



Memorandum

To: City Council
From: Bart Olson, City Administrator
CC:
Date: June 8, 2022
Subject: Hydraulic Ave RFP

Summary

Review of an RFP for sale and redevelopment of the Old Post Office at 201 W Hydraulic Ave.

Background

This item was last discussed at the June 14, 2022 City Council meeting, when the Council reviewed a staff memo covering a potential RFP process and the Old Jail RFP documents. Since then, the staff have drafted an RFP for the City Council's review. In general, the RFP is similar in scope to the Old Jail RFP that was successfully used by the City Council to produce two redevelopment proposals and the eventual redevelopment of the property.

This RFP includes:

- 1) A site description, including information about parking requirements and possibility of a fee-in-lieu arrangement
- 2) Preferences:
 - a. The City Council will prefer the building to house retail, restaurant, brewer, or event space that highlights the use of the Fox River frontage
 - b. The City Council will prefer uses to generate sales tax revenue
 - c. The City Council will prefer to see a return on its investment from purchasing the building in the mid-2000s
- 3) A requirement that the successful bidder will give the City an easement for a future Riverwalk
- 4) Information on the Downtown TIF #1, including the expiration in 2029 and possible extension
- 5) Requested info from the buyer (fully listed on page 3 of the document, but summarized here as):
 - a. Submitter information
 - b. Project information
 - i. What will the project look like?
 - ii. What businesses is expected to operate in the building?
 - iii. What residential components (if any) will be included in the project?
 - iv. Site plan
 - c. Project feasibility narrative
 - d. Financials

- i. Project budget
 - ii. TIF request
 - iii. Proof of ability to complete the project
 - iv. Pro forma
 - v. Tax revenues expected to be generated
- e. Project timeline

Recommendation

Staff recommends approval of the RFP. If approved, we would look to post a public notice announcing this development opportunity and receive bids back by early September. This RFP will be widely distributed via social media, the City website, through the Chamber of Commerce, through Lynn Dubajic's contacts, and through direct distribution to development entities that have previously contacted the City for interest in this property.