

OFFICIAL NOTICE NO. 6400

REQUEST FOR PROPOSALS

(Proposals Due by 4:00 p.m., February 19, 2009)

PARK EAST CORRIDOR DEVELOPMENT

MILWAUKEE, WISCONSIN

Block 2 – Park East on the East Side of the Milwaukee River

(also identified as Block 22 of the City of Milwaukee Park East Redevelopment Plan)

Milwaukee County is soliciting proposals for the purchase and development of a vacant County-owned property located in the former Park East Freeway Corridor in the City of Milwaukee. Milwaukee County is seeking a developer or development team (“Proposer”) to purchase and develop the property in a manner that is compatible with and adds vitality to the surrounding neighborhood, complies with the City of Milwaukee Park East Redevelopment Plan (“Redevelopment Plan”), responds adequately to the Milwaukee County Park East Redevelopment Compact and returns the property to the property tax roll.

SUMMARY

Property:

Block 2 of the **Park East Development Plat** east of the Milwaukee River (see **Exhibit A-1** attached). Block 2 comprises Lot 1, which is approximately 39,704 square feet, Lot 2, which is approximately 53,400 square feet, and a proposed North/South alley approximately 6,551 square feet for a total of approximately 99,655 square feet. The legal description used to convey the property will reflect the Final Park East Development Plat east of the Milwaukee River, adopted by the City of Milwaukee Common Council and the subsequent title commitment.

Prime frontage on North Milwaukee Street, North Water Street, North Broadway Street and East Ogden Avenue. The property has a sloping topography with an elevation drop from North Milwaukee Street to North Broadway/Water Streets. An approximate topographical map is attached as **Exhibit A-2**.

The proposed North/South alley depicted on the enclosed plat and Redevelopment Plan is included in the purchase price and may become a part of any proposed development, as the City of Milwaukee has not recorded the plat.

The rock pile located on Block 2 is limestone spoil generated from a Milwaukee Metropolitan Sewerage District tunnel project. It will be included with the sale of Block 2.

*Property
History:*

The subject property is located within the former Park East Freeway Corridor. The elevated freeway structure that existed within the Park East Corridor was razed and replaced with an at-grade, six-lane boulevard (West McKinley Avenue) and a new bridge across the Milwaukee River. Removal of the freeway structure allowed for the reestablishment of the city street grid and opened up the land beneath and around the freeway corridor for redevelopment as a high quality residential, commercial and entertainment area. This property along with other properties within the former Park East Freeway Corridor was under the jurisdiction of the State of Wisconsin, Department of Transportation.

*Minimum Price
(Block 2)*

\$ 3,200,000 (\$ 32.11/ft)

No brokerage fee will be paid by Milwaukee County.

*Development Code/
Zoning:*

The Property is located within the Park East Renewal Area, and is governed by the Redevelopment Plan, adopted by the City of Milwaukee Common Council on June 15, 2004. The Redevelopment Plan consists of three documents:

- The **Renewal Plan**, that contains language that satisfies the state statutes in order to carry out the renewal activities within the Park East Redevelopment project boundaries.
- The **Master Plan**, that links the Redevelopment Plan to the Milwaukee Downtown Plan.
- The **Development Code**, that defines land use and design standards.

The Redevelopment Plan includes a Development Code that defines permitted land uses and physical design standards such as building placement, height, build-to lines, and street-edge treatment. Relevant portions of the Development Code pertaining to Block 2 are attached to this Request For Proposals as **Exhibit B**.

The Redevelopment Authority of the City of Milwaukee must approve all development plans before building permits can be issued. The approval hinges on conformance with the standards enumerated in the Development Code.

The full Development Code and Redevelopment Plan are available on-line at www.mkedcd.org/parkeast. Block 2 is located in the Upper Water Street District. It is the responsibility of the Proposer to review and understand the three documents prior to submitting a proposal. Questions about the Development Code may be directed to Ms Allison Rozek at the Department of City Development of the City of Milwaukee, (414) 286-5693.

The property is zoned C9B(A). This zoning category allows for a mix of uses including residential, retail, office, and entertainment. A full list of permitted uses is identified in the Redevelopment Plan.

Potential Use:

The land use provisions and building/site requirements described in the Redevelopment Plan are applicable to all publicly and privately owned parcels and structures located within the Redevelopment Plan boundary. All permit applications and plans for new construction within the area of the Redevelopment Plan will be referred to and reviewed by the Redevelopment Authority of the City of Milwaukee to determine conformance with the Redevelopment Plan. Parking to serve the proposed development will be in the form of a parking structure with ground level, non-parking uses. Shared parking among uses that have non-overlapping, peak parking demands (such as nighttime and weekend entertainment activities) is encouraged.

Utilities:

Municipal sewer and water is available to the Property. It is the responsibility of the Proposer to verify with the City of Milwaukee the location and capacity of the utilities necessary to serve the proposed development. The existence and/or suitability of laterals are the responsibility and obligation of the Proposer. Deferred assessments and/or charges/fees on the Property, if any, shall be the financial obligation of the Proposer.

*Environmental
Conditions:*

Independent Phase I & II Environmental Site Assessments (ESA) have been conducted on the subject property. The environmental information for Block 2 is included in **Exhibit C-1 and Exhibit C-1a**.

*Subsoil
Conditions:*

The Property was part of the former Park East Freeway Corridor and contained above and below grade freeway structures. Demolition of the elevated freeway structures included the partial or complete removal of the below-grade freeway support elements and related infrastructure (except piles). The City of Milwaukee, Department of Public Works managed the demolition of the elevated freeway structures as well as the removal of the below-grade freeway support elements and related infrastructure. For specific information regarding the freeway demolition contact Mr. Mike Longhran in the City Department of Public Works at 414-286-2451.

Prior to the existence of the freeway, the Property contained various buildings and/or structures (see **Exhibit D** attached). Therefore, the Property may contain foundations, building materials, and/or various debris from the previous demolition and any remaining freeway support elements or related infrastructure. The Proposer is responsible for and must make adequate allowance for all excavation and disposal costs necessary for their particular project proposal. Milwaukee County has no information regarding the bearing capacity of the soil and the Proposer accepts the Property in “as-is” condition. After the selection of a proposal, a right of

entry permit will be made available from Milwaukee County, upon request, to conduct subsoil investigations at the Proposer's expense.

*Storm water
Management
Plan:*

For any property that exceeds one acre, the Proposer will be required to submit a stormwater management plan prepared by a registered engineer, in conformance with Chapter 120, City of Milwaukee Code of Ordinances. See www.mkedcd.org/build/pdfs/stormwat.pdf for more information.

*Conveyance
Conditions:*

Conveyance of the Property shall be "as-is" without warranty as to soil, subsoil and environmental conditions. Proposer shall be responsible for all property development costs, including, but not limited to, extension of water and sewer laterals to the property line, vacation charges or fees, if any, deferred assessments, if any, and the replacement of sidewalks and curb cuts. Sale of the Property will be subject to the Proposer commencing and completing the construction of the proposed development pursuant to the development schedule submitted by the Proposer and approved by Milwaukee County

In the event the Proposer fails to comply with the excavation commencement and completions dates, Milwaukee County shall have the option to repurchase the property and the Proposer agrees to re-convey the property by Warranty Deed, free and clear of all liens, encumbrances, taxes, assessments and the rights of others, except those in existence, if any, prior to the conveyance of the property to the Proposer. **This condition shall be incorporated in the deed conveying the property and shall be binding on the successor owners, heirs, and/or assigns of the Grantee.**

*Performance
Deposit:*

The Proposer shall submit to Milwaukee County, at or prior to closing, a Performance Deposit ("Deposit") or Bond in the amount of the \$50,000.00. The Deposit/Bond shall serve as security for the satisfactory performance of the obligations and commitments outlined in the Proposer's proposal approved by the Milwaukee County Board of Supervisors and County Executive, this Request for Proposals, the Development Agreement and as a guarantee for the completion of the development approved by the City of Milwaukee. No interest will be paid on the Deposit.

*Park East
Redevelopment
Compact:*

Milwaukee County Board Resolution File No. 04-492, (see **Exhibit E** attached), established the Park East Redevelopment Compact (PERC) for the sale and development of the County-owned land within the former Park East Freeway Corridor. The policy direction created through the PERC was adopted to pursue the "goal of providing additional sustainable community benefits" from the sale and development of the County-owned land.

The Proposer will be required to comply with the “Disadvantaged Business Enterprise (DBE)” section of the PERC (lines 82-86 of Exhibit E). The DBE participation goal is 25% of the project’s construction budget and 17% for the project’s professional services non-construction budget. Each proposal shall outline the Proposer’s percentage DBE participation goal of their project’s construction budget and the professional services non-construction budget. As part of the preparing a proposal, the Proposer shall discuss with each Disadvantaged Business Enterprise their role in the project and what percent participation of construction or professional service they will provide, including estimated compensation for their services.

Documentation of the Proposer’s good faith effort to satisfy or exceed this utilization percentage must be made to the Community Business Development Partners (CBDP) office prior to closing. For more information please contact the County CBDP office at 414-278-5248.

The Proposer must also meet the requirements of the “Prevailing Wages & Employment Data” section of the PERC (lines 111 – 119 of Exhibit E). The Proposer must address the other sections of the PERC outlined in the PERC Commitments section on page 7 of this Request for Proposals.

Development Agreement:

Proposer will be required to enter into a Development Agreement (**see Exhibit F**), as part of the Property closing that includes but is not limited to, the content, commitments/obligations and schedule of the approved development project by Milwaukee County and the City of Milwaukee, the Park East Redevelopment Compact commitments within the proposal approved by the Milwaukee County Board of Supervisors and County Executive and the DBE utilization plan.

Proposal Deadline:

Proposals must be received by **3:00 p.m. on Thursday, February 19, 2009** in the office of the Milwaukee County Clerk, 901 North 9th Street, Milwaukee, Wisconsin, Room 105 (Office hours are 9AM-4PM Monday – Friday).

Approval/Grant of Option:

Upon approval of a Proposer and a proposed development by the Milwaukee County Board of Supervisors and the County Executive, the Proposer will be granted a nonassignable twelve (12) month option to purchase on the Wisconsin Department of Regulation and Licensing form WB-24 (sample attached as **Exhibit G**). The option period shall be used by the Proposer to satisfy or obtain any or all purchase and development requirements, approvals or licenses/permits from the City of Milwaukee and /or other regulatory agencies. Proposer shall exercise the option on or before the expiration of the twelve-month option period and close the purchase within thirty (30) days thereafter. The selected Proposer shall pay a \$60,000 option fee in the form of a certified cashier’s check or money order for the twelve-month option period. The \$60,000 option fee shall be

credited against the purchase price at closing. The developer shall, at its option, be granted two additional six (6) month extensions after the initial twelve-month option period. The developer shall pay an option extension fee of \$25,000 for each additional six-month extension. The purchase price of the subject property shall increase by \$12,500 for each additional six-month extension. The option fees paid for any additional six-month extension(s) shall be credited toward the increased purchase price at closing.

Any extensions beyond the twenty-four (24) month option period shall be at the discretion of the County Board and County Executive based on the reasons expressed by the developer for requesting the extension. The calculation of the time value of money using the purchase price, the duration of the option, and appropriate market rate of return shall be utilized to establish the option extension fee. Whether the option extension fees paid are credited against the purchase price or increase the purchase price shall be decided at the time the extension request is made by the developer.

In the event the developer does **not** exercise the option and finalize the purchase of the subject property, 100% of all option fees paid will **not** be refunded.

Property Closing:

Closing the sale is contingent upon the completion to the satisfaction of Milwaukee County of the following items:

- Approval of the project design by the City of Milwaukee. Said design shall be consistent with the proposal approved by the Milwaukee County Board of Supervisors and County Executive.
- Project financing satisfactory to Milwaukee County.
- Permit issued by the City of Milwaukee to commence the project.
- Approved and signed Development Agreement between the Proposer and Milwaukee County.

PROPOSAL CONDITIONS/REQUIREMENTS/INSTRUCTIONS

The proposal submitted under this Request for Proposals shall include, but not necessarily be limited to the following:

Qualifications

Identify the corporate identity, ownership type, individuals and/or development team submitting the proposal and summarize the expertise, background and experience they possess to complete the proposed development. Describe any comparable development projects completed by the individuals and/or development team. **Proposer shall include within the proposal a written acknowledgement signed by all project team members that they understand their specific role and participation in the proposed project**

Purchase price The price being offered for Block 2 comprising Lots 1 & 2 of Block 2, with consideration given to the minimum price noted on page 2 herein. If the proposed project incorporates the North/South alley please increase the purchase price by an amount attributable to the alley square footage (6551 square feet) times the square foot rate offered for Block 2.

Project Description A project narrative indicating the type and/or mix of the development being proposed, the compatibility of the proposed development with the immediate neighborhood and how the development will enhance the neighborhood. The proposal should outline the financing strategy and demonstrate project feasibility, along with budget and project income expectations (including estimated rents, unit sales prices, etc). The proposal should include sketches, building elevations, preliminary/conceptual architectural plans, type of construction and building materials to be used. Describe any unique design elements or other features that make the proposal a signature or landmark development. Provide a summary of the marketing plan for the elements, i.e. retail, office, residential, parking, etc. of the development to support the economic feasibility of the proposed project. Colored three-dimensional renderings are recommended to support the project description.

Site Plan Preliminary plan(s) depicting building areas, open/green spaces, parking, pedestrian and vehicular circulation, site ingress/egress, site landscaping and street-scaping.

Project schedule Estimated schedule of the proposed development, including but not limited to the excavation commencement and completion dates and the completion date of the entire project. Please consider the approval schedule of the development by the City of Milwaukee when preparing the project schedule.

PERC commitments Each proposal shall outline the Proposer’s intent to satisfy the PERC commitments defined in the “Prevailing Wages and Employment Data” and the “Disadvantaged Business Enterprise” sections of **Exhibit E** (lines 111-119 and 82-86 respectively). Each proposal shall also outline if and how it will include the other components of the PERC, specifically:

Enhanced Apprenticeship & Training	lines 88 – 92
Local Employment & Coordination	lines 94 – 109
Affordable Housing	lines 121 - 127
Green Space & Green Design	lines 129 – 132

Estimated Project Cost Estimated itemized project cost, both hard cost and soft cost, (including developer’s fees, if any) and estimated total cost of the project at completion, in year 2009-dollar amounts.

It is strongly recommended that the submitted proposal include a table of contents and categorizes, tabs, and indexes the above stated items (and any additional items added by the Proposer) in an orderly manner for easy referencing and evaluating by those who will be reviewing the proposal.

PROPOSAL SUBMITTAL/CHANGES/CONTACT INFO/INFORMATIONAL MEETING

Submission Please send or deliver fifteen (15) complete copies of your proposal marked **Official Notice No. 6400** by the **3:00 p.m., Thursday, February 19, 2009** deadline to:

Milwaukee County Clerk
901 North 9th Street, Room 105
Milwaukee, WI 53233
(Office hours are 9AM to 4PM Monday – Friday)

Proposals not received by this deadline will not be considered and will be returned unopened.

Changes and Clarifications

Any changes or clarifications to this Request for Proposals will be posted on the Request for Proposals website at:

www.county.milwaukee.gov/ParkEastRFPblock2

Pre-Submittal Informational Meeting

A Pre-Submittal Informational Meeting will be held on Wednesday, December 17, 2008, from 1:30 to 2:30 PM at 2711 West Wells Street, Room 590, Milwaukee, Wisconsin. Parties interested in submitting a proposal for Block 2 are encouraged to attend this meeting. Representatives from Milwaukee County will be present to answer questions. A summary of the questions and answers from this session will be posted thereafter to the www.county.milwaukee.gov/ParkEastRFPblock2 website.

Contact Information

Contact personnel and information are listed on the attached **Exhibit H**. Questions regarding this Request for Proposals or the Pre-Submittal Informational Meeting should be directed to Mr. Craig C. Dillmann, Manager of Real Estate Services, Milwaukee County at 414-278-4371 or cdillmann@milwcnty.com.

Questions regarding the Redevelopment Plan, potential land use, right of way matters, zoning, utilities, or other city development issues/approvals should be directed to Ms Allison Rozek at Allison.Rozek@mkedcd.org or 414-286- 5693 in the Department of City Development of the City of Milwaukee.

All proposals submitted are the property of Milwaukee County and will not be returned. Portions of a proposal that are deemed proprietary please mark items as such. Milwaukee County will honor confidentiality requests to the extent possible.

PROPOSAL EVALUATION AND SELECTION

Proposals generally will be evaluated based on the following criteria:

- The aesthetic quality, design, mix and architectural compatibility of the proposed development, including the type and quality of building materials, the extent of landscaping and the extent to which the proposed development enhances the surrounding neighborhood.
- Compatibility of the proposed use with the adjacent land uses and compliance with the City of Milwaukee Redevelopment Plan, the associated Development Code, and the City of Milwaukee Zoning Ordinance.
- The purchase price (consider minimum purchase prices as indicated on pages 2 and 6 herein), estimated itemized project cost, both hard and soft, estimated total project cost, development schedule, and projected tax base increment (The objective of this Request for Proposals is to return the property to the Property tax roll).
- Feasibility of the project financing plan/package.
- The capability (including financial) and experience of the Proposer to complete the proposed development.
- The extent to which the Proposer addresses the PERC commitments including but not limited to, the DBE utilization percentage goals proposed for the development
- Clear, organized, and concise presentation of the proposed project (table of contents with tabbed sections in the proposal).
- Overall responsiveness to the requirements of the Request for Proposals.

After the proposal has been submitted and received by Milwaukee County no changes shall be made to the proposal unless requested by Milwaukee County to clarify or amplify particular aspects of the proposal.

Milwaukee County reserves the right to accept or reject any or all proposals for any reason at its sole discretion; and/or to discuss/negotiate the terms and conditions of a submitted proposal with a Proposer or the selected Proposers; or to request additional information or documentation concerning a submitted proposal.

The content of this Request for Proposals is for informational purposes only and the representations made herein, though thought to be accurate, are without warranty. Proposers shall rely exclusively on their own investigations and analyses.

Pursuant to adopted County Board Ordinance 9.05(2)(1) no person(s) with a personal financial interest in the approval or denial of a contract (proposal) being considered by a County department or with an agency funded and regulated by a County department, may make a campaign contribution to any County official who has approval authority over that contract during its consideration. Contract consideration shall begin when a contract is submitted directly to a County department or to an agency until the contract has reached final disposition, including adoption, County Executive action, proceedings on veto (if necessary) or departmental approval. This provision does not apply to those items covered by Section 9.15 (honorariums, fees, and expenses) unless an acceptance by an elected official would conflict with this section.