



December 13, 2019

Michael Delk
Assistant City Manager
City of Clearwater
One Clearwater Tower, 6th Floor
600 Cleveland St.
Clearwater, FL 33756

Re: Task 3. RFP Document Development Add-on Proposal

Dear Michael:

Following our conversation and expanding our current contract to support the City of Clearwater on the redevelopment of three City-owned waterfront sites, HR&A Advisors, Inc. (HR&A) would like to propose additional services to advance Task 3, RFP Document Development, in our agreement dated July 9, 2019.

Upon completion of Task 2 in our scope of work—a collaborative process to develop a market scan and feasibility assessment for the redevelopment of the Harborview, the City Hall, and the Pierce Street sites—HR&A and the City have charted a solicitation strategy to raise awareness and interest from qualified development teams across the three City-owned Bluff sites. We share the vision of the City of Clearwater to use these sites to catalyze activity and bring economic development Downtown.

As we consider structuring a successful solicitation process, there are three main areas of need that differ from assumptions under our current scope of work:

- **Expansion to three sites.** Per our recent discussion and building upon HR&A's recommendations, the City is looking to proceed with a request for qualifications (RFQ) for the three City-owned sites, to gather feedback from the market on the preference for a stand-alone site disposition in comparison to a packaged disposition of more than one site. Our current proposal contemplates supporting the development of a procurement document for the Harborview site only. The need to cover in the procurement document the specific characteristics, conditions, and economics of the three sites separately and the areawide development represents an additional level of effort.
- **Marketing content.** Aware of the challenges of developing new higher-density typologies in the downtown Clearwater market, we understand the procurement documents will need to carefully describe the opportunity of being a City partner on the transformation of Downtown through the development of sites with unique water views and adjacent to the ambitions signature park envisioned in Imagine Clearwater. Conversations with the regional development community highlighted the need to actively market the opportunities of the sites and the overall Clearwater market, which are currently undervalued. The solicitation documents will need to be a strong marketing tool in addition to an effective procurement instrument, and some modest additional effort is required to enhance the document with data and messaging on market opportunities.
- **Direct developer outreach.** Additionally, the developer and stakeholder engagement conducted in Task 2, in which over 60 developers were contacted but only 10 were responsive to our request for an interview, suggests the need for a more targeted and strategic outreach to ensure the RFQ

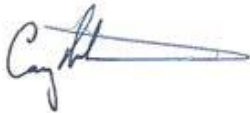
document reaches and appeals to a larger number of high-quality respondents. Our current scope of work contemplates only the preparation of a distribution list. To promote a robust pool of RFQ responses, HR&A proposes to target the distribution list prepared during our outreach as part of Task 2, identify a path to conduct personalized outreach through existing HR&A and City contacts, and lead that outreach process to build awareness and raise interest through a combination of personalized emails and phone calls. For the purposes of developing a budget, we assume direct telephonic outreach to up to 20 target regional development firms.

HR&A can complete the activities described above following the same timeline described in our contract for a fixed fee of \$19,500, which includes approximately \$8,500 in incremental costs for changes to the solicitation document and \$11,000 in cost for developer outreach activities.

HR&A will invoice on a monthly basis, based on percentage completion with payment due in 45 days.

Thank you for the opportunity to submit this proposal and contribute to this important component of *Imagine Clearwater* and the reinvigoration of downtown. Please feel free to call or email me at 212.977.2704 or cary@hraadvisors.com with any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Cary Hirschstein', with a long horizontal line extending to the right.

Cary Hirschstein
Partner
HR&A Advisors, Inc.