the RFI.

## **Background**

### ***Parcel "B"***

The Commonwealth of Kentucky engaged in the demolition of the Frankfort Convention Center, as well as the Capital Plaza Tower and its associated Fountain Place shops and underground parking structure. The Commonwealth's immediate goal for this demolition was to construct a new office building and parking structure on the former site of the Capital Plaza Tower and its parking structure. The Commonwealth reached out to the local governments and offered to work in partnership with them to redevelop the 6.4 acres which had contained the Frankfort Convention Center and Fountain Place shops and parking structure adjacent to the Capital Plaza Hotel. The Commonwealth has entered into a MOA (Exhibit A) w/ the City and County as part of that partnership.

The City of Frankfort, Kentucky and Franklin County, Kentucky Fiscal Court desire to enter into a development with a P3 partner, who can demonstrate the creativity and financial capability of developing, constructing, and operating an urban, mixed-use, development in the heart of downtown Frankfort, Kentucky.

Frankfort, Kentucky is the Capital City of the Commonwealth of Kentucky. Frankfort is located in the heart of the Bluegrass Region between Lexington and Louisville along the Kentucky River. Frankfort can be easily accessed by several major highways including Interstate 64 as well as US Highway 127 South. The city is home to Kentucky State University, a liberal arts institution with a reported enrollment of 1,926 students in the Fall of 2017. The City is also home to Buffalo Trace Distillery, which is just over 1 mile from the project site and serves as a significant annual tourist draw of nearly 650,000 people from all over the world.

The following websites may be helpful with information about Frankfort:

<http://www.frankfortky.info/>

<http://www.visitfrankfort.com>

<http://www.spiritofdowntownfrankfort.com>

<http://www.frankfort.ky.gov/>

<http://www.downtownfrankfort.com>  
<http://www.kysu.edu>  
<https://www.buffalotracedistillery.com/>

Parcel B is a 6.4 acre vacant tract that is a part of the overall Capital Plaza redevelopment in Downtown Frankfort, Kentucky. Parcel B includes the site of the former Frankfort Convention Center, which was demolished and cleared by the Commonwealth of Kentucky in early 2018.

Parcel B is located directly adjacent to Frankfort's historic central business district nestled between Mero Street and Clinton Street. The City and County have been facilitating a comprehensive community engagement effort to develop a master plan that builds upon the best ideas of plans from the recent past and provides the best path forward for the community's future in the specific area of downtown, which includes Parcel B. Parcel B is directly adjacent to both the Kentucky Transportation Cabinet Central Office building, as well as the new state office building being constructed on Mero Street at this time. These two office buildings alone will house approximately 2,500 Commonwealth of Kentucky employees when the new building is complete no later than April 20<sup>th</sup> 2020.

Parcel B and the surrounding area are prime for revitalization. The Commonwealth of Kentucky currently owns the property and intends to transfer the property as a single deed to a private developer after the City/County's RFI and RFP process.

## **Scope**

The City and County are seeking a mixed-use development that will provide opportunities for residential, professional office, and commercial uses. The City and County believe the best source of viable options for the property can come from experienced developers. This RFI gives developers a way to communicate those options (and/or obstacles), so that should RFPs follow they will have an increased chance of success.

The attached map (Exhibit B) provides the parcel that has the potential for development.

Parcel B (highlighted green on map) includes 6.4 acres bordered by Clinton Street to the south, Mero Street to the north, Saint Clair Street to the east, and the Capital Plaza Hotel to the west, which has frontage on Wilkinson Boulevard (US 127 South). The Kentucky River is less than 1,000 feet from the site.

## **Considerations**

### **Downtown Master Plan**

Through a community engagement process, over 4,000 stakeholders and residents have voiced their ideas of how Parcel B could best be developed. These ideas are synthesized into eleven guiding principles of the Downtown Master Plan currently underway and anticipated to be adopted by the Local Governments by December 2018:

1. Foster Greater Connectivity
2. Respect the Historic Scale of Downtown
3. Better engage with the Riverfront
4. Improved Traffic and Circulation
5. Encourage Walkability/Pedestrians
6. Encourage more housing and a range of housing options
7. Mix of Uses Downtown
8. More usable public space
9. Create a Sense of Identity
10. Take advantage of Bourbon/Cultural Tourism
11. Facilitate More Conference/Meetings Business

The principals above are part of the basis for the Downtown Master Plan which is nearly complete. The Downtown Master Plan is being created with the intention that it will be the main guiding document in communicating the vision the community has for Parcel B to the potential developer. The specific concepts and renderings from the Master Plan should be considered guides to the future redevelopment not requirements. While the developer's ultimate design will need to meet the spirit of the guiding principles and of the broad concepts in the Master Plan there is no expectation that the developers plan precisely mimic the renderings contained within the Master Plan.

### **Proposed Mixed-Use Zoning District**

The drafting of language for a new mixed-use zoning district is currently underway by the City of Frankfort Planning & Community Development Department and the Frankfort/Franklin County Planning Commission. The intent for this zoning district is to create a regulatory framework which can be applied to Parcel B to guide development in accordance with the above guiding principles. This process is ongoing and the final language for this district is not yet available.

### **Project Requisites**

As part of the development of this parcel the Commonwealth of Kentucky has entered into a commitment that, will be passed to the developer to construct a minimum of 150 covered parking spaces for the adjacent Capital Plaza Hotel.

There is also an existing no-compete clause as part of the agreement with the Capital Plaza Hotel that extends until 2030. As a result, a hotel cannot be part of a mixed-use development proposal on any State property within 1 mile of the Capital Plaza Hotel.

## **Development Incentives**

### ***Commonwealth of Kentucky Opportunities:***

#### ***Federal Opportunities:***

The project site and surrounding area are designated as an Opportunity Zone. Opportunity Zones are a new community development program established by Congress in the Tax Cuts and Jobs Act of 2017 to encourage long-term investments in low-income urban and rural communities nationwide. The Opportunity Zones program provides a tax incentive for investors to re-invest their unrealized capital gains.

<http://www.thinkkentucky.com/OZ/>

This link has a searchable map. Parcel B is located near 405 Mero Street, Frankfort, KY 40601.

#### ***Local Opportunities:***

The City and County are committed to providing an environment that leads to a successful high quality project. To that end, the City and County are open to investigating any incentive opportunities, which may be a means to that end as well as improvements made to the public realm.

## **RFI Process**

The City and County are seeking your input through written and/or verbal responses.

#### ***Site Visit:***

A property tour and a presentation of the proposed Downtown Master Plan will be scheduled on Wednesday October 3, 2018 at 8:30 a.m.

This presentation will not include discussions on the questions in the RFI but will unofficially address any property concerns interested parties may want to raise. Official answers to questions raised at the site visit will be distributed through an amendment to the RFI, so that all potential developers may be privy to those answers.

#### ***Written Responses:***

Developers may respond by answering the questionnaire and sending it to the Local Government Project Coordinator on or before the deadline.

#### ***Questionnaire***

The questions provided in this RFI will set the basis of the discussion. Answer all or as many as you find pertinent to your business model. Questions are located at the end of this document.

***Verbal Responses***

All interested parties who desire to schedule a meeting to expound upon their written response to the RFI should provide contact information to the Local Government Project Coordinator to schedule a meeting. The agenda for the meeting will follow the questionnaire and be limited to these questions and the expansion of topics that come from the questions. It is in the best interest of the City, County, and you to have written answers to the questions as a starting point for the discussion.

Individual meetings with respondents will be scheduled in a three-day block, following the response date identified below or as schedules allow. This visit will provide an opportunity for elaboration on questionnaire responses.

***Inquiries:***

To assure a fair process, from the issue date of this RFI until the responses are due, direct all inquiries to the Local Government Project Coordinator. Respondents shall not communicate with any other City or County or State Government staff concerning this RFI.

**Deadline:**

**RFI responses are due on October 15, 2018 at 3:30pm EDT.** Respondents with an interest to communicate verbally should so indicate on the submitted questionnaire in hardcopy.

***Local Governments Contact Information:***

**315 W. Second Street  
Frankfort, KY 40601  
Cindy Steinhauser  
(502)875-8500  
[csteinhauser@frankfort.ky.gov](mailto:csteinhauser@frankfort.ky.gov)**

**Attachments:**

**Exhibit A: Memorandum of Agreement  
Exhibit B: Aerial of Parcel B  
Exhibit C: Downtown Master Plan Renderings**

Question	Response
<b>Contact and Experience:</b>	
Respondent's Name/Title Respondent's company	
Address	
Are you interested in scheduling a meeting?	
Name of Person responsible for information contained within this RFI	
Telephone number, email address, web pages	
Describe your firm's experience in planning, financing and constructing similar scale multi-use development projects	
Describe your firm's experience if any partnering with public agencies in similar development projects	
In your opinion what experience would qualify a developer/respondent for negotiating, financing and constructing the project as has been described previously in this RFI	

**Development Concept:**

Describe your idea/concept for financing and constructing the project as has been described previously in this RFI

**Timeline/Costs/Incentives:**

Should the City of Frankfort and Franklin County decide to proceed with an RFP, what amount of time would be adequate (from date of RFP issuance) to develop a response. The response would need to include a site plan, business plan, financial plan, professionally signed renderings, etc.

What is the estimated total construction cost of your project?

What is expectation of incentives for this project?

Describe any commitments from the local governments or Commonwealth of Kentucky that you would likely request or require in terms of public investment/infrastructure in order to ensure a successful project?

**Additional Insight**

The goal of this RFI is to have experienced developers respond and consider the project. What questions have not been asked, and what are your responses to those questions?

What hurdles do you see that would hinder the success of this project?

What additional information would you want to ensure a successful development?

Are there any additional pitfalls or obstacles you see to the project that may not have been anticipated?