

Official Notice MPL-19-003

Request for Proposal:

The City of Milwaukee acting through the Board of Trustees of the Milwaukee Public Library (MPL) seeks proposals from qualified firms for the development of a new Milwaukee Public Library facility to replace the Capitol Library at 3969 N 74<sup>th</sup> Street, Milwaukee WI 53216

March 28, 2019

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**Attachments:**

**Exhibit A:** Description of Capitol Library with a map of area within a 1.0 mile radius of 74<sup>th</sup> and Capitol Drive, Milwaukee WI

**Exhibit B:** Library Shell Construction and Delineation of Library shell and Library interior build-out responsibilities.

Special Note:

Unauthorized contact regarding this RFP with any City policy staff, elected official, advisory panelist, Library Board of Trustee, Library staff or Department of City Development staff may result in disqualification.

The City and/or the Board 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 development agreement and other contracts with the developer awarded the purchase and development rights (including modifications of the proposed design), and to impose additional use restrictions, if necessary.

The contents of this packet are for informational purposes only and the representations made herein, though thought to be accurate, are without warranty. Development teams should rely exclusively on their own investigations and analyses.

**I. Purpose**

In 2010, MPL adopted a Facilities Plan: “Rethinking Libraries for the 21st Century.”

Aligned with this plan, MPL recommended to the City of Milwaukee a preferred development program for the replacement of the Villard, East, Forest Home, and Mill Road, Martin Luther King, and Capitol libraries.

The Mayor and Common Council budgeted for the replacement of these libraries over a number of years. So far, the Villard and East branches have been replaced, the Mitchell branch has replaced Forest Home, a new branch is under construction on Good Hope Road to replace the Mill Road library, and planning for the King project is underway.

MPL is now planning for the replacement of the Capitol Library at 3969 N 74<sup>th</sup> Street. The new libraries are part of mixed-use developments and MPL is seeking a real estate development partner for a new, mixed-use facility to replace Capitol. Through this RFP, the MPL Board is seeking submissions from entities with development plans that may be compatible with a library project.

The proposed new library should anchor a catalytic community economic development project for the neighborhood near the Capitol Library. The new building should have a signature design that draws attention to the library space.

## **II. Summary of the Library's Development**

Many of the facilities within the 12-branch MPL system were built more than 45 years ago and are in need of replacement due to a variety of factors.

To date:

- The Villard Avenue branch was replaced in 2011 with new construction across the street from its original location as the Villard Square branch, part of a 47-unit mixed-use housing development funded in part by New Markets and Low Income Housing Tax Credits.
- The East library was torn down and replaced with a 16,900 sf library as part of a new mixed-use development in November 2014, including 99 market rate apartments. The project was privately financed.
- The Forest Home library has moved to a restored and reimagined 23,000 sf library spread over three floors of a historic department store building at 906 W. Historic Mitchell Street. Opened in 2017, the project includes 60 market rate apartment units. That project included New Markets and Historic Tax Credits.
- Construction is underway to replace the Mill Road library with an 18,400 sf library within a newly constructed mixed-use building at 7717 W Good Hope Road. The project includes 65 mixed-income apartments and is partially funded by federal Low-Income Housing Tax Credits. The library will open in 2019.

During its strategic planning process in 2013, the MPL Board identified core organizational values that state libraries (are) “anchoring healthy and vibrant neighborhoods...successful business districts” and are “contributing to a strong Milwaukee...strong economy and job market.” In other words, the Board recognizes the vital role branch libraries play in the community and economic development in the neighborhoods where they are located.

By the time the new Good Hope Library opens, the library developments completed so far will have created:

- 70,400 square feet of state-of-the art library space
- 271 new apartment homes
- Over \$25 million in new tax base adding hundreds of thousands of dollars in annual in tax revenue to the City

The prior library branch projects will be used as a general guide for the development principles and legal terms for the Capitol project, but each project is unique and lessons have been learned with each project such that no developer should rely entirely on the structure of prior projects to guide their expectations for the final negotiations and development agreement terms for this project.

### III. **Project Requirements / Criteria**

#### A. **Mixed-use project/economic development**

MPL desires that the library be the most visible feature of a mixed-use project. The building should utilize creative place-making methods and architecture to engage library patrons, neighbors, and pedestrians alike.

The non-library component(s) of the development must be housing, retail, office, or another commercial use appropriate for co-location with a public library and should strive to add to the tax base of the city.

The library component is considered to be a public project even though it is undertaken by a private developer, meaning that requirements for public construction must be met as further described below. The developer and any contractors must comply with the requirements of the Public Records Law including, but not limited to, retaining records related to the construction of the library portion of the project for a period of 7 years.

#### B. **Design**

The project should have a signature design and use materials that elevate the library as an important asset and “third place” in the community. “Third place” is a term that refers to places where people spend time between home (“first” place) and work (“second” place). They are locations where individuals exchange ideas, feel a welcomed part of the community, engage in activities, and build relationships. **The interior library design will have a separate RFP and will be funded by MPL.**

### **C. Location**

Proposals should be for a project within about one mile of the current Capitol branch located at 3969 N. 74<sup>th</sup> Street. If the proposal suggests a new site, the preference for the new location is that it should be within about one mile to the north, east, or west of the current site (See map).

If the proposal suggests developing on any additional parcel that is not city-owned evidence of site control for that property must be included with your response and please note the current zoning of the site. **Scope of Developer Responsibilities: see attached Exhibit B for additional detailed developer responsibilities**

Developer and City / MPL will enter into a development agreement establishing the following requirements for the project within 7 months after the Library Board awards the project to a developer. The development agreement can be contingent upon developer obtaining the necessary financing for the project, but shall also include time contingencies in the event the developer is unable to obtain financing in a timely manner. The development agreement shall incorporate all of the following plus the items identified in Exhibit B attached to this RFP. A liquidated damages provision will also be required in the event of delays in completion of construction of the library unit.

#### **GENERAL RESPONSIBILITIES/EXPENSES:**

- Developer shall incur 100% of site preparation costs including demolition of existing structures and environmental remediation costs, if necessary.
- Developer shall be responsible for all costs associated with the acquisition / lease and build-out of a temporary library location during construction if the current Capitol branch is to be torn down.
- Developer shall be responsible for relocating existing utilities and bringing utility service to the site for the project.
- Developer shall develop the project in accordance with design plans approved by the City and MPL and any applicable City policies, laws and regulations.
- Following completion of the library component, developer shall convey the library condominium including library parking to the City/MPL per the specifications in Exhibit B.
- City / MPL will not pay any developer fee to the developer for this project.
- In the event that the developer's financing mechanism for the project requires a lease, rather than immediate conveyance, of the library unit to MPL, developer shall be responsible for all property taxes owed on the library unit during such lease.

#### **LIBRARY COMPONENT – BUILDING REQUIREMENTS TO BE PROVIDED BY DEVELOPER:**

- Approximately 17,500 sf plus additional 900 sf space for interior HVAC/mechanical room
- Located on ground floor only
- One public entrance (close to parking and/or main thoroughfare)
- Highly visible from street with tempered laminate glass curtain wall/storefront
- 20 foot ceiling height

- Minimum of 150-pound/SF floor-bearing capacity
- Waterproofing between any upper unit and library unit
- Loading area for daily truck delivery. Loading dock area shall be dedicated to MPL and shall not be shared with any other organizations or building owners. Dedicated area and parking lot shall meet MPL's PSI ratings and turning radiuses for delivery and other City of Milwaukee service vehicles.
- Exterior book drop location with illumination.

#### **UTILITIES**

- Separate HVAC, water, natural gas and electrical service between library and non-library components.
- Rooftop location and interior pathways for HVAC equipment/ductwork.
- Use of "best practices" for sustainable construction highly encouraged, solar panels, etc. (City financing may be available to assist in green building features)
- Developer shall provide pathways for plumbing and electrical under concrete slab, if necessary. Developer will be responsible for 100% of under slab work related to all MEPs.

#### **PARKING**

- Library parking lot to be provided by developer as part of the library condominium unit.
- Minimum of four library-only parking spaces per thousand square feet of library space
- Library lot for patrons and staff only, not to be shared with non-library condominium unit or uses.
- Easily accessible & visible to patrons

#### **CONDOMINIUM CONVEYANCE TERMS & FUTURE OWNERSHIP**

- A multi-unit condominium will be created by the developer for the project. The library unit will be conveyed to the City under an agreed upon price. The other uses will constitute a single condominium unit. The voting rights of unit owners in the condominium shall be structured so that the owner of the library unit shall hold a minimum of 50% of the overall voting rights. The Good Hope Road branch condominium documents will serve as the model condominium documents for this project. The documents will be posted on our website for review.

#### **HUMAN RESOURCE REQUIREMENTS**

- Participation in the City's Small Business Enterprise (SBE) program is required at a minimum for the library component of the project per MCO Ch. 370. The City's requirement is 25% of the budgeted cost of construction supplies and services and 18% of the budgeted cost of professional services. The City encourages voluntary participation in the SBE requirements for the entire project, but may be required if certain City contribution thresholds are met for the entire project as described in MCO Ch. 355.

- For the library component, City of Milwaukee residents shall be hired as outlined in MCO §309-41 and as further described in MCO §355-7 (the City’s Resident Preference Program, also known as RPP). The developer is encouraged to meet these targets to the full project and may be required to do so if certain City contribution thresholds are met for the entire project as described in MCO Ch. 355. More information about the Milwaukee Public Library Residents Preference Program can be found on our library development website at [www.mpl.org/about/library\\_development/](http://www.mpl.org/about/library_development/)
- A Human Resources Agreement with the City is required to address the requirements for the SBE and RPP Programs.

**BUYER POLICIES**

- If the project transaction involves the purchase and sale of City-owned property, the developer is advised of, and shall be in compliance with, the City’s general buyer policies as outlined in MCO §304-49-8.
- Conveyance, if any, will be subject to either a Payment In Lieu of Taxes (PILOT) Agreement between the developer and City (requiring payment in the event the property ever becomes tax exempt) or a deed restriction prohibiting application for property tax exemption for the non-library unit within the development.

**IV. RFP Submittal Requirements**

Entities submitting a proposed project in response to this RFP should submit a proposal containing the following information:

1. Entity: Name and general description of the entity submitting the proposal.
2. Contact Information: Name, street address, phone number, website, and e-mail address of the entity’s primary contact.
3. Prior Experience: A brief description of the entity’s prior experience related to developing, designing, constructing or facilitating construction of mixed-used property, including working within a public-private partnership.
4. Financial Capability: Verifiable information demonstrating that the entity is in sound financial condition and has the ability to secure the necessary financial standing or guarantor to meet the project’s requirements now and in the future.
5. Project Description: Proposed project summary, including:
  - detailed construction cost estimates
  - construction schedule
  - financing strategy and schedule.
  - an estimated pro-forma for the overall project

6. Conceptual Plans: Architectural plans, preliminary site plan, conceptual elevations that identify building materials.
7. Cost Estimates: Estimate of “core and shell” construction cost for library space to gray box condition on a per square foot basis. Please carefully review the attached Exhibit B describing the developer’s responsibilities and costs.
8. Funding Sources: Planned funding sources, such as New Markets Tax Credits or Low-Income Housing Tax Credits, grants, loans or other traditional financing, etc. Please include a timeline for obtaining financing.
9. Public Interest: A brief description of how the project is in the public interest, including, but not limited to, advancing community economic development in the area (creating a sense of place and improving access to library services).
10. Partners: A list of all project partners including signed support letters from any entities participating.

**V. Review, Selection Process / Schedule of Important Dates:**

**A multi-stage review -- with opportunity for public feedback -- will be used.  
Proposals will be scored based on the following:**

- 1. The experience of the development team**
- 2. The financial capability of the development team**
- 3. Conformity to MPL’s requirements and design**

PRE-SUBMITTAL Open House: An information session will be conducted by Library staff to answer questions about the RFP on **Thursday, April 11 at 1:00 PM at the Capitol library** in the Community Room at 3969 N. 74<sup>th</sup> Street, Milwaukee WI.

**RFP submittals are due on Thursday, May 9th, 2019 at 4pm.**

**Please submit your plans electronically AND provide 10 hard copies by the due date to Sam McGovern-Rowen, Library Construction Project Manager at the address below.**

MPL staff may seek clarification through interviews or questions to the submitters.

**Your RFP concepts will be posted on MPL’s webpage and at the Capitol library for public comment.**

Screenings by an Advisory Panel may include the Milwaukee Public Library Director, MPL executive staff, Department of City Development staff, a UWM School of Architecture and Urban Planning representative, housing financing development consultants, and local community stakeholders.

## **Public Meeting Schedules:**

**Community open house for projects to be presented to the community in May (exact date TBD).** Questions and comments will be taken from the public.

Developer teams to present proposals to the community and committees:

**June 6th, 2019 - 8:00 AM MPL Building & Development Committee**

**June 25, 2019 - 4:00 PM MPL Board of Trustees**

The Board may select a project that best meets the needs of the Library during the June cycle.

### **After Developer/Project selection:**

- A Term Sheet/Development Agreement will be negotiated with firm timelines and deliverables
- The Term Sheet/Development Agreement should be signed and through all city approvals within 5 months of the award of the RFP (additional public meetings will be required before the Common Council and at least one of its committees).
- The Development Agreement may be contingent upon the developer securing financing for the project.

### **Construction should begin in 2020 and be completed in 2021**

Submit all RFP documents and questions to:

Sam McGovern-Rowen - Project Manager – Library Construction  
Central Library - 814 W. Wisconsin Ave  
Milwaukee, WI 53233  
Desk: (414) 286-5462  
sjmcgov@milwaukee.gov



