

PUBLIC NOTICE – REQUEST FOR PROPOSALS

THE UNITED CITY OF YORKVILLE, Kendall County, Illinois, is considering the sale/development of 201 West Hydraulic Street, Yorkville (the “*Property*”), legally described as:

THE WESTERLY 49 FEET 9-3/4 INCHES OF LOT 1 (MEASURED ALONG THE SOUTH LINE) AND THE EASTERLY 50 FEET 2.25 INCHES OF LOT 2 (MEASURED ALONG THE SOUTH LINE) IN BLOCK 8 OF BLACKS ADDITION TO THE VILLAGE OF YORKVILLE, IN THE VILLAGE OF YORKVILLE, KENDALL COUNTY, ILLINOIS.

The Property is zoned as B-2 Retail Commerce Business District, which is intended primarily for commercial and professional office uses. The property is also located within the “Hydraulic Street District” of the Downtown Overlay District. The Hydraulic Street District is a pedestrian-centered area with storefront style buildings focused on retail and services uses on the ground story and residential and/or office uses on the upper stories. Currently, the property is used as recreational programming space.

PIN:	#02-32-278-007
SITE:	Approximately .37 acres
STRUCTURE:	Approximately 4,700 square feet (1 story)
PARKING:	~15 off-street public parking spaces located on parcel, plus undesignated on-street public parking spaces available to property. Depending on the proposed land use, as defined in the Downtown Overlay District, required parking for retail/commercial services range from zero (0) to two (2) parking spaces per 1,000 square feet; Food Service/Restaurants require a maximum of 4 spaces per 1,000 square feet; Office uses require a maximum of two (2) spaces per 1,000 square feet; and residential uses range from one (1) to one and one-half (1.5) spaces per unit. However, the City is open to negotiating parking requirements and fee-in-lieu of parking spaces as part of a broader development.
FUTURE LAND USE:	The 2016 Comprehensive Plan’s future land use designation for the property is Downtown Mixed-Use Core which is intended to encourage a mix of commercial and residential uses in both existing buildings and new construction, and to revitalize the Downtown as a mixed use center of activity.
DOWNTOWN OVERLAY:	The Downtown Overlay District’s designation of Hydraulic Street District establishes a list of permitted uses and form-based code building typology. The permitted uses in the Hydraulic Street District primarily include Residential and Lodging, Civic and Institutional, Retail and Service and Office and Industrial uses. The permitted building types are: Downtown Commercial, Downtown Living, Cottage Commercial, and Civic Buildings.

Background

The building was originally constructed in 1985 by the United States Postal Service (USPS) and operated as a Post Office until the mid-2000s when the City purchased the property from the USPS. Since the City purchase, the building has been used as office space, recreational programming space,

and as a preschool. The City completed a building maintenance study in 2017 which is available for review at the following webpage <https://www.yorkville.il.us/822/Old-Post-Office-Information-201-W-Hydrau>. Since 2017, the City has completed various pieces of maintenance on the building, reports of which are available to interested buyers.

The City is in the process of moving preschool operations to a new location and would prefer to see the Property redeveloped. The City has spoken to several developers over the past decade about various ideas for the property but has never seriously entertained offers until now. The Property is in the Yorkville Downtown TIF 1 District, which is set to expire in 2029 but may be extended at some point in the future; any development plan or purchase offer should accept the risk involving the fact that the City cannot unilaterally extend the TIF past 2029.

Goals and Preferences

The City is now considering sale and reuse proposals for the Property, with the heavy preference of the City Council that the property be redeveloped to its maximum potential and with the vision that a retail, restaurant, brewery, or event space that highlights the Fox River frontage is the best use for Downtown Yorkville. The City anticipates that a condition of the sale and successful proposer will be that the City retains an easement along the Fox River for the future construction of a Riverwalk. Under the City's zoning code, TIF plan, downtown overlay district, and downtown arts plan, the City will entertain a variety of other proposals for business and land-uses, including office and/or residential, but we expect that the successful bidder will have retail, restaurant, brewery, or event space as its primary use for the building. Further, the City will give preference to uses within the building that generate sales tax revenue. The City will accept proposals from this RFP process that will involve demolition of the building and use of the land in future redevelopment, or renovation and expansion of the existing building. Finally, the City is looking to generate a return on investment from its purchase of the building.

Project Assistance

The City seeks a self-sustaining commercial or residential redevelopment that maximizes the economic development potential, tax revenue, and community benefit of the property, and we are prepared to offer potential economic assistance to the project:

Assistance Program – City Tax Increment Financing (TIF) Agreement

The property is in the City's Downtown TIF #1, which means the property is eligible for TIF incentives for renovation and development of the property, subject to regulations set forth by state law and approval by the City Council of various TIF agreements. Successful bidders should be familiar with TIF and TIF incentives; any bidders that do not understand TIF may contact the City for an informational presentation on how TIF works and the City's history with TIF. The TIF district that this Property is within is set to expire in 2029, which means any TIF incentives granted as part of this process will end in 2029 unless the TIF is extended by the City and State. As briefly mentioned above, the process to extend a TIF district until 2041 is legally possible but requires cooperation and sign-off by all of the taxing districts having jurisdiction over the property which may or may not occur; any development and purchase proposal should properly assess the risk that the TIF will not be extended and that it will expire by 2029.

Information Requested.

The City is seeking proposals from prospective purchasers/developers that include the future plans for reuse of the Property and a timeline to commence and complete its redevelopment. The City may also identify a timeline with the selected developer to negotiate a redevelopment agreement. The City reserves the right to reject any or all proposals, to waive any informalities, and to accept any proposal that the Council deems most favorable to the interests of the City.

Information Requested:

1. Basic Information

- a. Legal name of entity
- b. Name of entity if doing business under other company name
- c. Address
- d. Contact name, email address, phone number, website address
- e. Number of years in business (if applicable)
- f. Number of employees (total, by location, and by role), if applicable
- g. Description of project team, including resumes, and related experience for each member of the team (including architects, engineers, builders, developers and associated businesses)

2. Project Info

- a. Narrative of project vision, including but not limited to:
 - i. A description of the type of business expected to operate on the property
 1. Will the property be owned by a development entity with building spaces leased to a separate business group, or will the landowner also be conducting business on site?
 2. A description of the expected term of operation for the business; is the business expected to sign a lease for 5 years? 10 years? Or, not applicable since the landowner will operate the business?
 - ii. A description of the type of residential units (if any) expected to be constructed on the property (unit amenities, square footage, expected rents, etc.)
 - iii. How does this project fit within the City's previous plans for the downtown?
- b. Preliminary site plan including carve out for a Riverwalk easement, which also demonstrates any additional needs to support the reuse plan (i.e. parking, landscaping, possible expansion of development site)
- c. Narrative of feasibility
 - i. Based on your research, what type of development can the market support in this area?
 - ii. Justification of why this site is appropriate for the proposed use?
 - iii. Is your project likely to require any zoning changes or variances?
 - iv. Is the proposed development seeking any city participation with off-site improvements in association with the proposal (i.e. water service, sanitary sewer, fire suppression, street right-of-way improvements)?

d. Financials

- i. Project budget, including the amount for purchase of the building which would go to the City as seller
 - ii. Request for TIF assistance including amount and timing
 - iii. Demonstration of the financial and operational ability to complete the project.
 - iv. 5 year business pro forma, post project completion
 - v. Narrative of expected tax revenues to the City for this project (i.e. sales taxes, amusement taxes, etc. property taxes, utility taxes, and other related taxes do not need to be estimated).
- e. Project construction timeline from the agreed upon start date

RFP Process

Proposals will be read aloud at the meeting date listed below. The City Council reserves the right to direct negotiations with an RFP respondent at that meeting, or to have public discussions of selection of a proposal at a future committee or City Council meeting, including having discussions with any or all of the developers submitting proposals. Due diligence done prior to those hypothetical meetings will likely consist of staff meetings and inquiries.

All submissions to this RFP must be made to, United City of Yorkville, 800 Game Farm Road, Yorkville, Illinois 60560, Attn: Bart Olson, City Administrator. Submissions shall be accepted until Tuesday, September 13, 2022 at 4pm, and opened at a meeting of the City Council of the United City of Yorkville, on Tuesday, September 13, 2022 at 7pm.

Jori Behland, City Clerk