

REQUEST FOR PROPOSALS (RFP)

For the purchase of and redevelopment of buildings located at
619/23 & 625 Main Street, Keokuk, Iowa

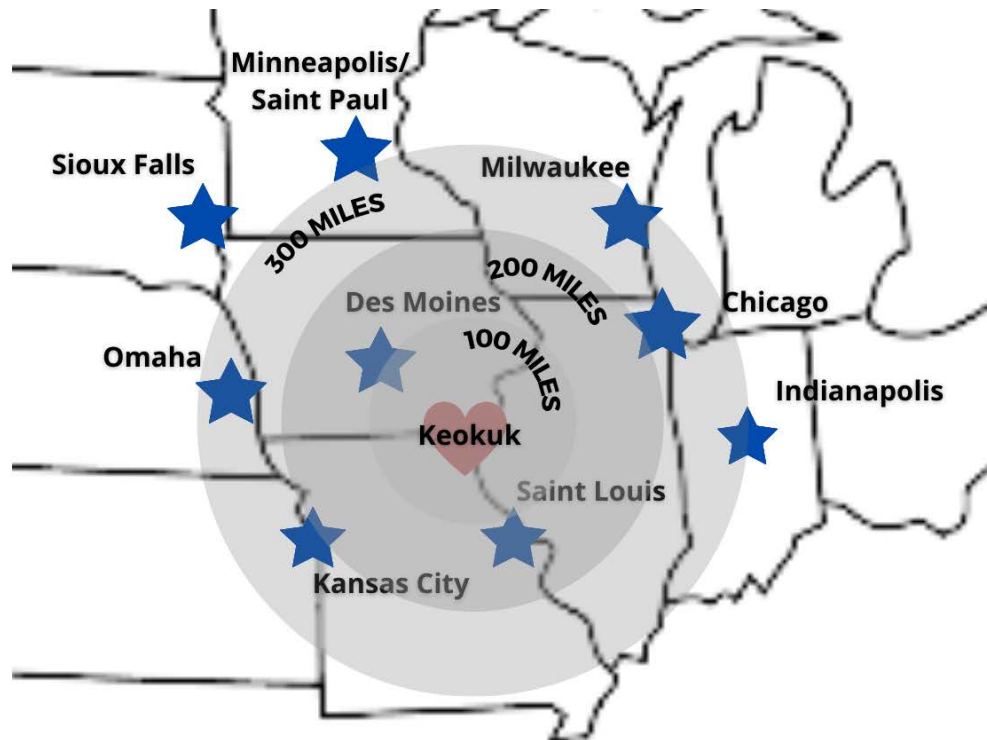


Release by City of Keokuk, September 2, 2022

1. About Keokuk

Keokuk, Iowa (population 9,900) is a community at the confluence of the Mississippi and Des Moines Rivers and is one of two county seats in Lee County (population 33,555). The community has a uniquely rich and colorful history full of cultural and commercial significance. Keokuk's proximity to both Illinois and Missouri has allowed it to become the regional center for commerce serving a potential regional labor force of 266,475. Keokuk has a strong industrial base of Agribusiness & Food Processors, as well as Manufactures & Advanced Technology. The community offers a wide variety of amenities, and a host of major metropolitan areas are just a short drive away, as illustrated below. Main Street Keokuk is undergoing a renaissance, with a focus to rehabilitate existing commercial and residential structures as well as build appropriate new infill development. Since the beginning of 2015, the district has seen \$8.8 million in private investment and 25 new business starts, relocations, or expansions. The City of Keokuk is also investing time and money into the rehabilitation of downtown buildings with a focus on market rate residential units. Continue reading below to learn how you can help continue this trend of Main Street Keokuk redevelopment.

Map:



2. Recent Awards, Findings, and Projects

Award winning Keokuk 2030 Comprehensive Plan

Keokuk completed this community wide effort and plan in the summer of 2018. The strength of this plan is the collaborative effort in the creation and implementation of specific goals and strategies to move community and economic development efforts forward in Keokuk. This collaborative effort is led through active partnerships between the City of Keokuk, Keokuk Area Chamber of Commerce, Main Street Keokuk Inc., Keokuk Economic Development Corporation, and Keokuk Area Convention and Tourism Bureau.

Iowa Initiative for Sustainable Communities Community Partner 2019-2020

Keokuk was selected as the 2019-2020 Community Partner of the Iowa Initiative for Sustainable Communities (IISC), a faculty and student engaged-learning program of the University of Iowa. Over 150 faculty and students connected with government institutions, community and economic development entities, and community organizations to complete 24 projects in and around Keokuk. The majority of projects were selected from the 2030 Keokuk Comprehensive Plan, resulting in detailed studies, area plans and researched recommendations providing more guidance for focused implementation of the Comprehensive Plan. One of these projects was completed by a Senior Design Capstone course of Civil & Environmental Engineering students that were tasked with conducting a structural analysis of the buildings and completing a restoration design, with the goal of future commercial use on the first floors of the properties and residential uses on the upper stories. This document will be found in the box folder under the About the Building Sections.

Rural Housing Readiness Assessment Grant Recipient

Keokuk was awarded the Rural Housing Readiness Assessment (RHRA) Grant administered by the Iowa Economic Development Authority's Center for Rural Revitalization in consultation with the Governor's Empower Rural Iowa Initiative Task Forces and Iowa State University Extension and Outreach. In 2021 the RHRA process was completed, this included the establishment of Keokuk Housing Committee to participate in workshops in order to assess the development environment and create a Housing Action Plan to enact changes resulting in the creation of policies and procedures attractive to potential developers. The Keokuk Housing Committee meets regularly to advance the Action Plan, selecting the 600 Main Properties as the first large redevelopment effort.

Housing Needs Assessment Shows Strong Demand

Maxfield Research and Consulting completed the Lee County Housing Needs Analysis in December of 2017. The study found demand for 415 general-occupancy rental units in Lee County through 2025, roughly 225 units of which are market rate units. The study findings also showed that there was a 4.2% vacancy rate in the existing general-occupancy rental market in Lee County. However, due to the abundance of older product and success of new properties, they found that newer rental units could be added to satisfy demand from turnover households desiring updated product in addition to also accommodating employers working in the area, estimating 10% to 20% of the total demand for new rental housing units in Lee County will come from people currently living outside of one of the three submarkets.

3. About the 600 Main Buildings

Property Address: 619 Main Street

Parcel ID 044521254150040

Brief Legal: KKK Easterly 14' OF lot 8 & Westerly 29.42' OF lot 9 BLK 94

Lot Dimension: 43'.70" x 140'

Building 2 Story, 2795 sq. ft., basement 2795 sq. ft.

Add'n 1 1 story, 3225 sq. ft., basement 3225 sq. ft.

Add'n 2 1 story, 40 sq. ft.

Former Use: 619 is believed to have been constructed between 1877 and 1879. It briefly housed a jeweler, Julius Renaud, and a piano and organ tuner, T.J. Phillips. Then through the early 1900s it was a bakery, confectionery, and ice cream store, becoming and remaining a Grocery till midcentury.

McLaughlin's Auto Supply was established in 1954 and operated till the late 1980s. Between 1990 and mid 2010s the building operated as a dollar store, furniture & appliance store, and pawn shop. The building has been essentially vacant since the city acquired it in 2017 using Iowa Code 657A.

Property Address: 623 Main Street

Parcel ID 044521254150030

Brief Legal: KKK Easterly 21' 5 1/7" of Westerly 35' 8 4/7" of Lot 8, Block 94

Lot Dimension: 21'.43" x 140'

Building 3 Story, 1950 sq. ft., basement 1980 sq. ft.

Add'n 1 2 story, 2200 sq. ft., basement 1100 sq. ft.

Add'n 2 1 story, 30 sq. ft.

Former Use: 623 is believed to have been constructed between 1877 and 1879. It began as C.S Pond, a business of eggs and butter. In short time, the next-door jeweler and piano and organ tuner moved in, operating as a cooperative store, overtime housing additional businesses including a dressmaker, the Constitution Democrat, a grocery, shoe-shining, and stationery store to name a few. From the mid-1920s to 1950 the building operated as the Nifti Thrift and Doctors' offices and then housed several stockbrokers through early 1970s. The last known single tenant was Newsland who operated through the late 1990s. It is assumed during this time, 619 and 623 were combined into one building and operated as a dollar store, furniture & appliance store, and pawn shop. The building has been essentially vacant since the city acquired it in 2017 using Iowa Code 657A.

Property Address: 625 Main Street

Parcel ID 044521254150180

Brief Legal: Original City of Keokuk, Southeasterly 6' of lot 7 & Northwest 14.29' of lot 8, Block 94

Lot Dimension: 20'.29" x 140'

Building 3 Story, 1890 sq. ft., basement 1890 sq. ft.

Former Use: 625 is believed to have been constructed between 1877 and 1879. It began as a wholesale liquor store for the first ten years and later housed a dressmaker and a cigar shop. From 1903 through 1914 it was home to Cameron, McManus, Joyce & Co., marblework's. Up through the rest of the century the building also housed; Lowenstein Pianos, Brown Billiards, Huiskamp & Sons Shoes, Mt Vernon House of Flowers and Lee County Abstract and Company. From the early 1990s forward there have been

short lived business ventures, however no consistent business operations. The 625 Main Street property was acquired by the city in 2018 using Iowa Code 657A.

Zoning: C-3, Central Business District

City Redevelopment Project Area: Downtown Urban Renewal District

Preferred Uses: The city seeks a developer to acquire and rehabilitate the properties resulting in market rate upper-story residential units and ground floor commercial space. The City has applied for and will make available to the developer grant funds and incentives to complete the project.

Condition: A structural analysis was completed by students in the Civil and Environmental Engineering program at the University of Iowa in the capstone design class. All members are in their fourth year of study as civil engineering students. Engineering students were tasked with conducting a structural analysis of the buildings and completing a restoration design, with the goal of future commercial use on the first floors of the properties and residential uses on the upper stories.

Please Note: The following paragraph is a description of the condition of the buildings. The stated improvements are required in the grant funding and shall be component of the submitted proposal. The buildings, constructed in the 1870's, have structural damage due to fire, water infiltration and pest. The façade on 619/23 is experiencing some deflection of the front north facing wall due to the weight and bending movement of the metal façade that was attached post original construction. The first objective of the design is to seal the structures from further damage. This involves water drainage in the basements and roof repair to stop water leaks. The façade of 619 Main St must be reconnected to the main structure using a tie-back. All windows will be replaced to eliminate further pest and insect damage. Next, all failing structural elements will be replaced. This includes the 3rd floors of 623 and 625 Main St. The back portion of the 1st and 2nd floors of 623 Main St and any beams or girders with substantial rot or termite damage will also be replaced. The brick arch over windows in 625 Main St will be repaired from the fire damage and creep. The bearing wall on the 2nd floor of 619 Main St will be enhanced to counteract the signs of failure currently shown in the brick. The roofs will be rebuilt with a small slope to control the drainage of water from the roofs and a gutter system with a downspout will be installed to control the drainage. The estimated cost of the project that is included in the document from the engineering students was updated as part of the grant submission, which can be found in the link for attachments below.

Attachments:

The following items can be downloaded from:

https://drive.google.com/drive/folders/1uwQ3_7S5prfBl40fKJxnK8ToifIRIi1

Asbestos and Lead Based Paint Survey

County Assessor's Report

Photo's

Zoning Map

2018 Lee County Housing Needs Assessment

Structural Review (please see: Keokuk Downtown Historic Building Restoration Engineering & Design)

City Comprehensive Plan

Current Floor Plans & Renderings

Urban Renewal Area Map

Zoning Ordinance (Title 20 – Zoning)

Grant applications submitted

4. Touring the Site and General Inquiries.

Potential respondents may have questions about the RFP or may want to around for tours of the building. This can be done by contacting Pam Broomhall or Kira Kruszynski at the contact information below.

Pam Broomhall Community Development Director City of Keokuk 501 Main Street Keokuk, IA 52632 pbroomhall@cityofkeokuk.org 319-524-2050 ext. 2209	Kira Kruszynski Executive Director Main Street Keokuk, Inc. 511 Blondeau Street, Suite 3 Keokuk, IA 52632 director@mainstreetkeokuk.org 319-524-5056
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5. Required Proposal Contents

The information requested below is necessary for the City of Keokuk to adequately evaluate all submitted proposals. Failure to supply this information may result in rejection of your proposal.

- Cover page that includes the following information:
- Company/individual name, mailing address, and website
- Developer’s current legal status (Corporation, LLC, etc.)
- Primary contact person’s name, title, phone number, and e-mail address
- Listing of other partnering organizations or key individuals

- A detailed description of the proposed project for the 600 Block of Main buildings including items listed in the table below. Proposals shall include both upper story residential and ground floor commercial elements.

For Residential or mixed-use element	For Commercial, office or retail element
Estimated number of units (min. of 10) and sq. ft. per unit (number of bedrooms and bathrooms)	Description of uses for the space, tenants to be targeted, or confirmed tenants
Market rate apartment required	Estimated number of spaces and sq. footage
On-site facilities and unit amenities required: <i>*Please see below</i>	On site facilities and amenities
Plans for parking, if any	Plans for parking, if any
Rendering of floor plans	Rendering or floor plans
Description of commercial spaces, sizes, uses, and proposed lease rates	Days and hours of operation, including special events, rentals of the building that provide an understanding of the intensity of use of the site.
Projected monthly rents	Proposed rent or lease rates

**Kitchens will include a ENERGY STAR appliances including refrigerator, oven, and dishwasher.
 Bathrooms will have a water conserving bath and shower combination, toilet, and modern vanity.
 Units will have access to ENERGY STAR washers and dryers.
 High-efficiency lighting will be installed in the units as well as the common spaces.
 Each unit will have access to high-speed broadband.*

- Include a total estimated budget for the proposed redevelopment project including an offer price (minimum \$25,000). Also include a listing of funding sources to complete the project including cash, financing, tax credits, incentives, or other funding.
- Include a schedule for redevelopment. The schedule should include project milestones such as start of project design, rezoning request, application for tax incentives or grants, securing financing sources, execution of the purchase agreement, closing dates, construction bids, start of construction, date of occupancy and any phasing of the project if applicable. The successful developer will receive ARPA funds, which need to be expended by December 2026.
- A description of previous experience developing similar project that will demonstrate the capacity of the company to carry out the proposed reuse of the site including:
 - Project Name and Location
 - Primary contact for the project
 - Type of development
 - Total project cost and source of funds
 - List of reference from financial institutions, contractors, or other entities
 - Photos of the project
 - Current status of the project
 - Any continual financial or operating interest
- Include evidence of financing, a bank interest letter, bank commitment letter, and evidence of any owner equity included in the project budget. The City will grant the successful developer 270 days to secure all of its contingent funding (financing, tax credits, grants, equity, etc.) with extensions possible if funding is imminent past deadline.

6. Offer

The information below provides the minimum offer.

- Proposal must include an offer price for the buildings at a minimum of \$25,000 (forgivable at completion of project).

7. Incentives

The information below provides local, state and/or federal incentives and programs that may be used toward the project.

City-Provided Incentive to Developer

- The City of Keokuk will offer a Tax Increment Financing Rebate of 90% of eligible taxes for a period of up to 10 years after project completion.
- The City of Keokuk will provide \$200,000 of ARPA Fiscal Recovery Funds to the project.
- The City of Keokuk will provide a \$600,000 CDBG grant (received and under contract) to the developer as a subrecipient.
- The City of Keokuk will provide a \$100,000 Community Catalyst Building Remediation grant (received and under contract) to the developer as a subrecipient. This grant is for stabilization of the façade and repair/replacement of roofing of 619 – 625 Main Street.

Possible Other Incentives Available to Developer

- Workforce Housing Tax Credits
<https://iowaeconomicdevelopment-site.azurewebsites.net/workforce-housing-tax-credit/>
- Redevelopment Tax Credit for Brownfield and Grayfield
<https://www.iowaeda.com/redevelopment-tax-credits>
- Opportunity Zone
<https://www.iowaeda.com/opportunity-zones>
The 600 Block of Main buildings are located within Census Tract 19111490900, a certified This makes any prospective project eligible for investment from an Opportunity Fund.

8. Scoring Process

Proposals will be scored by a city-appointed committee with both city staff and community partners based on objective and subjective information. Proposals with the highest score will be presented to the City Council for approval.

Objective:

- 100 points: All required elements of RFP are provided.
- 0-100 points: Evidence of required equity and bank commitment letter of construction financing
- 50 points: One item of evidenced equity or financing
- 100 points: Both equity and construction financing evidence
- 100 points: Successful development experience with historic upper story downtown projects and funding sources (like historic tax credits, brownfield/grayfield, workforce housing, etc.
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- 100 points: Successful development experience with historic upper story downtown projects with federal funds.

Subjective:

- 0-100 points: Relevant project experience
- 0-100 points: Quality of project references
- 0-100 points: Evidence of readiness to proceed

9. Proposal Submissions and Inquires

All proposal must be submitted by 4:30 p.m., October 5, 2022. Proposal may be delivered in person, mailed, or e-mailed to Pam Broomhall, Community Development Director at the contact information provided above under Item 4. Firms mailing proposals should allow sufficient mail delivery period to ensure timely arrival of their proposals. Any proposals received after the proposal deadline date and time may be disqualified. The City of Keokuk is not responsible for any cost incurred in connection with the RPF process. The City of Keokuk reserves the right to accept or reject any/all proposals.