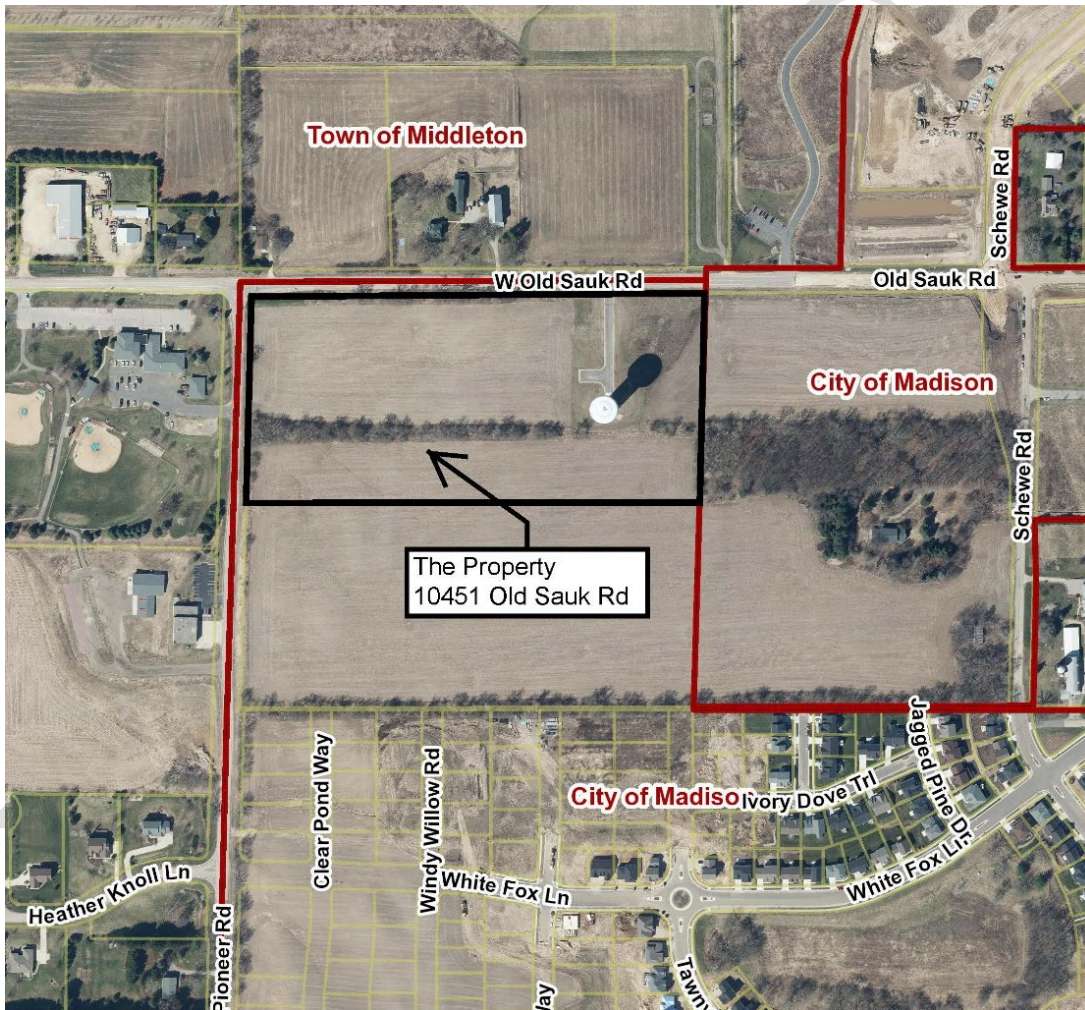


DRAFT: April 27, 2021

10451 Old Sauk Rd, Madison, Wisconsin Surplus Property Disposal - Request for Proposals



City of Madison, Wisconsin

The City of Madison is soliciting proposals from developers with demonstrated experience in property development for the purchase of excess property owned by the City of Madison Water Utility.

Disclosure and Disclaimer

This Request for Proposals (“RFP”) is being furnished to the recipient by the City of Madison (the “City”) for the recipient’s convenience. Any action taken by the City in response to submissions, made pursuant to this RFP, or in making any awards or failure or refusal to make any award pursuant to such submissions, or in any cancellation of awards, or in any withdrawal or cancellation of this RFP, either before or after issuance of an awards, shall be without any liability or obligation on the part of the City and its officials and employees.

The City, in its sole discretion, may withdraw this RFP before or after receiving submissions, may accept or reject any or all submissions, and may waive any irregularities if the City deems it appropriate and in its best interest. The City shall determine the responsiveness and acceptability of any proposal submitted.

Prospective buyers and developers should rely exclusively on their own investigations, interpretations and analyses in preparing and submitting proposals, and should not rely on communications with City staff or officials. The City makes no warranty or representation that any submission which conforms to the requirements of this RFP will be selected for consideration, negotiation, or approval.

The City and the selected buyer(s)/developer(s) will be bound only if and when a submission, as same may be modified, and any applicable definitive agreements and budgetary authorizations pertaining thereto, are approved by the Common Council of the City of Madison and then only pursuant to the terms of the definitive agreements executed among the parties.

NOTE: All submissions and supporting data shall be subject to disclosure as required by State law. The City anticipates making the proposals publicly available after the submission period closes.

1. Introduction

The City of Madison, Wisconsin's Vision is Our Madison: Inclusive, Innovative and Thriving. The City of Madison is proud to have values that support and sustain investing our resource in partners that will help racial, equity, and social justice. The City of Madison is soliciting proposals for the purchase of excess property from the City of Madison Water Utility, located at 10451 Old Sauk Road (the "Property"). The portion of the Property to be sold, shown in Appendix A, totals approximately 13.7 acres of the entire 15.68 acre master parcel and is located on the far west side of Madison, southeast of the intersection of Old Sauk and Pioneer Roads. This Request for Proposals ("RFP") provides prospective Developers with information to assist in the preparation of a proposal, proposal submission requirements, and the process that will be used to select proposals for the Property.

2. Background

The Blackhawk Water Tower property ("Property") was acquired by the Madison Water Utility (the "Water Utility") in 2000 for the purposes of establishing an aerial reservoir to serve the far west side of the City as it grew. The property was attached to the City of Madison ("City") from the Town of Middleton in August 2016 in anticipation of construction of the tower, which occurred from 2017-2019 and is now completed. Now that the tower is established, the Water Utility would like to sell the remainder of the Property, approximately 13.7 acres of the original 15.68-acre parcel, which has been identified as surplus.

The purpose of this RFP is to select a Buyer/Developer to allow adjacent development and the development of the Blackhawk Water Tower Property to proceed in a manner that is consistent with adopted City values, plans and ordinances and reflects smart growth in the best interest of the City and the Buyer/Developer.

3. Project Goals

The City has identified the following Goals as being critical components of a successful proposal:

Development Compatibility. The successful respondent will be expected to purchase the entire surplus Property. The City would like to see layouts and uses that are compatible with the low-density residential uses in adjacent areas, and requests that a conceptual site plan or preliminary plat for the entire Property be included in all responses to demonstrate how the development of the Property would relate to nearby developments.

Sustainability. The City expects that environmentally sensitive design and green infrastructure best practices will be incorporated and maximized in this development. Such design elements may include, but are not limited to the items listed in Section 6 ("Property Information") of this RFP.

Diverse Subcontracting. The City of Madison will prioritize proposals that demonstrate a proven record of utilizing diverse businesses, including businesses owned by people of color, women, as well as small and disadvantaged businesses. Successful proposals will also show a commitment to furthering contracting equity on this project through a commitment to contract and subcontract with businesses that are diverse and that are owned by people from diverse backgrounds. The City of Madison certifies diverse businesses called "Targeted Business Enterprises." These businesses include Minority Business Enterprises, Women Business Enterprises, Disadvantaged Business

Enterprises, Small Business Enterprises, and Section 3 Businesses. See Section 6 (“Requested Contracting Procedures”) for further details.

4. Purchase Price

All proposals must include a price per square foot for the purchase of Property needed for the proposed project from the City. The City has conducted an appraisal of the property and will review all proposed purchase prices against this appraisal. By way of background, the appraised value of the surplus Property is \$1,440,000 as of April 2021; or, approximately \$105,000 per acre. The City reserves the right to negotiate the purchase price after submittal of the proposals with the prospective Buyer/Developer. The City is not obligated to select a Buyer/Developer based solely on the highest purchase price offered.

One important consideration while developing a financial proposal will be the cost associated with the construction of “connector street(s)” through the Property. Per the City’s Assessment Policy, it is the owners of property immediately adjacent to the newly constructed street who are responsible for paying for the cost of that construction. The Buyer/Developer will be responsible for the financing and construction of connector streets through the Property.

5. Adopted Plans and Design Guidelines

The following adopted plans will govern the redevelopment of the Property:

Town of Middleton Cooperative Plan. The Property is subject to the terms found in the 2003 Final City of Madison and Town of Middleton Cooperative Plan. Because the Property is located within a quarter-mile of Pioneer Road, the density of future development is restricted to a net density of four (4) units per acre. The number of units in an attached multi-family residential structure is limited to four. Consistent with the plan, an 80-foot wide landscaped building setback shall be provided as a condition of any development approval. More information on the cooperative plan may be found at:

https://www.cityofmadison.com/dpced/planning/documents/CP_TownofMiddleton_Madison.pdf

Elderberry Neighborhood Plan. Originally adopted in 2002, this plan was updated in 2018 to reflect new development, including several residential subdivisions, office, institutional, park, and open space uses. As development occurred in the neighborhood, some planned street alignments were changed.

The predominant housing type recommended for the Property is detached single-family housing on individual lots at a density of four (4) dwelling units per net acre maximum consistent with the City of Madison and Town of Middleton Cooperative Plan. **The concept plan or preliminary plat submitted with the response shall reflect the general layout for the Property shown in the neighborhood development plan (Appendix C).**

The full Elderberry NDP may be found at:

https://www.cityofmadison.com/dpced/planning/documents/Elderberry_NDP_update.pdf

City of Madison Comprehensive Plan. The City of Madison Comprehensive Plan Generalized Future Land Use Map designates the area as LR – Low Residential, characterized primarily by single-family and two-unit housing types at a density of 15 units per acre or less and 1-2 stories in

height. However, the terms of the cooperative plan and recommendations of the neighborhood development plan shall take precedence over the general recommendations in the Comprehensive Plan. It should be noted that the Comprehensive Plan used Racial Equity as a lens for its development. The full text of the Comprehensive Plan can be found here:

<https://imaginemadisonwi.com/document/comprehensive-plan-adopted>.

6. Property Information

The Property at 10451 Old Sauk Rd totals approximately 15.68 acres and is located on the far west side of Madison southeast of the intersection of Pioneer Road, as described and shown on this page and more particularly in the land division concept shown in Appendix B. The Madison Water Utility intends to retain an approximately 1.94-acre parcel providing access to its water tower and related operations, with the remaining acreage to be sold pursuant to this RFP.

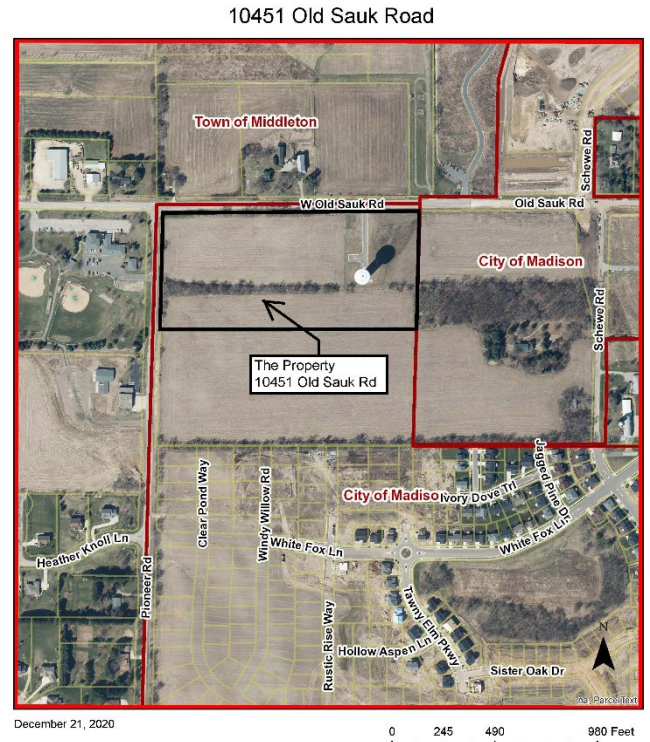
Please note that the size and location of the outlet to be retained by the Water Utility is approximate; the selected Buyer/Developer will be expected to work with the Water Utility to complete a mutually agreeable and workable Certified Survey Map (CSM) subdivision for this area.

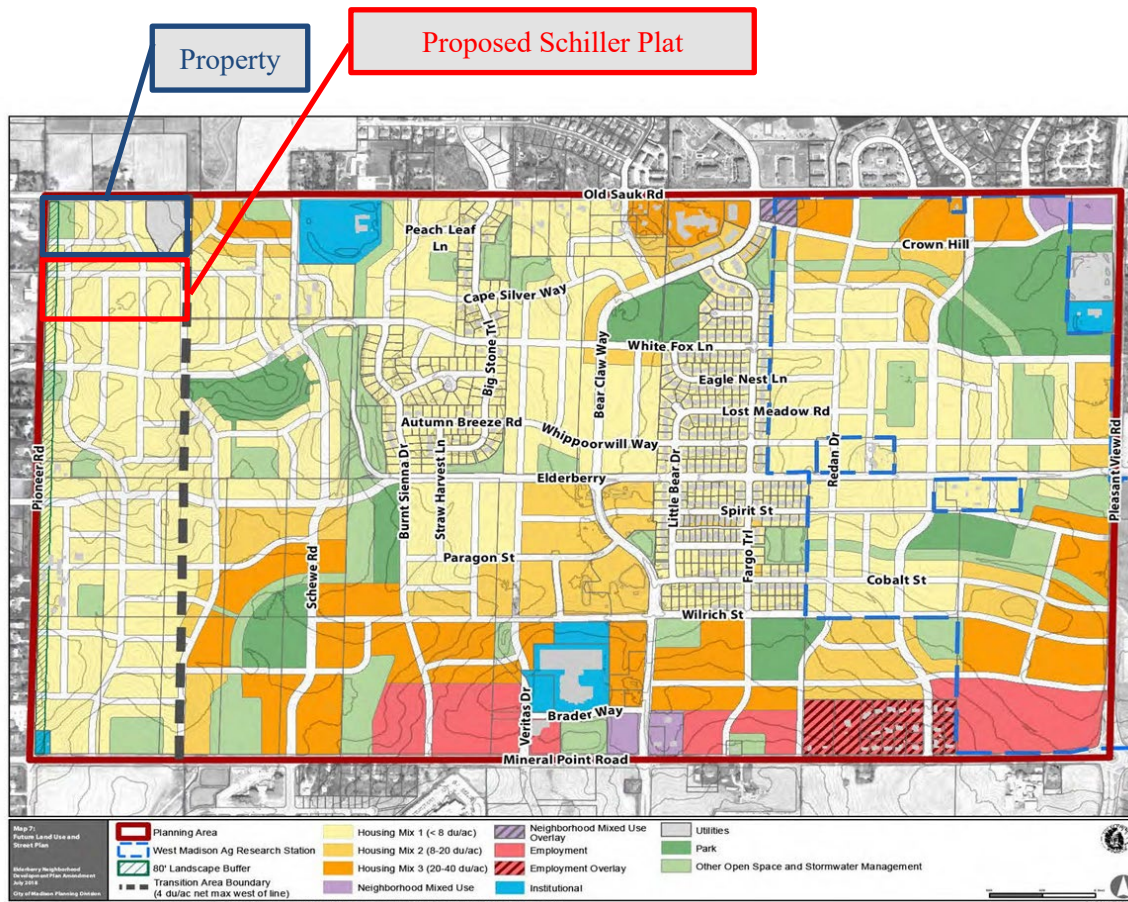
The characteristics of the Property include but are not limited to the following:

- Full utilities are available and may be extended to the Property.
- The Property is currently zoned A Agricultural District, and will require a rezoning prior to active development.
- The City will be selling the Property “as is” – see Section 6 of this RFP. Buyer accepts all responsibility for the Property.

The Schiller parcel to the south was attached to the City of Madison from the Town of Middleton in October 2020. Development of the Property should coordinate with the future development of the Schiller property to the extent possible. If the 16-acre Schiller plat and the Property are developed simultaneously as one subdivision, the resulting development may plan to meet the stormwater management requirements of MGO Chapter 37 jointly. Such requirements may include a 10-year volumetric discharge match pre- vs. post-development, in addition to other applicable City/State stormwater requirements for new development (detention, infiltration, TSS control, oil & grease control, flood routing for safe overflow, etc.

In any event, the Buyer/Developer is expected to work in concert with the City to ensure that all public and private infrastructure is coordinated to ensure sustainability and improve connectivity within the entire development area.





REQUESTED DESIGN FEATURES

The existing tree line on the Property is comprised of mulberry and boxelder, which are not protected species and therefore not required to remain following development. In addition to street trees in and adjacent to public rights-of-way, tree planting on private property is strongly encouraged, and the City may request recorded covenants to this end from the Buyer/Developer as a condition of sale. A landscaping plan for the setback buffer adjacent to Pioneer Road will require City approval prior to final approval and recording of the final plat.

The City is committed to promoting sustainable development in all newly platted and constructed buildings. The City strongly encourages respondents to incorporate as many environmentally friendly and energy-efficient features into its submission and as possible. Such features may include:

- Elements of single-family home construction that provide for substantial savings on energy consumption versus an “average” unit (appliances, insulation, windows, etc.)
- Installation of (or readiness for) alternative sources of energy generation/usage such as geothermal or solar
- Possibility of 100% electric homes (i.e. no natural gas hookups)
- Distributed green stormwater infrastructure best practices to promote biodiversity and control nonpoint sources of water runoff and pollutants subject to approval by the City Engineering Division

REQUESTED CONTRACTING PROCEDURES

- Including language on all bid documents that states diverse businesses are encouraged to bid on the project.
- Using the City of Madison’s directory of certified Targeted Business Enterprise to identify Targeted Business Enterprises from which to solicit bids. The City of Madison Targeted Business Enterprise Directory is available at: <https://www.cityofmadison.com/civil-rights/contract-compliance/targeted-business-enterprise-programs/directories>
- Assuring that Targeted Business Enterprise are solicited whenever they are potential sources.
- Referring prospective Targeted Business Enterprises to the City of Madison Affirmative Action Department for certification.
- Dividing total project requirements into smaller tasks and/or quantities, where economically feasible, to permit maximum feasible Targeted Business Enterprise participation.
- Establishing delivery schedules, where requirements permit, which will encourage participation by Targeted Business Enterprise.
- Providing Targeted Business Enterprise with specific information regarding the work to be performed.
- Contacting Targeted Business Enterprise in advance of the deadline to allow such businesses sufficient time to prepare a bid and engage in negotiation.
- Negotiating directly with Targeted Business Enterprise, including those which volunteer a bid.
- Utilizing the bid of a qualified and competent Targeted Business Enterprise when the bid of such a business is deemed reasonable, although not necessarily low.

7. No Representations and Warranties: AS-IS Condition.

It is the intent of the City to sell the Property in “as-is” condition, with all faults. The City disclaims all warranties and representations that concern the Property. The Buyer/Developer shall rely on its own inspections and shall be solely responsible for the structures and materials located on the Property from and after the date of closing. The Buyer/Developer will have relied exclusively upon its own inspections and reviews, and not upon any representation or warranty of the City or its agents or employees.

The City is prepared to negotiate an option period for the Property upon review and selection of proposals submitted through this RFP.

8. City Approvals

There are several concurrent actions that will need to occur for a Developer to receive full approval to proceed. Development of the Property will require review by the Plan Commission and Board of Public Works, and approval by the Common Council.

Neighborhood Engagement. During the review of the Development, the Respondent may, in consultation with the Alderperson of District 9, be asked to meet with the Elderberry Neighborhood Association and other community groups or stakeholders as deemed necessary by

the Alderperson to present the project and listen to feedback. City staff are available to assist the Developer through this process.

Zoning. The Property is currently zoned A - Agricultural District, and will require a rezoning to a residential zoning district before commencing any new residential construction. See Subchapter 28C of the Zoning Code for more information on the residential districts that may best suit your proposal. Rezoning of the property will be reviewed by the Plan Commission for consistency with adopted plans and is approved by the Common Council.

Information on the zoning approval process may be found at:

<https://www.cityofmadison.com/development-services-center/land-development/private-property/rezoning>

Subdivision. The Property will require approval of a preliminary plat and final plat and/ or Certified Survey Map (CSM) to create the Water Utility parcel and parcel(s) for development of the remaining 13.7 acres of land. Subdivisions are reviewed by the Plan Commission for consistency with adopted plans, the provisions of MGO Section 16.23, and the City's official map and are approved by the Common Council. More information on the subdivision process may be found at:

<https://www.cityofmadison.com/development-services-center/land-development/private-property/subdividing-land>

As a condition of approval, the Respondent will be required to enter into an agreement with the City ("Developer's Agreement") to construct the infrastructure necessary to serve the approved development and Water Utility parcel prior to recording of the final plat or CSM. The Developer's Agreement is reviewed by the Board of Public Works and approved by the Common Council.

9. City Assistance

Facilitating the development of the Property is a high priority for the City. The City will assist the selected Buyer/Developer by:

- Providing information and assistance obtaining approvals as noted above.
- Facilitating meetings with various stakeholders as needed (e.g., City staff, elected officials, neighborhoods, etc.)
- Coordination of design and infrastructure development with Water Utility property and proposed Schiller plat immediately south.

10. Proposal Requirements

Each proposal must contain all of the following information. While the City is interested in quality and well thought through proposals, brevity is strongly encouraged as noted in the page limits below. Each section below should be identified in proposals by tabbed sections or cover pages.

1. Development Team (Three pages maximum)
 - a. Describe the composition, expertise, and experience of the development team, including examples of previous successful projects from within the last five years.
 - b. Highlight the Targeted Business Enterprises that were utilized as contractors on those projects.
 - c. Identify plans to contract with Targeted Business Enterprises and follow the Contracting Procedures outlined above.
2. Design Concept / Land Use(s) (Two pages of text maximum, plus any associated plans)
 - a. Describe the development program and concept, including location and sizing of all utilities and infrastructure (water, sewer, streets, pedestrian features, etc.)
 - b. Submit preliminary site and building plans, building elevations, and sketches with enough detail to help communicate development concept.
 - c. Indicate the development land uses, along with unit counts and estimated square feet per use.
3. Sustainability Features (Two pages of text maximum, plus any related exhibits)
 - a. Describe planned use of innovative or alternative techniques for energy efficiency and green infrastructure.
 - b. Quantify the benefits/savings of proposed sustainability features versus an “average” single-family home of similar quality.
4. Financing (Three pages of narrative maximum plus pro-forma and sources and uses document)
 - a. Indicate the purchase price to be paid for the entire Property along with any financing conditions or contingencies.
 - b. List the sources and uses of funds that demonstrate project feasibility.
 - c. Summarize the overall economic impact and tangible benefits for the City, including tax base generation, construction jobs, and permanent jobs.
 - d. Outline any other community benefits the proposed project will generate.
 - e. Development pro-forma
5. Ownership Structure (One page maximum)
 - a. Describe the desired method for taking title to the Property.
6. Process / Timeline (One page maximum)
 - a. Provide a timetable for each major phase of the project.
 - b. Describe a neighborhood participation process or plan.
 - c. Timeframe for phasing and development.

11. Additional Information

- The City reserves the right to reject any or all proposals for any reason at its sole discretion.
- The City reserves the right to combine development proposals and suggest development partnerships between development proposals.

- If no development proposal is selected, or the selected Buyer/Developer(s) is unable to finalize an agreement with the City, the City reserves the right to advance development proposals as they come forward.

12. General Selection Criteria and Process

The Office of Real Estate Services Manager (the “ORES Manager”) or other Designee as determined by the Department of Planning, Community and Economic Development (DPCED) Director, in consultation with other City Staff and the City Finance Committee, shall review any and all proposals that are received by the deadline. During this review, Buyer(s)/Developer(s) will be invited to a Neighborhood Meeting where they will be permitted to present their proposals to the community and members of the public will be able to share their feedback with Alders and City Staff.

The ORES Manager/Designee shall prepare a comparative summary of the proposals, based upon the criteria below, and make a recommendation to the Common Council regarding which response to the RFP the City should select.

- Meets Minimum Requirements identified in this RFP.
- Buyer/Development Team’s expertise, experience, and financial capacity.
- Quality of the proposed development.
- Economic feasibility of the proposed development.
- Adherence to adopted plans and design guidelines for the Property.
- Tax base impacts.
- Purchase price and financing terms and conditions for the purchase of the Property.
- The length of time required to implement all phases of development of the Property.

All responses to this RFP will be available to and reviewed by the public.

Upon selection, the ORES Manager/Designee will make a recommendation to the City’s Common Council. Upon acceptance of a proposal by the Common Council, Staff will negotiate a term sheet with the selected Buyer/Developer. Final approval is contingent upon Common Council accepting the terms and conditions outlined in the term sheet and authorizing the execution of an option, or a Purchase and Sale Agreement.

13. RFP Proposed Schedule

April 15, 2021	RFP released
May 14, 2021 (2 PM CDT)	RFP Responses Due
June 2021	Office of Real Estate Services Manager makes recommendation to Common Council
July - August 2021	Common Council (CC) review and acceptance of recommendation
September – October 2021	Term Sheet negotiated
October – December 2021	Action by CC and subcommittees on Term Sheet

Buyers/Developers should plan for a 4-6 month minimum land use approval schedule following the Common Council approval date. Developers should note that the land use approval process is separate from any neighborhood process to review development proposals.

*Exact timing will depend on complexity of negotiation, and length of other committee and Common Council deliberations.

SUBMISSION OF PROPOSALS AND PROPOSAL DEADLINE

In consultation with Public Health Madison and Dane County, the Mayor has closed most City of Madison offices to public visitors in order to prevent the spread of COVID-19 in the community. City employees are continuing to support critical public services remotely and are responding to emails and voicemails. Questions regarding this RFP should be directed to the contact person below. **Proposals must be submitted by email only to the following contact by 4:00 PM Central Daylight Time on Friday, May 14, 2021.**

Dan Johns, AICP
Office of Real Estate Services/CDA Redevelopment
Economic Development Division
Email: djohns@cityofmadison.com
Phone: (608) 243-0301

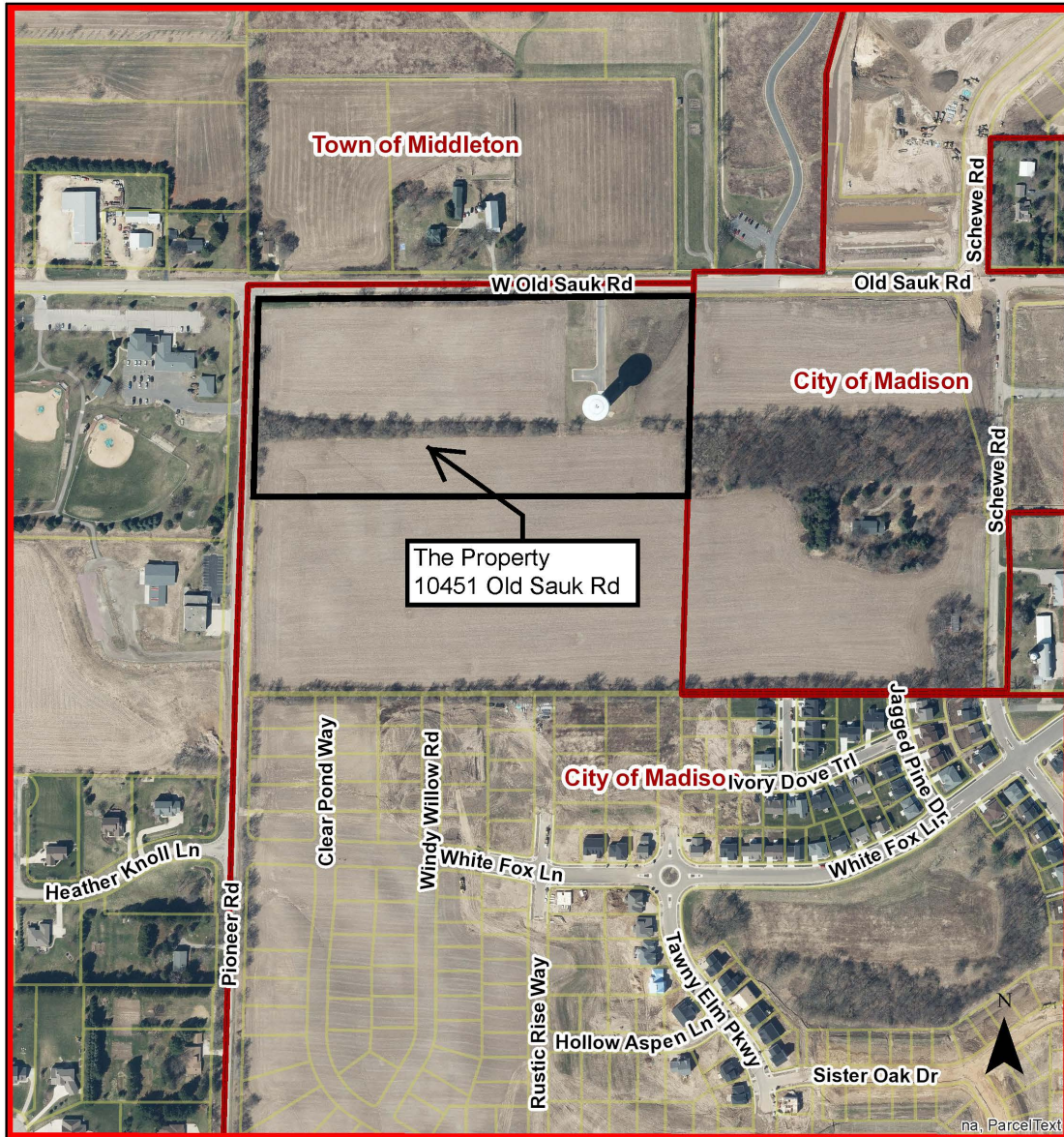
File Size: Please note that an individual email cannot exceed 20 MB. It is the responsibility of the applicant to present files in a manner that can be accepted. If dividing the submittal materials into multiple, smaller components (in order to meet the email size limit), please clearly indicate the total number of email components in the subject line (e.g.: “RFP Response for 10451 Old Sauk Road - email 1 of 4”, “...2 of 4”, etc.) and label the email attachments accordingly (e.g.: “Attachment 1 of 3”, “...2 of 3”, etc.). Please email Dan Johns, Housing Development Specialist, at djohns@cityofmadison.com regarding questions on this submittal or alternative filing options.

Late responses will not be accepted.

If necessary, the City will issue an addendum to this RFP. The City may extend the due date if it judges it necessary.

APPENDIX A

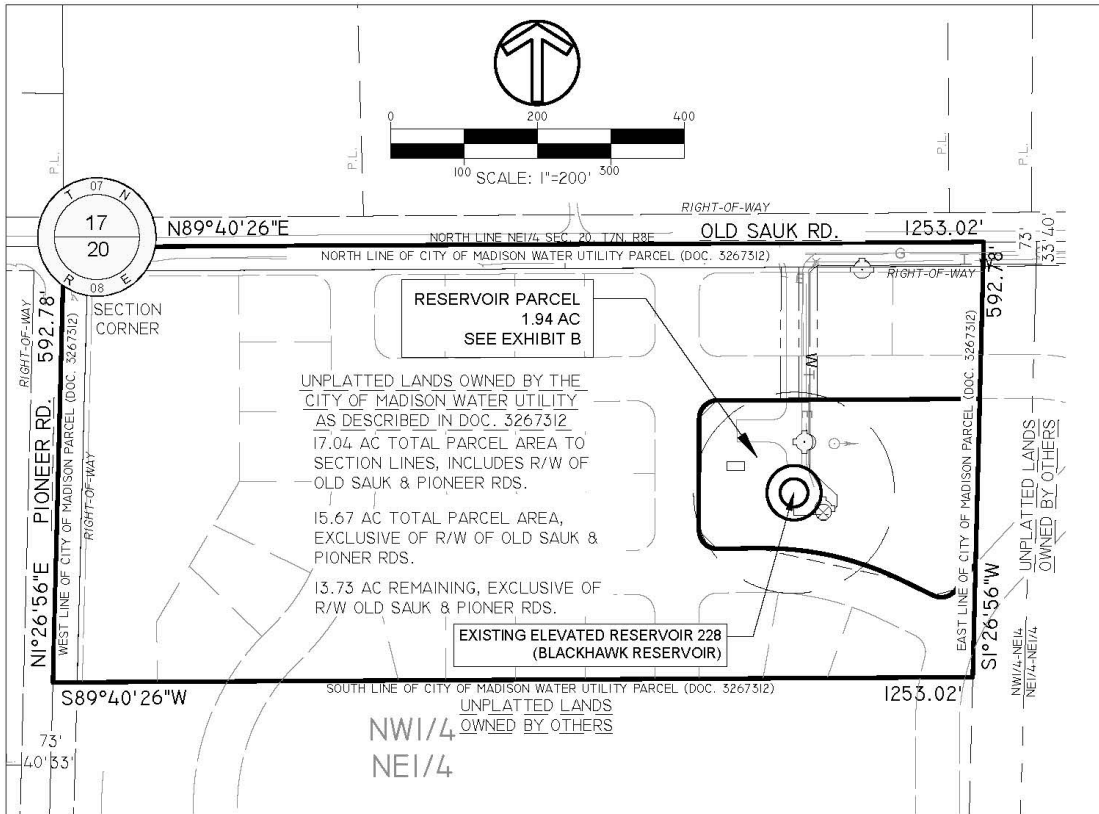
10451 Old Sauk Road



December 21, 2020

0 245 490 980 Feet

APPENDIX B




LEGAL DESCRIPTION OF CITY OF MADISON WATER UTILITY PARCEL AS SURVEYED. PARCEL DESCRIPTION RECORDED IN DOC. 3267312
 PART OF THE NORTHWEST 1/4 OF THE NORTHEAST 1/4 (NW1/4 NE1/4) OF SECTION TWENTY (20), TOWNSHIP SEVEN (7) NORTH, RANGE EIGHT (8) EAST, IN THE CITY OF MADISON (RECORDED AS THE TOWN OF MIDDLETON), DANE COUNTY, WISCONSIN, TO-WIT:

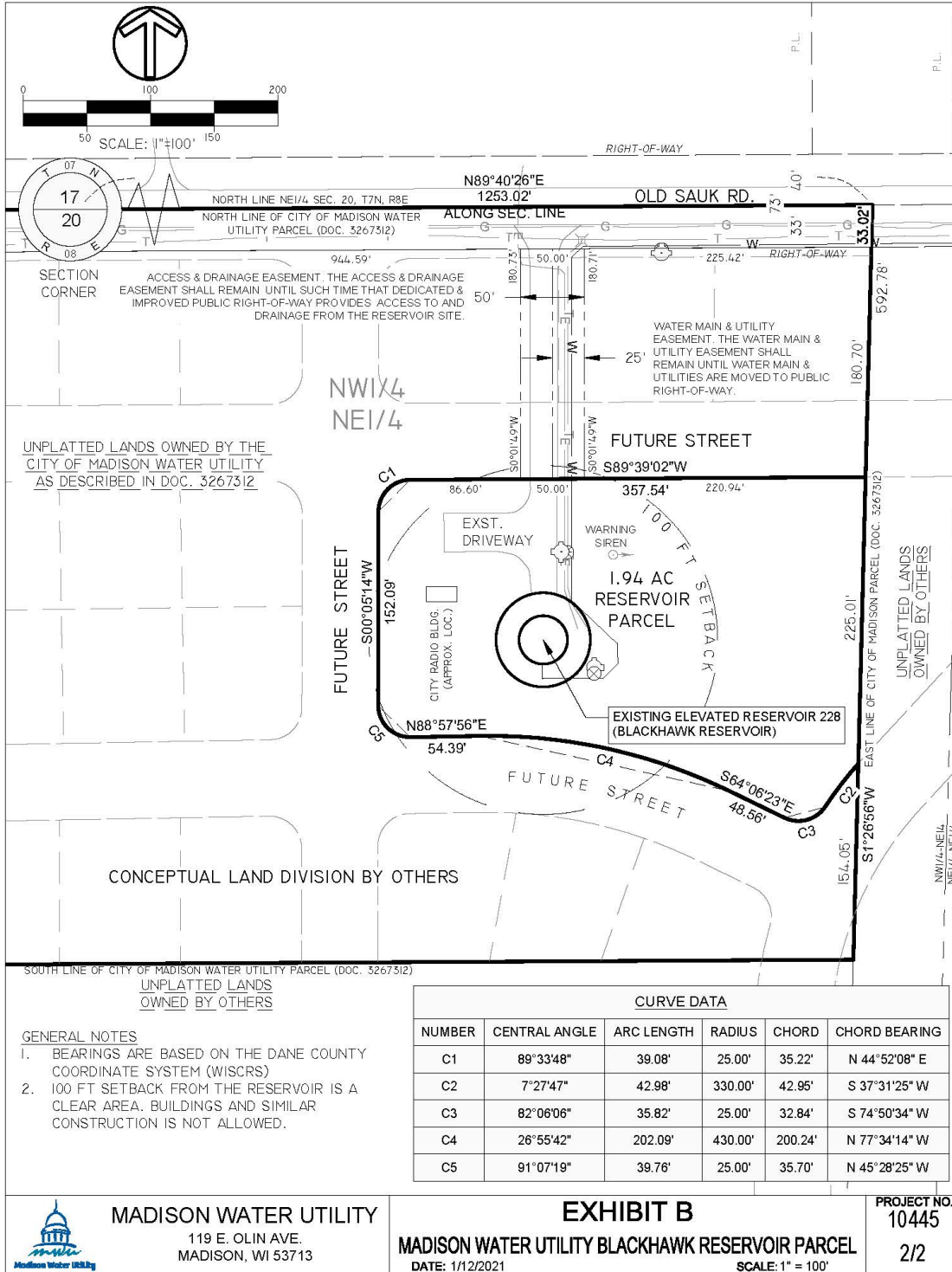
BEGINNING AT THE NORTH 1/4 CORNER OF SAID SECTION 20; THENCE NORTH 89°40'26" EAST (RECORDED AS NORTH 89 DEGREES, 16'50" EAST), 1253.02 FEET; THENCE SOUTH 1°26'56" WEST (RECORDED AS SOUTH 01 DEGREES 03'36" WEST), 592.78 FEET; THENCE SOUTH 89°40'26" WEST (RECORDED AS SOUTH 89 DEGREES 16'50" WEST), 1253.02 FEET; THENCE NORTH 1°26'56" EAST (RECORDED AS NORTH 01 DEGREES 03'36" EAST), 592.78 FEET TO THE POINT OF BEGINNING.

GENERAL NOTES

- I. BEARINGS ARE BASED ON THE DANE COUNTY COORDINATE SYSTEM (WISCRS)

	<p>MADISON WATER UTILITY 119 E. OLIN AVE. MADISON, WI 53713</p>	<p align="center">EXHIBIT A</p> <p align="center">MADISON WATER UTILITY PROPERTY</p> <p>DATE: 1/12/2021 SCALE: 1" = 200'</p>	<p>PROJECT NO. 10445 1/2</p>
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MADISON WATER UTILITY
 119 E. OLIN AVE
 MADISON, WI 53713

EXHIBIT B

MADISON WATER UTILITY BLACKHAWK RESERVOIR PARCEL

DATE: 1/12/2021

SCALE: 1" = 100'

PROJECT NO.
10445

2/2

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APPENDIX C

