

City of Wilmington



MICHAEL S. PURZYCKI
Mayor

REQUEST FOR PROPOSALS

ACQUISITION AND REDEVELOPMENT OF

817 W. 4th Street Wilmington, De 19801
612 W. 5th Street Wilmington, De 19801
802 W. 6th Street Wilmington, De 19801
834 W. 6th Street Wilmington, De 19801
517 W. 7th Street Wilmington, De 19801
618 W. 7th Street Wilmington, De 19801
717 W. 8th Street Wilmington, De 19801
703 N. Washington Wilmington, De 19801

Properties will be open for inspection on Saturday June 13th, 2020 from 1:00 to 4:00 p.m.

The City of Wilmington will receive sealed proposals 7th Floor, 800 French Street,
Wilmington, DE 19801

Proposals are due Friday, June 26th, 2020 no later than 4 PM

Proposals may be obtained at the above address.

All properties will be transferred to the Wilmington Neighborhood Conservancy Land Bank
prior to transfer to the winning submitter.

Tom Ford
Department of Real Estate and Housing
7th Floor, 800 French Street, Wilmington, DE 19801
tford@wilmingtonde.gov

REQUESTS FOR PROPOSALS

1. Proposals for the -ACQUISITION AND REDEVELOPMENT OF:

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will be received by the City of Wilmington, Department of Real Estate and Housing 7th Floor, Louis L. Redding City/County Building, 800 French Street, Wilmington, Delaware, on or before, Friday, June 26th, 2020 no later than 4 PM

2. Proposals must be an original and three (3) copies, sealed in an envelope, and the envelope endorsed "Proposal for West Center City Scattered Site Development" and addressed to the Department of Real Estate and Housing c/o Tom For., 7th Floor, Louis L. Redding City/County Building, 800 French Street, Wilmington, Delaware.
3. Any proposal may be withdrawn prior to the schedule time for opening of proposals or authorized postponement thereof. No proposal may be withdrawn within sixty (60) calendar days after the actual opening thereof.
4. The successful proposer will be required to have or obtain an appropriate business license, if applicable, from the Department of Finance, Revenue Division, City of Wilmington, in order to be awarded the contract. Before obtaining a City of Wilmington Business License, all applicants must show proof of a current State of Delaware Business License.
5. The successful proposer will be required to withhold City of Wilmington Wage Tax from their employees and withheld taxes paid to the City of Wilmington pursuant to the provisions of the Wilmington Wage Tax Law. This law applies to people living and/or working in the City of Wilmington.
6. The successful bidder certifies that they are not listed on the Federal Governmental, Excluded Parties List System (www.sam.gov). This will be verified by the City of Wilmington and if listed may be grounds for rejection of the bid or proposal.

7. **Award and Execution of Contract**

- A. **Consideration of Proposals.** Before awarding the contract, a proposer may be required to show that he/she has the ability, experience, necessary equipment, experienced personnel, and financial resources to successfully carry out the work required by the contract.

The right is reserved to reject any and/or all proposals, to waive technicalities, to advertise for new proposals, or to proceed to do the work otherwise, if in the judgement of the City of Wilmington the best interest of the City will be promoted thereby.

- B. **Award of Contract.** The award of the contract, if it be awarded, must be within sixty (60) calendar days after the opening of proposals to the qualified proposer whose proposal complies with all the requirements prescribed. The successful bidder will be notified by letter mailed to the address shown on their proposal that their proposal has been accepted and has been awarded the contract.

- C. **Cancellation of Award.** The City of Wilmington reserves the right to cancel the award, or part of the award, of any contract at any time before the execution of said contract by all parties without any liability against the City. The City of Wilmington reserves the right to negotiate with any individual or entity that submits an RFP.
8. Any person doing business or seeking to do business with the City of Wilmington shall abide by the following Global Sullivan Principles:
- A. Support universal human rights and particularly, those of employees, the communities within which you operate, and parties with whom you do business.
 - B. Promote equal opportunity for employees at all levels of the company with respect to issues such as color, race, gender, age, ethnicity, or religious beliefs, and operate without unacceptable worker treatment such as the exploitation of children, physical punishment, female abuse, involuntary servitude, or other forms of abuse.
 - C. Respect employee's voluntary freedom of association.
 - D. Compensate employees to enable them to meet at least their basic needs and provide the opportunity to improve their skill and capability in order to raise their social and economic opportunities.
 - E. Provide a safe and healthy workplace; protect human health and the environment; and promote sustainable development.
 - F. Promote fair competition including respect for intellectual and other property rights, and not offer, pay, or accept bribes.
 - G. Work with governments and communities in which you do business to improve the quality of life in those communities - their educational, cultural, economic, and social well-being - and seek to provide training and opportunities for workers from disadvantaged backgrounds.
 - H. Promote the application of these principles by those with whom you do business.

Questions must be submitted via email to

Tom Ford
Department of Real Estate and Housing
7th Floor, 800 French Street, Wilmington, DE 19801
tford@wilmingtonde.gov

PROPERTY INSPECTION DATE: Saturday June 13th, 2020 from 1:00 to 4:00 p.m.

REQUEST FOR PROPOSALS

Vision

The City of Wilmington prefers the redevelopment of the properties to be single-family residential use. Owner occupancy is the preferred outcome. The City of Wilmington will accept RFP's for any combination of the properties.

In making the properties available for redevelopment, The City of Wilmington anticipates advancing the following objectives:

Benefit to Community: provide uses benefitting the surrounding community with residential development.

Increase revenue generating opportunities and improve tax base for the City.

Visually and functionally integrate and enhance the surrounding neighborhood through enhancement of existing infrastructure and streetscape.

Financial Objective: Develop a financially viable project which maximizes investment.

Timely Completion: Complete the proposed project promptly.

Evaluation Criteria

Evaluations will be scored and based on:

- Extent to which the proposed redevelopment fits into and improves the surrounding neighborhood.
- Amount of financial investment proposed for the building site.
- Municipal tax revenue that will result from the acquisition and redevelopment.
- The contribution that the redevelopment will make toward enhancing the quality of life in the surrounding neighborhood.
- The ability to complete the project without additional investment from the City of Wilmington; financial stability of the developer.
- The developers prior experience with similar projects.
- The developers ability to acquire and rehabilitate multiple properties.
- Final development product with an emphasis on owner occupancy. Proposals that meet the owner occupancy criteria will be made available for \$1.
- Amount, if any, offered to The City of Wilmington for the purchase of the property for non-owner occupancy submissions.

Each bullet point will be scored on a scale of 1-10 with 10 being the highest allotment of points per category. The City of Wilmington will negotiate a Memorandum of Agreement with the selected respondent, outlining the terms and conditions for conveyance and redevelopment of the property.

REQUEST FOR PROPOSALS

SUBMISSION MATERIALS

All submissions should include the following:

- A. Purchase price.
- B. Development Team Qualifications.
 - 1. Name, address, and contact information of firm or individual responding to RFP
 - 2. Firm Overview – Provide a brief description of individual or organization, history, leadership team and number of employees
 - 3. Experience – List of projects (past and current) detailing relevant development experience
 - 4. References – Provide names and contacts for people who can speak to the credibility and experience with the individual or development team
 - 5. Financial Viability – Provide a statement and other relevant information to demonstrate the individual or organization’s capability to accomplish the proposed project.
- C. Project proposal.
 - 1. Project Description – Provide a description of the proposed project, which may include conceptual site plan / design for the site
 - 2. Project Rationale & Strategy – Provide information supporting the feasibility and marketability of the proposed project
 - 3. Development Team – Provide the qualifications of all the individuals or team members anticipated to participate in the project
 - 4. Project Timeline- provide an estimate of the project timeline from pre-development through construction.

DEVELOPMENT REGULATIONS

Sec. 48-134. - R-3 districts.

Relevant excerpts from the zoning code:

https://library.municodecom/de/wilmington/codes/codetf_ordinances?nodeId=PTIIWICO_CH48ZO_ARTIVREDI_DIV2USRE_S48-134DI

(c) *Uses permitted as matter of right.* The following uses are permitted as a matter of right:

- (1) Any use permitted in R-1 districts under [Section 48-131\(c\)](#) and in R-2 districts under [Section 48-132\(c\)](#).

(d) *Uses permitted under zoning board of adjustments approval.* The following uses are permitted if approved by the zoning board of adjustment as provided in article II, division 3 of this chapter, subject to the conditions specified below in each case:

- (1) Any use permitted in R-2 districts under [Section 48-132\(d\)](#).

(f) *Automobile parking for occupants and customers.* Automobile parking for occupants and

customers of buildings located in R-3 districts shall be subject to special provisions of [Section 48-447](#) and article XI, division 3 of this chapter.

INCENTIVE PROGRAMS FOR NATIONAL REGISTER PROPERTIES

City of Wilmington

1. Federal Historic Preservation Tax Incentives

Income-producing properties are eligible for up to a 20% tax credit for substantial, certified rehabilitation expenditures for certified historic structures. [This program does not apply to owner-occupied residential properties currently.] The program is administered in three parts. Part 1, *Evaluation of Significance*, certifies that a property included in a National Register district actually contributes to the significance of that district. Individually listed National Register properties are already certified historic structures and do not require Part 1. Unlisted historic properties can use the Part 1 application to request a preliminary determination of significance from the National Park Service (NPS). If the property is found to be significant, the NPS can allow the project to proceed while the National Register nomination is being prepared by the applicant. Part 2 of the application is the *Description of Rehabilitation*. Certification of this portion acknowledges that the plans are consistent with the historic character of the building and do not harm or cover up significant historic features of the interior or exterior. Part 3, *Request for Certification of Completed Work* is a final inspection to verify that the approved plans were carried out as stated in Part 2.

The Delaware Division of Historical and Cultural Affairs is the first point of contact for property owners. They provide application forms, guidance, and make certification recommendations for Parts 1, 2 and 3 to the National Park Service (NPS). The NPS reviews the applications, makes certification decisions, and transmits decisions to the Internal Revenue Service. Frequently, property owners consult with tax attorneys or tax credit specialists for assistance with the program. Details of the program can be found in the National Park Service pamphlet titled "Preservation Tax Incentives for Historic Buildings." Visit the NPS website <http://www.nps.gov/tps/tax-incentives.htm>

Code References: U.S. Department of the Interior: 36 CFR Part 67; Treasury Regulation Section 1.48-12.

2. Delaware Historic Preservation Tax Credits

The Delaware Historic Preservation Tax Credit can be applied to rehabilitations of both income-producing and owner-occupied certified historic properties. Properties that may be considered for certification include those listed on the National Register and those designated historic by local ordinance. The state program uses criteria similar to the federal program, and coordination when both programs are used is easily accomplished. State credits range from 20% to 40% depending upon eligibility for other tax credit programs, including the low-income housing tax credit. Projects involving owner-occupied residential properties and non-profit properties have a tax credit cap of \$30,000. The fiscal yearly cap for the sum of all state credits is \$8M. The Delaware Historic Preservation Tax Credit program is currently authorized through June 30, 2025. The full text of the regulations, **updated as of December 13, 2019**, can be obtained by contacting the Delaware Division of Historical and Cultural Affairs or by visiting the website at:

<https://history.delaware.gov/preservation/taxcredit.shtml>

Code References: Statutory Authority: Title 30 Delaware Code, Chapter 18 Subchapter II Section 1815(b), (as amended).

3. City of Wilmington Property Tax Abatement Program for Historic Structures

Any property that is on the National Register of Historic Places and any property within a City Historic District (overlay zoning) are eligible for this incentive program, which amounts to abatement of any increased tax assessment resulting from a substantial and qualified rehabilitation or new construction. There is no maximum increased valuation limit. Renovation of an existing structure carries an abatement period of 10 years from the date of the increased assessment; new construction carries an abatement period of 5 years. The work must meet City Historic District requirements and the City's Finance Director must approve a documentation package. A complete copy of the ordinance can be obtained by calling the office of the City Clerk, or the relevant code section can be viewed through the City's website at www.wilmingtonDE.gov. Contact the Department of Planning if you intend to apply. Obtain an application online from the City's website:

<https://www.wilmingtonde.gov/home/showdocument?id=474>

Note: The program was reauthorized in July 2019 but the application may not yet reflect the update.

Code References: Ordinance No. 00-063 & No. 06-041. Chapter 44-70 of Wilmington City Code.

4. Delaware Preservation Fund

The Delaware Preservation Fund maintains a program of property easements, low-interest loans and small grants targeting National Register and locally designated historic properties. The annual deadline for submissions is December. Application forms and additional information can be found at the Preservation Delaware website:

www.preservationde.org

CONTACT INFORMATION

Delaware Preservation Fund, Inc.

302-832-0300; dpf@dca.net

Delaware Division of Historical and Cultural Affairs – Timothy Slavin, Director

302-736-7400

City of Wilmington, Department of Planning - Patricia Maley, AICP, City Historic District/DRPC Coordinator

302-576-3113; pmaley@wilmingtonde.gov

City of Wilmington, Department of Planning - Debra Martin, Preservation Planner

302-576-3107; dmartin@wilmingtonde.gov

City of Wilmington, Department of Finance

302-576-4320 (Division of Revenue)

Disclaimer: This two-page summary has been compiled to give owners of National Register properties an overview of incentive programs available to them. Owners are strongly urged to obtain the primary materials for each program (as referenced) and to read them carefully before deciding whether or not to participate in the program(s). The City of Wilmington is not responsible for any errors or omissions in this summary document.

Version 01-03-2020

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