



# **CITY OF EAU CLAIRE, WISCONSIN**

## **REQUEST FOR PROPOSALS**

### **Development Opportunity**

402 S. Farwell Street  
Part of Parcel 02-0084  
"Transit Center"

The City of Eau Claire is seeking proposals for development of multi-family residential units as part of a joint mixed use development that will include the new Transit Center, located at 402 S. Farwell Street.



**All proposals must be submitted by 4:00 p.m.  
Friday, May 3rd, 2019**

## Introduction

The City of Eau Claire (“City”) invites sealed proposals for the development of multi-family workforce housing as part of the new Transit Center development that will replace the current Transfer Center located at 402 S. Farwell Street in the City of Eau Claire (“Center”). The Center location consists of an estimated 32,560 square feet. The City will develop a new Transit Center and Transit Center parking. The Transit Center will also include limited commercial space available for lease. The selected proposal respondent (“Respondent”) will be responsible for development of workforce housing and housing related parking above and in conjunction with the Transit Center (Figure 1). The Respondent will be required to enter into a joint development agreement with the City.

## Location

The Center is located in Downtown along S. Farwell Street, in between Main Street and Gray Street. Surrounding properties are a variety of retail and restaurant business, transitioning to residential neighborhoods to the east.



## Zoning

The Center is currently zoned CBD (Commercial Business District) which would accommodate any proposed residential development. The Center is located within an Opportunity Zone, Census Tract 550350011.01.

## Development Parameters

The Center will be a public/private partnership between the City and the Respondent, formalized through a joint development agreement. The City will be responsible for development, construction, and operation of the Transit Center and Transit Center parking. Management of any leased retail/commercial space within the Transit Center will be at the sole discretion of the City. Funding of the development and construction of the publically owned portion of the joint development, i.e. the Transit Center and Transit Center Parking, will be provided by the City. This will include engineering /architectural services. The City will also provide cost for site work, soil borings, and foundation work sized to accommodate multi-story housing. The Transit Center is intended to provide better access to public transportation and improve connections with rural areas of Eau Claire, Chippewa, and Dunn counties. In 2018, the old transfer center averaged approximately 750 daily boardings per day during the weekday, and 200 boardings per day on Saturdays.

The Respondent will provide the development and construction of multi-story housing and related parking. Capital funding for development and construction of the workforce housing and housing related parking will be the Sole Responsibility of the Respondent. The project location may allow it to qualify for Low Income Housing Tax Credits (LIHTC) issued through the Wisconsin Housing and Economic Development Agency (WHEDA), Opportunity Zone tax credits, and New Market tax credits. It is the responsibility of the Respondent to apply for and secure such sources of funds.

The City has secured the services of an architectural design firm to design the City's portion of this project. It is a requirement of the City that this firm serve as the architect of record on the entire project, private development included. The Respondent will negotiate a fee schedule with the architect of record and be responsible for costs related to the housing portion of the development, including required parking. The Respondent may retain their own design services, but the final design approval is at the discretion of the architect of record.

The Respondent will be required to enter into a "fair share of revenue" agreement with the City. For more information on these requirements please consult Federal Transit Authority (FTA) circular C 7050.1A governing joint developments.

**Figure 1. Artist rendering of proposed project**



## Surrounding Area

The Center is located in a desirable Downtown corridor, which has undergone a tremendous revitalization over the last 5 years. The surrounding businesses are within easy walking distance of the Center and include a mix of popular urban amenities: restaurants, cafes, pubs, entertainment venues, and unique retail establishments. The Center is within 2 blocks of the hiking trails along the Chippewa River, and close to the Pablo Center at the Confluence. Within half a mile of the Center there are 528 businesses with 6,267 employees. Total population within a one mile radius of The Site is 15,005. The Center is expected to be a catalyst for additional development/redevelopment in surrounding neighborhoods, continuing the trend of growth and investment in the Downtown area.

## Proposal Requirements

The following proposal requirements are non-negotiable. Proposals that do not meet these requirements will be deemed non-responsive and will be disqualified.

1. Each proposal must include an estimate of the fair market value of the completed development that the developer is willing to guarantee. If the proposal includes a phased development, each phase must be valued independently and include the completion schedule.
2. Each proposal must include a detailed schedule of all anticipated funding sources and uses for construction of the development.
3. Each proposal must include a detailed schedule of all annual operating revenues and expenditures.
4. Each proposal must include a 10-year statement of stabilized cash flows.
5. A listing of the number of units by size (# of bedrooms) must be included in the proposal. This listing must also include an anticipated rent schedule.
6. Each proposal must include building elevations from all four (4) sides of the project, as well as other design elements.
7. Each proposal must include design elements that support and promote sustainability and energy efficiency. Each proposal must address how this project will help meet the City's 2050 100% renewable energy and carbon neutral goals. Using Focus on Energy's free Design Assistance program is highly preferred. Architects are incentivized to design buildings more energy efficient. These buildings can lower operating costs over time. For example, solar hot water heating has been used at the City's Housing Authority multifamily apartment tower to reduce expense for subsidized renters.
8. Each proposal must include a statement indicating that the developer understands they

will be required to guarantee both a taxable value of the proposed development and a guarantee of a minimum property tax payment.

## **Desired Project**

This Section details characteristics of the “Desired Project” that will likely be included in the successful proposal. Each proposal is not required to include all of these characteristics, but including more will increase the likelihood of being successful.

The Desired Project should:

1. Include sufficient parking on-site to fulfill the parking requirement for this development contained in Chapter 18.25 of the City of Eau Claire Ordinances.
2. Include a portion of housing that is affordable for families at 50% of County Median Income (CMI), 60% of CMI, and 80% of CMI.
3. Be sensitive to the scale of and building materials used in surrounding properties and throughout downtown Eau Claire.
4. Be initiated and completed within a reasonable time period acceptable to the City. It is the City’s desire that the proposed site area be completed in the shortest timeframe possible. A reasonable time period will be defined in the Development Agreement.

## **Qualifications and Experience of Developer**

1. Detail and describe the proposed development team and demonstrate a track record of successfully financing, developing, completing and managing comparable projects, locally and/or nationally, including:
  - Clearly identify roles and responsibilities of all proposed development team members.
  - Cite developer’s experience successfully developing other projects of similar scale and complexity, locally and nationally, including the roles and responsibilities of developer’s team members, and provide contact information for references for these projects.
  - Cite developer’s experience in successfully managing and maintaining multi-family housing facilities.
2. Provide clear and compelling information to demonstrate developer’s financial capacity to execute and complete the proposed development successfully.
  - Describe a clear strategy to fund all proposed development costs.
  - Provide documentation from potential lenders of interest in the proposed development.
  - Cite other projects in which the developer has successfully worked with the proposed equity/financing/granting entities.
  - Provide evidence of financing for prior developments.

## **Closing**

To finalize the joint development project agreement, the Respondent must:

- Execute a Development Agreement with the City
- Provide evidence of firm financing and/or equity
- Agree to start construction within a commercially reasonable time following execution of the development agreement and City's completion of the public portion of the project, anticipated to be during the 2021 construction season.

Respondent should verify land dimensions, total square footage/acreage figures, and any other information if material to Respondent's desire to develop. It shall be the Respondent's responsibility to examine the property prior to submitting a proposal.

## **Other Requirements**

The selected Respondent will be subject to, and responsible for, recording fees and all taxes and assessments attributable to the transfer of fee ownership interest in the private development portion of the Center.

## **Submission of Proposals**

Proposals should be submitted in a sealed envelope labeled "Transit Center Proposal" post-marked or delivered (stamped by Purchasing) no later than 4:00 p.m. Friday, May 3, 2019 to:

City of Eau Claire  
Shelley Waughtal  
P.O. Box 5148  
Eau Claire, WI 54702-5148

Or in person to 2020 Prairie Lane –Purchasing Dept.

## **Format of Proposals**

Proposals should include:

- a) A brief description of improvements planned for the Site
- b) Estimated market value of the planned improvements.
- c) A summary of qualifications and housing development experience, particularly experience in public/private partnerships
- d) Financing Strategy

## Selection Process

No commission or brokerage fees will be paid by the Developer. The City is not responsible for any costs associated with preparation and submission of proposals to this RFP. The City will consider several factors when making an award. The proposals will be evaluated using the following criteria:

- a) Purchaser/Developer's expertise, experience, and financial capacity related to multi-family housing development, with an emphasis on workforce housing
- b) Proven track record of successfully managing multi-family housing developments with an emphasis on workforce housing
- c) Contribution to the City's tax base
- d) Use of sustainable construction methods
- e) Proposed development schedule.

### Short List and Interviews

A list of qualified firms will be established and it is likely the top (ie.2-4) firms will be asked to interview with the evaluation team.

An interview will be arranged with each of the firms on the final list, with the firms given approximately 45 minutes to make a presentation to the selection team. The selection team and staff involved in the interview process will then ask questions with respect to the proposal.

## Contact Information

Questions regarding this proposal may be directed to:

Aaron J. White  
City of Eau Claire  
203 S. Farwell Street  
Eau Claire, WI 54702-5148  
Phone: (715) 839-4914  
Fax: (715) 839-4939  
Email: [aaron.white@EauClaireWi.Gov](mailto:aaron.white@EauClaireWi.Gov)

Questions related to land use, zoning or other development and planning issues may be directed to the City of Eau Claire Planning Division at (715) 839-4914.

## Additional Information

The City of Eau Claire 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 development rights, and to impose additional use restrictions, if necessary. City and County records may be checked prior to closing for delinquencies related to real estate taxes, special assessments, utility bills, or any other payments due to the City; and for violations of building codes or crimes affecting property or neighborhood stability.

City of Eau Claire Transit Center RFP

March 2019

The City anticipates additional discussion with Respondent in regards to Main and Grey St. Issue with regards to equipment staging and site access will be defined in the developer's agreement.

The contents of this packet are for information purposes only and the representations made herein are without warranty. Development teams should rely exclusively on their own investigations and analyses.

Thank you for your interest in the City of Eau Claire.