

REQUEST FOR PROPOSALS (RFP)

*For the purchase and redevelopment of the
Former Elks Building (300 Washington Street) in
Burlington, IA*



Historic post card from 1910 depicting the
ELKS BUILDING AND GRAND OPERA HOUSE
BURLINGTON, IOWA.

Issued By:



Administered By:



Release Date: January 5th, 2021

Proposal Due Date: March 26th, 2021

1. About Burlington

Burlington, Iowa (pop. 24,713) is a community located on the Mississippi River in Southeast Iowa, serving as the county seat of Des Moines County (pop. 38,967). The community is beautifully situated on the bluffs of the Mississippi River and has a rich historical heritage as a center of commerce and culture. Burlington is a regional center for employment, shopping, education, healthcare and recreation, serving a regional laborshed of over 330,000 people according to the 2016 Southeast Iowa Regional Laborshed Analysis. With many local amenities available to residents, the community is situated in a location allowing a short drive to many major metropolitan areas, as shown on the map below. Downtown Burlington has seen a renaissance in recent years. Since the beginning of 2010 there has been \$57.4 million in building acquisitions and development, with this figure exceeding the amount spent over the previous 25 years by over \$10 million. Additionally, in this same timeframe, there have been 53 business starts, relocations, or expansions in Downtown Burlington. Continue reading to learn how you can continue this trend of redevelopment in Downtown Burlington.



2. Recent Awards, Findings, and Projects

#1 In the Nation for Growth in Purchasing Power in 2017 and #2 in 2018

For the second straight year, an annual analysis by SmartAsset has found that Greater Burlington is the U.S. metropolitan area least affected by inflation over the last ten years. This #1 ranking in 2017 and #2 ranking in 2018 means that Burlington consumers have enjoyed the greatest growth in purchasing power in the United States.

Housing Needs Study Shows Strong Demand

A 2016 study by Gruen Gruen + Associates concluded the Greater Burlington area will need to add 1,500 new housing units between now and 2025 to keep up with replacement demand and demand for new housing to support the region's growing economy. The study found that 77% of for sale housing needs to be priced below \$260,000 and 60 percent of rental units will need monthly rents below \$1,000.

Downtown Area Wide Plan and Enhanced Market Analysis

A Downtown Area Wide Plan was completed in January 2019 through a planning grant from the EPA that identified 3 catalyst sites in Downtown Burlington, along with additional downtown redevelopment opportunities. This plan includes an enhanced market analysis that states there is demand for 140 to 240 additional residential units, a small grocer, additional dining/drinking establishment, boutique hotel, office space, maker space, fitness studio, and specialty retail.

Mississippi River Flood Mitigation Project

In April of 2015 the City of Burlington was awarded \$26.2 million from the Iowa Flood Mitigation Board to construct flood control measures in downtown Burlington. The first phase of this project was completed in 2018 along the main Mississippi River front beside Memorial Auditorium and the Iowa Welcome Center. The next phase of the Flood Mitigation project started in fall of 2020.

TIGER Grant

The City of Burlington was the recipient of a \$17 million TIGER Grant from the US Department of Transportation that will build off the aforementioned flood mitigation project, including park/plaza space to replace much of an existing surface parking lot, transient boat docking facilities, and river cruise line docking. The TIGER Grant will also be used to fund a Complete Streets project for Downtown's principal thoroughfares, Main and Jefferson Streets.

Surface Transportation Block Grant (STBG)

The city has received a \$1.5 million-dollar STBG grant to fully reconstruct all of Washington Street directly in front of the Elks Building in 2023. Improvements to Washington Street are planned to mirror improvements being made on Main and Jefferson Streets as part of the TIGER Grant to create a more walkable downtown area.

3. About the Former Elks Building

Property Name: Former Elks Building (other names include 300 Washington, Typewriter Shop, Labor Temple, Nassau Building, Post Office Building)

Main Address: 300 Washington Street, Burlington, IA 52601

Tax Parcel Numbers: 16-04-101-001 (View at <http://www.dmcgis.com>)

Zoning: C3 – Central Business District (Downtown Mixed Use)

City Redevelopment Project Area: Burlington Consolidated Urban Renewal Area

Historic Status: Contributing resource, Downtown Commercial Historic District (NRHP)

Lot and Building Size: .12 Acres, 4 stories (plus a basement) with ~5,220 square feet per floor

Year Built: 1883, 4th floor added in 1907

Former Uses: The Elks Building was constructed in 1883 as a 3-story building to house the post office and office space. It was expanded with a 4th story in 1907 along with renovations to the 3rd story to house the Elks Lodge. The building was bought by the Burlington Labor Associates in 1941 and remained in their possession through 1975 before selling the building to Mundt Piano. They operated in the facility until 1979 when the building was sold and operated as the Typewriter Shop, which closed in 2002. The building has been essentially vacant since, until taken on by Downtown Partners, Inc as a project to redevelop the building in 2017.

Preferred Uses: Residential uses (apartments, condos), Maker Space and/or artist living space, Boutique Hotel or Air BnB spaces, Professional Office Space

Condition: A structural analysis was completed in late 2016 prior to DPI taking ownership of the building and is available in the attachments. Work completed to make the building structurally sound includes fixing two roof trusses, fixing NE corner downspout, installing a new roof/replacing rotted roof rafters, and full repair of the wall in the NE corner. An updated structural report is being developed as part of a grant received from the State of Iowa.

Attachments:

The following items can be downloaded from <https://bit.ly/ElksBuildingRedevelopment>:

- Phase 1 Environmental Site Assessment
- Asbestos and Lead Based Paint Survey
- Asbestos Remediateion Documentation and Reporting
- 2016 Structural Review
- County Assessor's Report
- 2016 Housing Needs Assessment
- City Comprehensive Plan
- 2019 Brownfields Area Wide Plan and Video
- 2017 Enhanced Market Analysis
- Curent Floor Plans, Renderings, and NE Corner Rehab Designs
- Iowa Site Inventory Forms
- About the Neighborhood - Downtown Neighborhood Information and Data
- Downtown Business Map
- Opportunity Zone Map
- Zoning Map and Ordinance
- Urban Renewal Area Map

4. Touring the Site and General Inquiries

Potential respondents may have questions about the RFP or may want to arrange for tours of the building. This can be done by contacting Zach James or Jesse Caston at the contact information below:

Zach James	Jesse Caston, CPM
Assistant Director	Vice President
Southeast Iowa Regional Planning Commission	Terrus Real Estate Group
211 N. Gear Avenue, Suite 100	100 Court Avenue, Suite 400
West Burlington, IA 52655	Des Moines, IA 50309
zjames@seirpc.com	Jesse.Caston@TERRUS.com
319-753-4313	319-759-3244

5. Required Proposal Contents

The information requested below is necessary for Burlington Downtown Partners (DPI) to adequately evaluate all submitted proposals. Failure to supply this information may result in rejection of your proposal.

1. 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
2. A detailed description of the proposed project for the former Elks Building including items listed in the table below.

For RESIDENTIAL or MIXED USE projects	For COMMERCIAL, OFFICE USE, or OTHER uses
Estimated number of units and square footage per unit (number of bedrooms and bathrooms)	Description of uses for the space, tenants to be targeted, or confirmed tenants
Anticipated unit types and mix (affordable vs. market rate, senior facility, etc.)	Estimated number of spaces and square footages
Rental or ownership of units and projected monthly rents and/or sales prices	Proposed rent or lease rates
Details of on-site facilities and unit amenities	On site facilities and amenities
Plans for parking, if any	Plans for parking, if any
Renderings or floor plans if available	Renderings or floor plans if available
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

3. Include a total estimated budget for the proposed redevelopment project including an offer price (minimum \$175,000). Also include a listing of funding sources to complete the project including cash, financing, tax credits, incentives, or other funding.

4. Include a time schedule for redevelopment. The schedule should include project milestones such as start of project design, rezoning requests, 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.
5. A description of previous experience developing similar projects 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
 - Photos of the project
 - Current status of the project
 - Any continual financial or operating interests
 - List of references from financial institutions, contractor, or other entities

6. Offer

The information below provides the minimum offer.

- Proposals must include an offer price for the building at a minimum of \$175,000.

7. Incentives

The information below provides the minimum offer price for the former Elks Building and local, state, or federal incentives and programed that could be used towards the project.

- Tax Increment Financing development incentives
- The following Property Tax Abatements, Exemptions, or Credits may apply:
 - Upper Story Residential 10 Year-Scale: 7 yr-100%, 75%, 50%, 25%
 - Commercial 10 Year-Scale 80%, 70%, 60%, 50%, 40%, 40%, 30%, 30%, 20%, 20%
 - Historic Property Rehabilitation Tax Exemption
 - <https://bit.ly/HistoricPropertyTaxExemption>
 - Business Property Tax Credit
 - <https://tax.iowa.gov/qualifications-business-property-tax-credit>
- Great River Housing Trust Fund
 - Program available through the Southeast Iowa Regional Planning Commission promoting affordable housing in Southeast Iowa. Can apply for \$25,000 for up to 4 units (could possibly request funds for additional units)
- CDBG Housing Rehabilitation Program
 - <https://www.iowaeda.com/cdbg/housing-rehabilitation/>
 - <https://www.iowaeda.com/userdocs/programs/resources/2020cdbg-hsg-upper-story-rental-conv-guidance.pdf>
- The former Elks Building is located within Census Tract 19057000200, a certified Opportunity Zone. This makes any prospective project eligible for investment from an Opportunity Fund. <https://eig.org/opportunityzones>

- Potential Tax Credits that could apply towards this project include:
 - State and Federal Historic Tax Credits
 - <https://www.iowaeda.com/historic-preservation-tax-credit/>
 - <https://www.nps.gov/tps/tax-incentives/before-you-apply.htm>
 - Workforce Housing Tax Credit Program
 - <https://www.iowaeda.com/workforce-housing-tax-credit/>
 - Redevelopment Tax Credit Program
 - <https://www.iowaeda.com/redevelopment-tax-credits/>
 - New Market Tax Credit Program
 - <https://www.cdfifund.gov/programs-training/Programs/new-markets-tax-credit/Pages/default.aspx>
 - Iowa Housing Tax Credit Program
 - <http://www.iowafinanceauthority.gov/Public/Pages/PC116LN11>

8. Proposal Submissions and Inquires

All proposals must be submitted by 5 PM on March 26th, 2021. Proposals may be delivered in person, mailed, or emailed to Zach James, SEIRPC Assistant 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 proposal received after the proposal deadline date and time may be disqualified. DPI and its contractors are not responsible for the costs incurred by proposers or their subcontractors incurred in connection with this RFP process. DPI reserves the right to accept any or reject any/all proposals.