

# Uptown Redevelopment Opportunity



## Racine, Wisconsin - A Request for Proposals

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Do you want to be part of the Uptown Arts District? If so, the Redevelopment Authority of the City of Racine (RDA) wants you to purchase and redevelop the commercial building at 1418-1422 Washington Avenue, a prominent site in Uptown. You'll also be part of the Uptown Business Improvement District (BID), the Uptown Improvement Plan and within the "Create Uptown Racine Arts District". "Create Uptown Racine" is

dedicated to bringing new life to the historic Uptown neighborhood and enrich all of Racine.

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## **ASKING PRICE**

One dollar (\$1.00) plus the commitment through a development agreement as a condition of sale to renovate the building, including renovating the façade according to the façade rendering completed by Hartmann Design, Inc. dated February 6, 2009 (Attachment #1).

The selected developer will be required to complete the first story façade in accordance with the said rendering. Developer may select Scheme A or B.

No brokerage fees will be paid. The property will be sold “as is.”

## **PROPERTY**

The two-story masonry building – constructed in approximately 1900 – has 5,280 square feet of gross area. The building has 50 feet of frontage on Washington Avenue. The land area is approximately 2,400 square feet with a zero setback.

The area surrounding the property is commercial, industrial and residential. The business district is within a short distance to several of Racine County’s largest employers such as SC Johnson, Twin Disc, Modine, Pioneer Products and many others as highlighted within the attached Economic Profile (Attachment #2).

The Redevelopment Authority of the City of Racine acquired the property in December 2007 for the purposes of preventing its further physical deterioration, preserving the building façade, and fostering the redevelopment of the Uptown commercial district. The rehabilitation of the upper façade was completed in May 2010.

## **ENVIRONMENTAL IMPLICATIONS**

The RDA has not performed environmental investigations on the property. The buyer will be required to complete its own due diligence.

## **PROPERTY USE**

RDA is seeking a commercial development that

- Positively impacts the Uptown district and the surrounding neighborhood
- Encourages pedestrian traffic
- Creates and/or retains jobs
- Increases the City tax base
- Is fully taxable

Uses are subject to the current zoning -- B-2, “Community Shopping”, (Section 114-466, et seq., Racine Code of Ordinances), a district that provides for a wide range of uses

and structure sizes. The district specifically allows residential use above the first floor. Because the property is within a commercial district served by municipal parking lots, uses are not required to provide on-site parking.

Check the City's zoning code for more specific uses and development regulations at [www.cityofracine.org](http://www.cityofracine.org). Click on Municipal Code under Hot Links.

The RDA will prohibit the following uses through the development agreement:

- All tax-exempt uses
- Tattoo parlors
- Shops selling used and second-hand goods, including clothing, but antique stores, selling goods at least 50 years old, are allowed
- Pay day loan establishments and other "convenient cash" businesses
- Rent-to-own stores
- Fire arms dealers
- Taverns
- Shops in which 50% or more of the retail floor area is used for retail sale of alcoholic beverages
- Shops in which 50% or more of the retail floor area is used for retail sale of tobacco products or smoking accessories.

## **PROPERTY REDEVELOPMENT**

Exterior rehabilitation must meet the attached standards within the Uptown Development Review Overlay District (Attachment #3). The façade rendering by Hartmann Design, Inc. has been reviewed and approved by the design review committee. Any changes from the approved design will need committee approval.

## **PROPERTY SHOWING**

Two showings are scheduled as follows:

Thursday, July 15<sup>th</sup>, 10:00 A.M. to 11:00 A.M.

Tuesday, July 20<sup>th</sup>, 3:00 P.M. to 4:00 P.M.

No private showings will be scheduled.

## **PROPOSAL PROCESS**

The RDA is seeking a qualified individual/group to develop a conceptual plan, budget and timeline and related matters as set forth below. Additionally, the RDA seeks a development proposal that is consistent with the Uptown Improvement Plan as amended to include the Artist Relocation Program. Check out [CreateUptownRacine.com](http://CreateUptownRacine.com).

Responses should be organized in a manner that allows for complete review of each project element. Conciseness in the descriptions will be favorably regarded. If you regard any part of the proposal as proprietary information and wish it to be kept confidential, please specifically identify.

- Project Summary should be clearly state or discuss:
  - Proposed use and its contribution to the Uptown District and surrounding neighborhood
  - Buyer and development team; address the team's experience with urban redevelopment and building rehabilitation, including examples of past projects, statements of financial condition and list of references
  - Proposed tenants (or user), rent range and lease-up schedule
  - Property management intentions
  - Project budget; detailed rehabilitation and site costs (hard and soft costs) and identify the source for cost estimates
  - Estimated market value of development both upon completion and upon fully leased
  - Financing strategy and your ability to obtain funds; include a letter of interest from a financial institution
  - Pro-forma income and expense analysis for property operation if possible
  - Business plan if the use will be a start-up business
  - Market feasibility study (if available);
  - Job retention and/or creation
  - Sustainable or "green" elements
  - Project schedule from approval through rehabilitation and occupancy
  - Where appropriate, description of proposes exceptions or deviations from the Request for Proposal document
  
- Preliminary architectural plan. The plans should be scaled and identify materials.
  - Building elevations must include the façade rendering by Hartmann Design, Inc. dated February 6, 2009 (Attachment #1) and proposed modifications, if any.
  - Building floor plan must show the proposed allocation of space to specific uses and facilities within the building, access and egress, etc.

## **REVIEW & SELECTION**

The following criteria will be used to review the proposals:

- Contribution of the proposed use and prospective occupants to the Uptown District
- Consistency with the Uptown Improvement Plan, as amended
- Pedestrian activity generated by the use and minimization of traffic impacts
- Project costs and reasonableness of projections
- "As completed" value of development
- Tax base to be generated
- Financial capacity of the buyer/developer and soundness of the financing strategy

- Quality and thoroughness of the business plan (if applicable)
- Amount of job creation and/or retention
- Expertise of and experience of the development team with urban redevelopment and building rehabilitation
- Extent of sustainable or “green” elements
- Timely project schedule

Finalists may be interviewed before the proposal is presented to the RDA for approval.

## **OPTION PERIOD & CLOSING**

The selected buyer will have six months commencing with RDA approval to obtain final rehabilitation plans and firm financing. A closing will occur once all project elements are in place – final plan approval, building permits and financing. The buyer will be expected to finish all work within twelve months. RDA will convey by Quit Claim Deed.

## **FINANCIAL ASSISTANCE**

The Business Lending Partners (BLP), a division of Racine County Economic Development Corporation (RCEDC) has several business financing tools for commercial properties. BLP lends money to businesses in conjunction with conventional financing and the owner’s equity. More information is available at [www.businesslendingpartners.org](http://www.businesslendingpartners.org).

The following are also excellent resources for providing information on starting, financing and managing a small business:

Wisconsin Women’s Business Initiative Corporation: [www.wwbic.com](http://www.wwbic.com)

Community Economic Development Corporation: [www.cedcoracine.org](http://www.cedcoracine.org)

Racine County Small Business Development Center: [www.wisconsinsbdc.org](http://www.wisconsinsbdc.org)

It should be noted that given the sale price of this property, the property is not eligible for the City’s Façade Grant Program.

## **RDA POLICIES**

Proposal will be rejected from any party (as an individual or as part of an entity) who:

- Has delinquent real or personal property taxes in the City of Racine
- Has had property acquired by the County of Racine through tax-foreclosure within the previous five years
- Has an outstanding judgment from the City of Racine
- Has outstanding health or building code violations or orders from the City’s Health Department or Building Inspection Department that are not actively being abated
- Has been convicted of a felony that causes concern with respect to neighborhood stability, health, safety or welfare

- Has outstanding offers to purchase or uncompleted performance on a RDA or City sale except upon approval of the RDA Executive Director based on history of performance

Tax and court records will be checked prior to closing. If any of these conditions are found to exist, RDA may terminate the Option to Purchase or Agreement for Sale.

### **OTHER APPROVALS**

Buyer is solely responsible for obtaining approval for a Conditional Use Permit or zoning variance for uses or development requirements that are not expressly permitted by the zoning code.

### **SPECIAL NOTE**

Unauthorized contact regarding this RFP with any RDA Staff, other City policy staff, personnel, or Department of City Development representative may result in disqualification. All questions should be directed to Kristin Niemiec at 262/898-7404 or by email at [kniemiec@racinecountyedc.org](mailto:kniemiec@racinecountyedc.org)

RDA reserves the right to reject any and all proposals for any reason at its sole discretion, to negotiate the terms and conditions of the eventual contract with the developer awarded the purchase and development rights, and to impose additional use restrictions, if necessary.

The contents of the packets are for informational purposes only and the representations made herein, though thought to be accurate, are without warranty. Development teams should rely exclusively on their own investigations and analyses.

The property is within the Uptown business improvement district, a special assessment district. For budgeting purposes, prospective developers should estimate the special assessment at \$2.20/\$1,000 of assessed property value.

### **Ten (10) copies of your Proposal should be submitted to:**

Kristin Niemiec, Community Development Manager  
Racine County Economic Development Corporation  
2320 Renaissance Boulevard  
Sturtevant, WI 53177

All questions should be directed to Kristin Niemiec at 262/898-7404 or by email at [kniemiec@racinecountyedc.org](mailto:kniemiec@racinecountyedc.org). All ten (10) copies of the Proposals must be received by August 17, 2010 no later than 4:00 p.m. and shall indicate on the sealed envelope “**Development Proposal – Uptown**”.