

CITY OF RACINE PURCHASING (on behalf of RDA)
 Addendum #1
 Official Notice #19-2016
 Development of 615 Marquette

To:	Notice to all Vendors
From:	Kathryn Kasper, Purchasing Agent
Solicitation:	Official Notice #19-2016 615 Marquette
Addendum Issued:	November 4, 2016
RFP Response Due Date:	November 10, 2016 (Response due by 10:00 a.m.)

The purpose of this Addendum is to clarify questions received from Proposers. All requirements of the proposal documents remain unchanged except as cited herein.

Information contained in this Addendum will be included in any subsequent contractual agreement between the City and the successful bidder (s).

QUESTION 1:

Can the Redevelopment Authority (RDA) provide any architectural plans for the building? Any plans or site survey would be helpful in advance of the 11/4 RFQ addendum.

Answer:

The RDA purchased the building in December 2015 in a sale with other buildings and does not have floor plans or architectural plans.

QUESTION 2:

Will the RDA host another tour to allow more detailed measurements of the building?

Answer:

Yes, we are available all day on 11-7-16, in the morning on 11-8-16 and 11-9-16 in the afternoon. Please contact Kathryn Kasper ASAP if interested and a time will be scheduled for interested parties.

QUESTION 3:

RFP mentions existence of a Phase I ESA. Can the RDA provide it and other environmental analysis it has?

Answer:

Yes, we have provided the Phase I ESA as an attachment to this addendum.

QUESTION 4:

Has the RDA conducted any structural assessment of the building?

Answer:

No.

QUESTION 5:

Does the RDA have knowledge on whether the existing water/sewer infrastructure has the capacity to serve a multifamily building?

Answer:

Domestic water service is provided to the building by a 6" service on Marquette Street. Fire service is provided by a 6" service on Water Street that feeds a private main along

vacated Howe Street (alley east of the building). This private main is anticipated to be in poor shape. A new developer would have to eliminate the private water pipe network that may feed other buildings in the neighborhood with fire service. Any subsurface private mains or services will need to be replaced, all the way to up to the service shut off valve in the street. All internal above ground plumbing will need serious investigation and possible replacement. If and when a future water meter is installed in this building it will need to be outfitted with a meter bypass valve system. There is currently no way to service a meter in this building without turning the entire building off. The 8-inch water main in Water Street is slated for replacement with a 12-inch main if the Machinery Row development moves forward. Large diameter sewer pipes exist in the alley way on the east side of the building. These include:

- 60-inch diameter storm sewer
- 54-inch diameter storm sewer
- 39-inch and 60-inch sanitary sewer interceptor
- 42-inch sanitary sewer interceptor

QUESTION 6:

Does the RDA have any knowledge about the water table or water infiltrations issues in the foundation?

Answer:

No known water table or water infiltration issues since RDA has owned the building. However, there have been roof failures and the RDA has made some minor roof repairs.

QUESTION 7:

What is the basis for the RDA's expectation that the property will qualify for historic tax credits?

Answer:

The RDA believes the site could qualify for historic tax credits as part of a larger district (a historic manufacturing cluster, a Case Manufacturing historic district, or a Western Publishing historic district) that has yet to be developed but that the City would participate in developing. We do not believe the buildings, themselves, would qualify as architecturally significant.

QUESTION 8:

Does the RDA have historic photos of the complex it can share?

Answer:

We have one photo that we can include in this addendum. There are more resources at the Racine Historic Museum.

QUESTION 9:

Does the RDA have historical information regarding past use that it can share?

Answer:

The building was used by the J.I. Case Corporation to manufacture plows (thus, the building being named Case Plow Works). Once Case combined their operations to the south side of Racine, Western Publishing (Little Golden Books), used the building for storage. After Western Publishing, we believe the building was used as a Crate and Barrel Store, various storage uses, and most recently as the "Fear Factory" haunted house.

QUESTION 10:

The RFP mentions prevailing wages. In what situations would prevailing wages be triggered?

Answer:

Any use of federal or state funds, or locally shared CDBG or HOME funds would require prevailing wage.

<p>QUESTION 11: Does the RDA have any requirements for MBE/WBE/EBE hiring?</p> <p>Answer: No. However, if local TIF funds were to be used, there may be interest in local hiring practices.</p>
<p>QUESTION 12: Has the RDA conducted a market study for residential units that it can provide?</p> <p>Answer: No. The City is in the midst of approving a contract to conduct a residential and commercial market study, but we do not have any information to share.</p>
<p>QUESTION 13: What is the status of the Machinery Row development? What are the deadlines in the redevelopment agreement?</p> <p>Answer: The development agreement for Machinery Row was recently extended by agreement with the proposed developer, Rodney Blackwell of Financial District Properties, to December 15, 2016.</p>
<p>QUESTION 14: Does the RDA have a preference for market rate or affordable housing?</p> <p>Answer: We would like to see a finished residential development at the site. We do prefer market rate.</p>
<p>QUESTION 15: Can the RDA share names of developers who attended the October 27 tour or had previous walk-throughs?</p> <p>Answer: No. Attendance was not taken at the walkthrough nor has a listing been kept of all inquiries on the property.</p>
<p>QUESTION 16: What are the RDA's expectations for when the selected developer should purchase the property? (for example, is there a maturity date for the financing)</p> <p>Answer: We would expect a due diligence period to negotiate the details of a development agreement and a purchase of the property after the approval of a development agreement. The RDA paid cash for the building, so there is no financing in place for the property.</p>
<p>QUESTION 17: How much did the RDA pay for the property (not including the other parcel involved in the transaction?)</p> <p>Answer: The City paid \$1,000,000 for two properties adjacent to Marquette Street. The value of the two buildings were not delineated in the sale. We would assume that this building is worth more than the other building purchased, so we would estimate the purchase price of the 615 Marquette building to be approximately \$650,000-\$700,000. A copy of the sales report is included.</p>
<p>QUESTION 18: Can the RDA share names of developers who attended the October 27 tour or had previous walk-throughs?</p> <p>Answer:</p>

No. Attendance was not taken at the walkthrough nor has a listing been kept of all inquiries on the property.

QUESTION 19:

Do you happen to know the square footage of the buildings at 615 Marquette?

Answer:

According to tax assessment records, the total area of the buildings is: 193,001 square feet

QUESTION 20:

Can you get Case building zoned in time for Feb. 1 app?

Answer:

Generally rezoning takes 45-60 days.

QUESTION 21:

There were many inquiries to WEDC, we discussed with WEDC and here is the result of that discussion.

Answer:

WEDC would encourage successful respondents to apply for a Community Development Investment Grant (or CDI grant) through WEDC with the City as the applicant.

The CDI grant is for a catalyst project that creates significant economic activity. The grant would fund a commercial/retail portion of any project, such as maker space or private business. It does not fund residential development, but can be part of a mixed-use strategy.

Local government must be applicant, but the money is passed to a private project. \$250K maximum. Last year there were \$1.5M allocated and 13 projects funded.

Can be used in stack of program funding. No Davis Bacon requirements because it's State GPR funding. Contracts must be signed and executed before the project moves forward. Must be tied to a real economic strategy, such as the City's RootWorks Plans or the EPA-funded Area Wide Plans for the RootWorks area.