

MISSOURI STATE PENITENTIARY REDEVELOPMENT COMMISSION  
(DRAFT)  
MEETING MINUTES  
Open Session  
November 29, 2006

Call to Order: The MSP Redevelopment Commission meeting was called to order at 1:00 p.m. Vice Chairman Jim Wunderlich presided over the meeting. The meeting was held the Truman Building, Room 493/494, in Jefferson City, MO.

Roll Call:

The Following Commission members were present. Gene Bushman, Bob Meyer, Kathy Peerson, Mark Schreiber, John Sheehan, Jim Wunderlich. Quorum present. (Six members must be present to constitute a quorum – there are 2 vacant positions.)

The Following Commission members were absent: Kas Mahfood, Sarah Riddick

The Following Facilities Management, Design and Construction staff members were present: Deputy Director Walter Johannpeter, Charlie Brzuchalski, Lisa Cavender, Lynne Angle and Dianne Beasley.

Guests: Planning Design Studio LLC (Dan Bockert), Development Strategies Inc. (Richard Ward)

Charlie Brzuchalski provided a PowerPoint presentation to discuss the meeting agenda items.

I. Approval of Minutes

The meeting minutes from the September 27, 2006 (Open and Closed) meeting and the minutes from the October 25, 2006 (Open and Closed) meeting will be sent to the Commission Members for approval at the next meeting.

II. Review and Update on Redevelopment Project Status – Charlie Brzuchalski

- Methodology and Timeline for Master Developer Selection – Charlie B. provided an introduction and overview of the purpose and tasks assigned to our consultants for the selection of a Master Developer. Planning Design Studio / Development Strategies, Inc. have been retained to assist in the Master Developer selection process
  - Mr. Dan Bockert of Planning Design Studio and Mr. Richard Ward of Development Strategies Inc. were introduced by Charlie B. to provide an more detailed review of the selection process of a Master Developer and discuss the Request for Qualifications / Request for Proposals (RFQ / RFP) methodology and timeline proposed.

- A handout of the PowerPoint slides utilized in the presentation was distributed.
- Planning Design Studio also distributed a handout of the RFQ Highlights – Scope of Services relating to the selection process of a Master Developer.
- The State does not have expertise on developer at risk projects. Assistance is needed to develop a plan together, to determine the best method to utilize for the selection process, and ultimately with how to select the right developer that can do the project.
- The process will proceed as follows:
  - Develop a methodology
  - Develop a timeline
  - Develop and distribute the solicitation documents including
    - General project information and delineation of the goals of the Commission (MSPRC)
    - Master Plan Documents including the Design Guidelines and Development Standards
  - The Commission would then receive and evaluate the proposals with the outcome being the selection of a master Developer to pursue the work of the project.

#### Presentation Overview

Methodology – Richard Ward stated that the purpose of this meeting is for the Commission to get an idea of how the Commission can go about getting and funding a Master Developer. The Commission needs to look at the overall purpose and what it wants to achieve. Ask questions. The process is flexible and includes a set plan of action (game plan). Changes will be made as the process moves forward.

A summary of the PowerPoint presentation follows:

Title: The Selection of a Master Developer

#### Agenda:

The Objective

The Process

The Schedule

The Scope

Discussion

Objective: the objective of the professional services to be provided by Planning Design Studio in association with Development Strategies will be the planning services associated with the preparation of the RFQ and the RFP for the selection of a Master Developer for the MSP Redevelopment District.

The best and the most cost effective method to accomplish this is to break out the process into two (2) steps (Process Task 1 and Process Task 2).

### The Process

#### Task 1

- Define the project – define the project for the development community, expectations, goals
- Prepare the RFQ (Request for Qualification) – this is a graphic statement to issue to the development community
- Master Developer Shortlist – purpose of RFQ is to obtain a list of development firms

#### Task 2

- Prepare the RFP (Request for Proposals) –
- Evaluate – Interview, consultant evaluates the list of development firms and presents to Commission
- Select Master Developer – Commission selects a Master Developer in the July 2007 timeframe

Current Status - working on the RFQ phase.

### The Schedule:

#### Task 1

29 November – Meet with Commission to review Process, Scope and Schedule  
10 January – Draft RFQ ready for review  
24 January – Review print ready RFQ with Commission  
15 February – Printing complete and RFQ mailed out  
15 March – Developer Qualifications due – begin review of submittals  
25 April – ‘Short List’ recommendations presented to Commission

#### Task 2

9 May – Meet with ‘Short Listed’ Master Developers – provide RFP documents  
27 June – Proposals due from Master Developers  
11-12 July – Presentations to Commission Interview Panel by Master Developers  
25 July – Interview Panel recommendations presented to Commission

#### *Question:*

Gene Bushmann asked what master developer firms we are dealing with.

#### *Answer:*

Dan Bockert stated that the list has not yet been determined. This is the purpose of the RFQ phase.

#### *Question:*

Gene asked what role and what job we are looking for the master developers to fulfill.

#### *Answer:*

Charlie B. stated that the Developer at Risk puts up the money for the projects that the Commission wants to accomplish. Richard Ward stated that this is according to the Master Plan. Charlie B. stated we already know that parts of the Master Plan will be

done by GSA, City, County, etc. We are now looking at firms that have the ability to do all of this.

*Question:*

Gene stated that the Commission has already determined the plan for building. Will the Master Developer change it?

*Answer:*

Charlie B. stated that this is why the Master Plan was developed. It is necessary for the Commission to make sure that potential Master Developers are aware of the parts of the plan that are non-negotiable such as the Wall. Some parts of the plan are open to suggestions on how to develop some areas of the property.

*Question:*

Gene Bushmann asked what would happen if the developer has the money and wants to change everything.

*Answer:*

Charlie B. stated that everything must to be defined in the RFP. The RFQ is only to find potential Master Developer firms that are financially qualified to do these types of projects. Richard Ward stated that it is very important that the Commission spell out expectations, non-negotiables, etc. This will help eliminate any confusion on what to do and what not to do, what is negotiable and non-negotiable, what is flexible and not flexible. Dan Bockert stated that this is an ongoing process.

*Question:*

John Sheehan asked what the Commission's role is in this process since the Master Developer has the experience and takes the financial risk to promote and develop the property and finds commercial entities to acquire the property. It sounds like the Commission has limited amount of influence.

*Answer:*

Charlie B. stated that as we move forward we develop an encyclopedia of goals and programs and share these with the developer, and define parts of the Master Plan of which the Commission is not willing to relinquish control over. The Commission remains the gatekeeper and makes sure the Master Plan is executed. The Commission has the option of approving and has the ability of remaining in control of all processes. The Master Developer has to get approval from the Commission. The Commission's role is to make sure things that the Commission wants kept remains in the process. Dan Bockert stated that the challenge is to get everything included in the tasks and to set a general picture of the expectations. Second, put in great detail the expectations, control, and oversight of the redevelopment since ultimately the property that will go from the Commission to the master Developer. The mission is to get the development plans from them and assure that the goals of the master plan are met.

*Question:*

Gene Bushmann stated that this is a situation that varies in scope. What if the developer wants the whole thing? The Commission then can't have the whole thing and break out the property into units. Looks like a stalemate; we are all out of business.

*Answer:*

Richard Ward stated that everything must be negotiated in the agreement with the Master Developer. Even though the Master Developer could help in the long term view

of the goals, there is a concern that a single entity could have overall authority over the project and this developer could bring in other developers to develop the prime areas and leave the other areas undeveloped. Richard Ward stated that the intent is to find a developer that wants to put in a lot of money and time. The Commission must make sure that the selection must a developer in tune with the idea presented and the need for the project to be inclusive of the overall development of the property and not only the prime areas. Dan Bockert stated that once the developer list is compiled and the interest noted, the Commission will be able to see what and who is out there (firms), however, we won't know anything until we go through the process. The RFQ must list selling points, but until it put out there, no one knows anything. Richard Ward stated that this project must be given maximum market exposure, it must be done carefully and done in the right way. Charlie B. stated that as we do this the Commission's intent must be conveyed to potential developers; that the Commission is a partner in the tasks and the Master Plan is a commitment. Dan Bockert stated that the Commission must make sure that expectations are the same in terms of general thinking. The definition must be portrayed in the RFQ. We need to know what the developers have done to make them possible choices. We must set parameters, ask questions. Qualifications include the size of projects, references, examples of work, research and visit locations. The developer must be given an overall view of the project and given feedback on what must be preserved, given insights, some detailed, some broad. This helps evaluate the and develop the short list of possible developers. This is most logical process to pursue for this type of project. Charlie B. stated that this process does not provide anything new. A letter of interest and understanding of the project and need will be done through the RFP process. The RFP will request that the developer expend all of its time, get into Jefferson City economics, etc. Through this process it is determined the need, how to do the project, who to partner with, what is the intent for the property. The Commission will be the decision makers; the developer runs plans through the Commission.

*Question:*

Gene Bushmann asked when the Commission makes the initial contact with possible developers what residential uses are already identified.

*Answer:*

Charlie B. stated that this is addressed in the Master Plan. Single family residential development is not part of the Master Plan. Residential uses are noted as a possibility among the mixed use concept in the Master Plan and there could be condos in the project for 24/7 people activities. Mark Schreiber commented that this previously asked in reference to the bluffs in the Natural Resource area

Dan Bockert stated that in terms of what kind of advertising notification is needed, interest thus far is broad, and advertising would include national exposure. Richard Ward stated that this would include carefully placed advertisements in publications such as the Wall Street Journal, urban land magazines, and the real estate community for national exposure. This needs to be done ASAP. Charlie B. referred to the schedule in the presentation. Richard Ward that there is a great deal of reliance on the land institute network to find names of firms. Gene Bushmann stated that the Office of Administration has already stated that several firms have already contacted the State expressing interest. Dan Bockert stated that everyone has contacts. He asked the Commission to think about recommendations to put on the list of possible developers.

The decision will then be made on whether or not to keep them on the list. This will be discussed with the Commission once the list is put together. Richard Ward stated that advertising on an International basis is a long shot. The project is probably not large enough for an international developer to commit resources.

*Question:*

Jim Wunderlich stated that the Commission is concerned that once the land has been transferred to the Commission and then transferred to the developer to pursue the project, the Commission loses control of the project.

*Answer:*

Richard Ward stated that the Commission can keep a lot of control and that control can be included in the agreement with the developer. The Commission must be comfortable that they are getting what they want. Charlie B. stated that we have to go through the process. The Commission will be involved throughout the process. The Selection panel includes John Sheehan, Mark Schreiber, Gene Bushmann. The Selection panel will be involved in the process and in the evaluation of what is received and what is presented to the Commission. The Commission will continue to be involved throughout the process.

*Question:*

Gene Bushmann asked if the Commission will see the RFQ when it is complete. He asked that the document be placed on the web forum.

*Answer:*

Charlie B. stated that the document would definitely be shared with the Commission as soon as it is ready. The document will be available for review. Dan Bockert stated that everyone must be focused and that we must move quickly. Three to five companies should be placed on the short list for evaluation and review. Site visits should be made with the firms and interviews would be conducted to meet the possible developers face to face. At the RFP meeting on May 9 must make sure the developers buy into a uniform presentation for their proposals that includes that they standardize the content, and break out materials in a uniform fashion so we will be able to find the information necessary to evaluate the proposals.

*Question:*

Gene Bushmann asked if the Commission was bound by Office of Administration rules to submit the RFQ and RFP.

*Answer:*

Charlie B. stated that the Commission is not bound by these rules. The Commission is an autonomous entity. The Commission has chosen to use these rules as guidelines because they have been proven to work. The Commission attorney, John Kuebler will follow-up to confirm that the Commission is or is not a part of the State and subject to its rules and regulations.

Dan Bockert stated that the Commission would conduct interviews with the possible developers. This is an opportunity to ask questions of developers. Based on the interview information and recommendations from the consultant the Commission will be in a position select a developer. The schedule will fluctuate. We don't want to rush the process but want to proactively do this while the enthusiasm and opportunity is available. Richard Ward expressed concern with the timeframe involved in the

schedule. 30 days is a short timeframe. They are concerned more with the RFQ timeframe and would like to have another week to get out the RFQ. Charlie B. stated the announcement needs to be put out first and the tasks can be reorganized along with the schedule of events. This was agreed. The Commission must be intimately involved with the process to keep informed of what is going on.

*Question:*

John Sheehan asked a question of Charlie B. John asked if there is any legislation that needs to be addressed in the 2007 session or anything that might hinder the utilization of economic development incentives.

*Answer:*

Charlie B. stated that he does not think there is any pending legislation that precludes the use of any of the incentives in the process. Which ones to use becomes the developer's prerogative in that some use tax credits and some do not, etc. Charlie B. will review. John Sheehan stated that we need a contact person for these programs. Charlie B. stated that this can be determined and identified as we develop the documents.

*Question:*

Gene Bushmann asked if the RFQ will spell out the programs that are to be used.

*Answer:*

Charlie B. stated that this will not be spelled out in detail but we will have information about the programs available to them. Dan Bockert stated that if the RFQ says "when available for the project" they can it is available but not force them to use it. Richard Ward stated the RFQ needs to be competitive, give few incentives, but it needs to let them know what is available up front.

Another handout was distributed discussing the tasks in the slides. Richard Ward and Dan Bockert will be doing a guide of activities and how to accomplish the tasks. (copy of this second handout is in the file). Charlie B. thanks both Dan and Richard for attending and providing an overview of the process to the group. Charlie B. will be spending a great deal of time with them to deal with the best way to proceed to get the best value of the redevelopment. Dan Bockert asked the Commissioners to get comments to Charlie B. who will then provide these comments to them.

Back to regular meeting:

III. Status Update on Caretaking / Interim uses Management – Charlie B.

- Movie Project
  - The movie project is complete. The project took 2 ½ days to film. Charlie B. hoped to have a trailer for the meeting today. However, it was not yet ready.
- Training.
  - The Highway patrol has been using the MSP property for training of their urban search and rescue teams. The facility continues to be a good resource for law enforcement and the National Guard has expressed in interest in using the facility for training. The area will continue to be made available for training purposes.

IV. Review and Update on Redevelopment Project Status – Charlie B.

- Federal Courthouse Project
  - The Programmatic Agreement concerns expressed at the last Commission meeting have been shared with GSA. As a result of those comments, GSA is developing an agreement for their site only. The programmatic agreement that was started about a year ago will be utilized as we move forward with the remainder of the site. When drafts of these agreements are ready, they will be shared with the Commission. The various issues involved in the satisfaction of the Section 106 requirements are being reviewed and sorted out so that the agreement can be completed.
  - The historic photography and archaeological research are set to begin. Native tribes have contacted and no concerns have been expressed with the site.
  - The Federal Courthouse project is moving forward.
  - Appropriation process in Washington – decision made by Congress to wait until the new Congress is in place before moving forward with the funding. The appropriation for the Federal Courthouse is in the budget but must now undergo scrutiny of the new Congress. GSA is concerned about backing for support but does not see a problem with the funding of the project.
  - GSA is in early negotiations with a Construction Manager at risk.
  - URS (Geotechnology) issued a report that there was a petroleum contamination found on the property. The State did the same tests in the same areas and found no problems. After further investigation it was determined that URS made an error in their calculations and that upon correction of the error, levels were determined to be below allowable levels. All parties agree that there are no actionable environmental contaminants on the site.
  - Phase I Demo – the contractor is working on site and we are preparing the bidding documents for Phase II.
  - OA/FMDC is working with the Department of Corrections through Mark Schreiber on logistics of salvaging artifacts that can be salvaged for historical significance. Some artifacts have to be dismantled to get them out of harms way for the demolition work.
- Chestnut Street Project
  - The Chestnut Street Project is nearly done. The contractor has a December 28, 2006, deadline to complete the project.
  - The next project being pursued by the City of Jefferson will be Capitol Ave. from Chestnut Street past Cherry Street to near the Lafayette St intersection. Currently they have engineering staff working on the design of Capitol Avenue and are discussing the lowering intersection of Capitol and Cherry. This would eliminate the hump in the street at that point and is actually good news for us since it places the street elevation closer to the MSP yard elevation at that point.

- MoDOT wants us to continue to participate in review of the Whitton Expressway projects as they progress. Charlie B. sits on the design panel to review those projects.
  
- Surplus Property and Health Lab
  - Gene Bushmann asked the status of staff moving into the new Health Lab Building and the status of the Surplus Property Building.
  - Charlie B. stated that there is a problem with the exhaust and air balancing in the Health Lab Building that are not yet resolved. There is no timeline at this time to get a resolution and move staff into the building.
  - The timeline for the Surplus Property Building is not set. A request for funding to move the site has been included in the budget request. It is hoped that we will be able to proceed by July 1, 2007. Nothing can begin until this goes through the appropriations process and stays in the budget.
  
- Parking
  - Mark Schreiber stated that the Department of Natural Resources staff are parking in the lower parking lot of MSP. Through Mark Schreiber's research, we believe that a portion of this area could potentially be a burial site and that area is located at the edge of the ball field. This site is thought to have cholera victims buried there. There is health concern since it is thought that the germs could still be active if the site is dug up. The Master Plan intentionally set parameters to preserve and not disturb this area. To confirm the location, it is being discussed using ground penetrating radar to locate the site. The timeline would be considered in relation to building a parking structure. There is no need to spend money yet. Health authorities have suggested that as little as we know about the internment of the bodies, we do not want to disturb the area. The parking structure location may need to be adjusted. Cholera germs never die; there could also be small pox there also. John Kuebler asked when the Cholera incident happened. Mark Schreiber stated that it was in the 1850s. Some of the bodies are also interred on McCarty Street.

Jim Wunderlich asked if there was anything else to discuss at the meeting. With no further business, the meeting was adjourned.

**Next Meeting:**        **January 24, 2007** from 1:00 p.m. to 4:00 p.m.  
Truman Building, Room 493/494  
Jefferson City, Missouri