

# REQUEST FOR PROPOSALS (RFP)

For the purchase and redevelopment of buildings located at  
619/23, 625 Main Street and \*629 Main Street  
Keokuk, Iowa



Release by City of Keokuk, April 19, 2023

## **1.RFP Purpose**

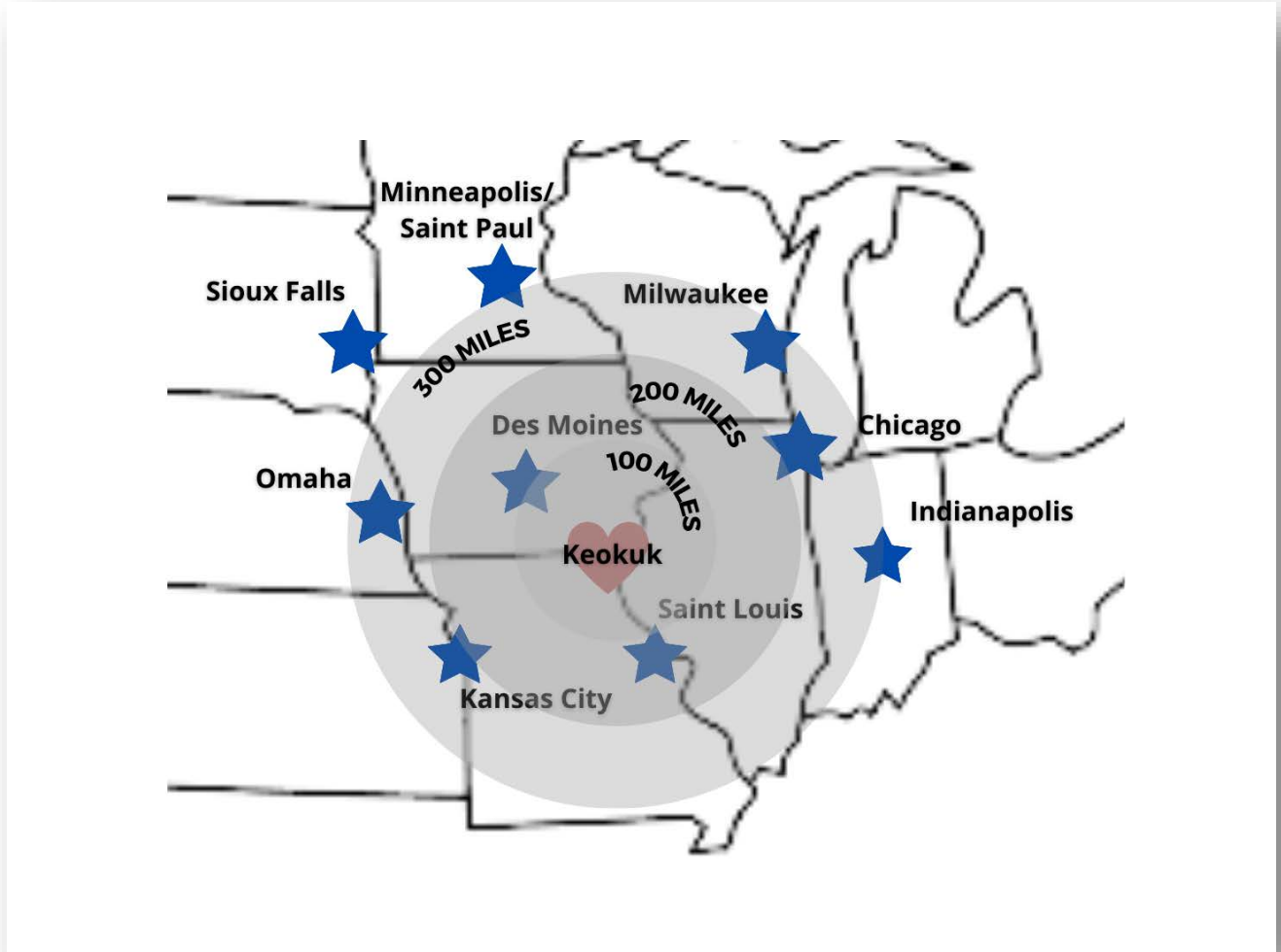
The City of Keokuk seeks proposals from developers to renovate certain City-owned buildings located on the east side of the 600 block of Main St. The City acquired the buildings due to their deteriorated condition and status as an identified nuisance. The buildings are in fair shape and multiple assessments have been completed to verify their potential and possibility for redevelopment.

Incentives totaling \$900,000 have been organized and secured for the successful developer to renovate the buildings. Further tax incentives are available that take effect upon completion. The City will allow developers to self-perform work under this proposal they are licensed to do, with non-self performed work bid out, if federal funds are paying for the work.

## **2. 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 manufacturing, ranging from food grade products to durable goods. 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.

**Addition 1:** 1 story, 3225 sq. ft., basement 3225 sq. ft.

**Addition 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.

**Addition 1:** 2 story, 2200 sq. ft., basement 1100 sq. ft.

**Addition 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, and over time 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 from the City resulting in majority market rate upper-story residential units and ground floor commercial space and some ground-floor units. 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, in addition to an analysis by Dick Keith, PE. 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.

**\*Property Address: 629 Main Street**

**\*(can be included as a stand-alone project, part of the other three buildings, or as an alternate to go together with the other three buildings)**

**Parcel ID:** 044521254150170

**Brief Legal:** 629 MAIN #1076 KKK NW44' OF LOT 7 BLK 94

**Lot Dimension:** 40' x 140'

**Building:** 3 Story, 1760 sq. ft. per floor

**Former Use:** Medical college, courthouse, retail, apartments.

**Please Note: The following paragraph is a description of the condition of the 619, 623, 625 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 some structural damage due to fire, water infiltration and pest. The damage is repairable according to the analyses. 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\\_7S5prfBlt40fKJxnK8ToifIRli1](https://drive.google.com/drive/folders/1uwQ3_7S5prfBlt40fKJxnK8ToifIRli1)

- Asbestos and Lead Based Paint Survey
- City Comprehensive Plan
- Structural Review (please see: Keokuk Downtown Historic Building Restoration Engineering & Design)
- County Assessor's Report
- Current Floor Plans & Renderings
- Photo's
- Urban Renewal Area Map
- Zoning Map
- Zoning Ordinance (Title 20 – Zoning)
- 2018 Lee County Housing Needs Assessment
- Grant applications submitted

**4. Touring the Site, General Inquiries, and RFP Assistance**

Potential respondents may have questions about the RFP or may want to tour the buildings. This can be done by contacting Pam Broomhall or Kira Kruszynski at the contact information below. RFP assistance is available through Southeast Iowa Regional Planning Commission.

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

Mike Norris  
 Executive Director  
 Southeast Iowa Regional  
 Planning Commission  
 319-753-4310  
 mnorris@seirpc.com

## 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.

1. Letter of Intent and Statement of Readiness to complete the project and enter into an agreement with City for incentives and to take ownership of buildings.
2. Cover page that includes the following information:
  - a. Company/individual name, mailing address, and website
  - b. Developer's current legal status (Corporation, LLC, etc.)
  - c. Primary contact person's name, title, phone number, and e-mail address
  - d. Listing of other partnering organizations or key individuals
3. Proposal Contents and Materials -A detailed description of the proposed project for the 600 Block of Main buildings including items listed below.
  - a. Development Vision (number of units, envisioned rents, design of units, fit with City surrounds, description of commercial space)\*
  - b. Timeline of work completion and necessary milestones to document that the successful developer will receive ARPA funds can expended by December 2026 and be under contract by June 30, 2024.
  - c. The proposal must include an offer price for the buildings at a minimum of \$25,000 (forgivable at completion of project).
  - d. Sources and Uses of funds, and status of all sources
    - i. Include evidence of financing, bank commitment letter, and evidence of any owner equity included in the project budget. The City will grant the successful developer 180 days to secure all of its contingent funding (financing, tax credits, grants, equity, etc. ) with extensions possible if funding is imminent past deadline.
  - e. Architect, designer, or construction manager engaged for the project
  - f. Contingency plans for any funding sources needed but unable to be secured.
  - g. If Developer will self-perform any work scope items, please describe.
  - h. A description of previous development experience, including:
    - i. Project Name and Location
    - ii. Photos of the project
    - iii. Current status of the project
    - iv. Type of development, total cost, and letters from financial institutions, contractors, or other entities showing support of development
4. Attachments to clarify any of the above such as:
  - a. Floor plans, financing commitments, cost estimates, pictures/renderings, etc.

*\*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.*



## 5. 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 for all buildings.
- The City of Keokuk will provide \$200,000 of ARPA Fiscal Recovery Funds to the project going with 619, 623, 625 Main St.
- The City of Keokuk will provide \$100,000 of ARPA Fiscal Recovery Funds to the project going with 629 Main St.
- The City of Keokuk will provide a \$600,000 CDBG grant (received and under contract) to the developer on a cost-reimbursement basis for 619, 623, 625 Main St. Only two draws may be made on the CDBG funds, at 60% and 40% completion.
- 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, 623, 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 - The 600 Block of Main buildings are located within Census Tract 19111490900. This makes any prospective project eligible for investment from an Opportunity Fund.  
<https://www.iowaeda.com/opportunity-zones>
- Great River Housing Trust Fund Upper Story Redevelopment - \$25,000 per unit up to \$100,000 or 50% of project costs, whichever is less. Income-qualified to 80% MFI.

## 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.
- 100 points: Evidence of required equity and bank commitment letter of construction financing (50 points for each)

- 100 points: All other funding (tax credits, grants, etc.) is secured (If yes, 100 points, if no, 0 points).
- 100 points: Development experience with residential and or commercial properties of a similar size in terms of units and or cost. (If yes, 100 points, if no, 0 points)

**Subjective:**

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

**9. Proposal Submissions and Inquires**

Proposals will be released on Tuesday, April 19, 2023, and accepted and evaluated on an ongoing basis through 11:59 pm Thursday, May 11, 2023. Proposals 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 RFP process. The City of Keokuk reserves the right to accept or reject any/all proposals.