

City of Hudson, New York
Request For Expression of Interest

March 5, 2020

Seeking Developers/Investors for
Dunn Warehouse Adaptive Reuse



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Appendices can be downloaded here: <https://chazen.sharefile.com/d-s40ab4a059724009b>

I. OVERVIEW

The City of Hudson seeks a developer who is interested in stabilizing and repurposing the City-owned Dunn Warehouse building on the corner of Broad Street and Water Street near the city's waterfront. The Dunn Warehouse redevelopment project is a priority project selected by NYS for DRI funding. The City will lease/sell the site to a qualified investor-developer and provide funding as an incentive to achieve the City's vision.

"Enhance the City's quality of life as a place to live, work and recreate through revitalization of Hudson's Core - Warren Street, Fourth Street, and the waterfront. Conserve historical and natural resources along the Hudson River waterfront and strengthen the link to Warren Street and the core of Hudson. Encourage compatible forms of economic development, including commercial development and tourism, which maintaining the overall historic character."

The adaptive reuse of the Dunn Warehouse is intended to increase city revenue, employment opportunities for residents (particularly living-wage jobs) and improve quality of life. The reuse of the Dunn Warehouse is a pivotal opportunity to expand waterfront usage while connecting that area to Downtown. Hudson has seen considerable development and this project can build on that momentum.

The City is seeking expressions of interest from qualified developers for the stabilization and adaptive reuse of the Dunn Warehouse. Proposals should reflect the locality and identity of Hudson.

II. BACKGROUND

In 2017, the City of Hudson was selected by New York State's Capital Region Regional Economic Development Council (CREDC) for one of the ten Downtown Revitalization Initiative (DRI) Round Two awards. The City was awarded \$10 million in state funding to revitalize the designated BRIDGE (Build-Renew-Invent-Develop-Grow-Empower)

District on the western side of downtown Hudson.

NYS selected a DRI consultant (Stantec) to assist the City in developing a Strategic Investment Plan (SIP) to secure funds allocated by the DRI. Hudson established a Local Planning Committee (LPC) that was made up of a cross-section of community members. The LPC assumed a highly active role, establishing sub-committee groups that met separately to develop the



DRI Goals and Strategies. In addition to the LPC, hundreds of Hudson residents contributed to the formation of Hudson’s DRI Strategic Investment Plan (SIP). Key stakeholders were engaged individually, and the general public was invited to participate in a series of events, as well as through online media. The input from these conversations was incorporated as the plan developed.

In April 2018, the LPC published the Hudson SIP outlining 19 projects that were recommended for funding. NYS subsequently identified the planned investments and five public projects were selected. The projects selected for advancement include municipal and private projects.

The five public projects selected by NYS for funding include the following:

- **BRIDGE Street Connectivity Improvements** (\$3,982,550): Design and construct a phased Complete Streets initiative throughout the BRIDGE district to provide safe access, aesthetic improvements, and separation of truck traffic from pedestrians and bicyclists.
- **Promenade Hill Park Renovations** (\$1,100,000): Renovate Promenade Hill Park, an important public space in the heart of the DRI area, to preserve its historic features while providing access to park amenities and extraordinary views of the Hudson and the Catskills for people of all abilities.

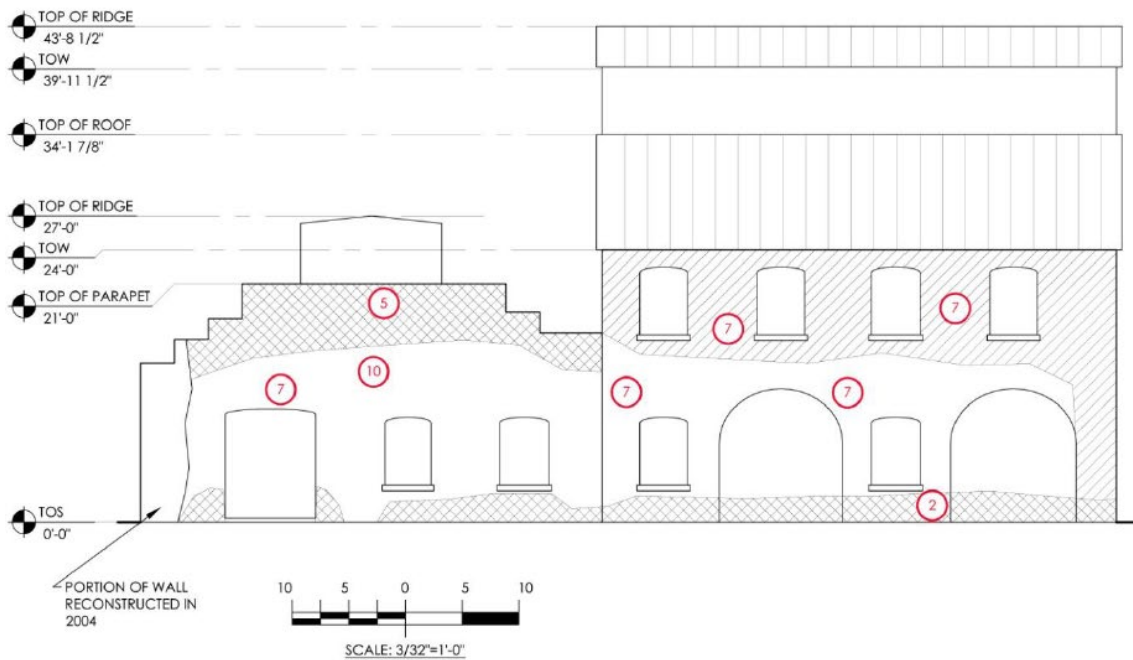
- **Improve the Safety and Aesthetics of Cross Street and Second Street Stairs** (\$250,000): Improve the safety and aesthetics of Cross Street and the Second Street Stairs by designing and implementing streetscape improvements along Cross Street.
- **Stabilize the Dunn Warehouse for Future Re-Use** (\$1,000,000): Stabilize the historic Dunn Warehouse, the City's last remaining central waterfront building. The City of Hudson will issue a request for proposal (RFP) for a public/private partnership to adaptively reuse Dunn Warehouse based on recommendations in a 2015 Adaptive Reuse study.
- **Repurpose the Historic Fishing Village as a City Park** (\$150,290): Convert city-owned land containing a historic collection of fishing shacks into a waterfront park with access to the Hudson River.

These DRI projects will be instrumental in the overall revitalization of the City and will complement and support the Dunn Warehouse project. These projects are in the design phase and will be implemented in 2020/21.

The City is interested in developing this key downtown site and its transformation into an activated space that complements the waterfront and supports a walkable community as part of these DRI projects. The City's DRI Committee, led by the city's DRI consultant, will work with the selected developer to coordinate the designs of these projects with the developer's proposal.

III. BACKGROUND INFORMATION FOR THE DUNN WAREHOUSE

Property and Building Description: The Dunn Warehouse site is located on the corner of Broad Street and Water Street. The property consists of 2 parcels totaling approximately 0.63 acres. The site is located adjacent to the Hudson Amtrak Station, across the street from Henry Hudson Riverfront Park, and near housing and shops (See Site Location Map Figure 1).



West Elevation

The City of Hudson owns the site and structure and currently utilizes the site for storage purposes.

The building is composed of three sections and has an overall footprint of 5,500 square feet (SF). The northern section of the building is composed of a timber roof framing and masonry exterior walls and has a small mezzanine space located along the east side. The southern section is composed of steel trusses and masonry exterior walls. The east addition, which is assumed not to be part of the original building, has a steel framed concrete roof with masonry exterior walls.

Infrastructure:

Municipal Water and Wastewater: The property is served by municipal water and combined sewer. The water line runs along the center of Water Street and Broad Street; combined sewer is along Broad Street; and fire hydrants are located on the southwest side of Broad Street and on the northside of Water Street.

Transportation: By vehicle and by foot the site is accessible via two routes: across the Ferry Street bridge and across the Amtrak railroad tracks. Just to the north of the property is Ferry Street, which includes a bridge that provides primary access to the waterfront and Henry Hudson Riverfront Park adjacent to the site, across Water Street. There is little designated pedestrian access to the site itself, but sidewalks are present across Water Street, with the park. Pedestrians approaching the site from the Amtrak rail station must cross the railroad tracks, following Broad Street, where there are no sidewalks. A ferry serves the adjacent park, crossing the Hudson River to Athens. Columbia County also provides public transportation to the Amtrak Station and surrounding areas. Improvements to the streetscape to address complete streets and multi-modal connectivity are being provided under a separate proposal recently awarded. The BRIDGE district connectivity improvements will provide safe access, aesthetic improvements, and separation of truck traffic from pedestrians and bicyclists.

Building History: The Dunn Warehouse site was previously home to a manufactured gas plant built in 1953, which occupied 1.6 acres. The 1884 Sanborn maps show the property was occupied by Hudson Gas Works with adjacent coal and flour storage to the west, and Foundry and Molding operated by Hudson Stove Works to the northeast. The park area to the north was an oil storage facility. In 1889, the Sanborn maps indicate use of the site by Hudson Light and Power, with the flour storage and Stove Works remaining as adjacent users. In 1895, the maps indicate that the flour storage transitioned to a machine shop, but other uses remained. As of 1903, the power company gas plant remained, but the Stove Works had closed, becoming Weaver Lumber and Building Materials yard by 1911. The Gas Works and Lumber Yard continued through the 1923 and 1949 maps, but the gas works had transitioned into storage by 1961.

Due to the building's age and historical significance, it is eligible for designation on the State and National Registers of Historic Places. If placed on the registers the building can be preserved with the help of Historic Rehabilitation Tax Credits.

Dunn Warehouse Adaptive Reuse Study

The City engaged the Saratoga Associates to prepare the Dunn Warehouse Adaptive Reuse Redevelopment Analysis and Master Plan in 2015 (“Reuse Plan”). The Reuse Plan examines the site’s history, local context, building condition, and a local market analysis. See Appendix C Dunn Warehouse Adaptive Reuse: Redevelopment Analysis and Master Plan.

The report recommends that the space would be suitable for multiple uses that would complement one another and relate to the waterfront experience. These include retail, gallery, hospitality/entertainment, office and restaurant uses that would be successful in adding to the “Main Street” experience.

The Reuse Plan identifies two schematic floor plan options for fitting the space up to provide flexibility to end users/tenants. Cost estimates and proformas are included for the two options. Total project costs were identified at approximately \$4.2M and identify potential incentives including Hudson DRI grants and historic tax credits. Additional details on incentives are provide in Section V.

Environmental Issues and Current Condition:

As a result of its manufacturing history, the Dunn Warehouse site was considered a brownfield and was remediated by then-owner Niagara Mohawk. Remediation included excavation and the removal of soils/sediments followed by site restoration in the area of the waterfront park and the installation of monitoring wells along the railroad tracks. It is assumed the residual contamination still exists on the site. As a Brownfield site, information regarding the area is available at <https://www.dec.ny.gov/cfm/external/derexternal/index.cfm?pageid=3> (use site code 411005).

The property is subject to deed restrictions which limit uses to commercial or industrial. Additional uses may be allowed through permission of the NYSDEC and the Niagara Mohawk Power Corporation. See Appendix E – Deed Restrictions and Site Management Plan.

Structural Assessment Summary: A Structural Assessment report was completed in 2015 by Proper and O’Leary Engineering as a component of the Reuse Plan. (See Appendix D 2015 Proper and O’Leary Structural Assessment Report.) In 2019, the Chazen Companies supplemented this information with a Building Stability Assessment (2019 Assessment). Updated evaluation of the structure and repair costs was completed. Temporary repairs to the roof structure are underway based on the evaluation. (See Appendix F 2019 Chazen Building Stability Assessment.)

Assessment: Tax assessor record for these lots include the following:

Tax ID: 109.11-1-15 (.60 acres)
Land Assessment: \$67,500
Full Market Value: \$180,000
Property Class: 449 – Other Storage

Tax ID: 109.11-1-28
Land Assessment: \$8,000
Full Market Value: \$8,000
Property Class: 330 – Vacant Commercial

Zoning: The Dunn Warehouse property is in the City of Hudson’s Core Riverfront (C-R) zoning district, which intends for: “a mixture of compatible uses at the riverfront; to provide access to the riverfront for water-dependent transportation and recreational uses and water-enhanced uses, such as restaurants and publicly-accessible walking and biking trails; to ensure that such uses are compatible; and to protect the visual, cultural, natural, ecological and historical resources of the City’s core riverfront area.” The property is also within the 2011 Local Waterfront Revitalization Plan boundary. Off-street parking requirements for the site vary depending on the use.

IV. VISION AND PROJECT REQUIREMENTS

The City is seeking a developer with experience in repurposing industrial/historic structures; bringing new life to unique sites in an urban setting.

The primary goal of this development will be to activate the site and create uses on the site that fit in well with the local context and waterfront location. The City desires a project that will leverage location, the historic character of the building, the City's many assets and create economic activity and a new attraction to the waterfront.

The building shall be designed and fit up in accordance with general standards for the use being provided and shall meet all applicable code requirements as specified and currently adopted by federal, NYS, and local municipal authorities and permit grantors having jurisdiction.

Streetscape Improvements: The City will complete streetscape improvements that complement the reuse of Dunn Warehouse as a component of the Bridge District Connectivity Improvements. The City's consultant will work with the selected developer on the design of the proposed streetscape improvements along Broad and Water Streets and to make visual and physical connections with other proposed DRI improvements within the City's BRIDGE district.

Local and State Approvals/Permits: The selected developer will be required to obtain approval for their project from the City's Planning Board. The site is the Core Riverfront (C-R) district, which intends for: "a mixture of compatible uses at the riverfront; to provide access to the riverfront for water-dependent transportation and recreational uses and water-enhanced uses."

The selected developer will be required to obtain a NYS stormwater permit, other required State permits, and environmental review for conformance with the Site Management Plan as described above.

The City is committed to providing full support and clerical assistance through the City development review process.

V. POTENTIAL FUNDING ASSISTANCE

The City of Hudson is prepared to provide significant cost savings and funding assets to the right partner, including:

NYS ESD Restore Funds: The City was successful in securing a Restore grant from Empire State Development (ESD) which was awarded prior to the DRI in 2017, these funds are currently estimated at \$431,640. These funds are to be utilized to stabilize the building.

Downtown Revitalization Initiative (DRI) Funds: The City of Hudson has designated \$1,000,000 of DRI funds to be used to stabilize the Dunn Warehouse and prepare it for a future use. These funds are to be provide by Empire State Development. Both the Restore funds and the DRI funds are subject to M/WBE requirements as established by ESD.

Historic Tax Credits: The Dunn Warehouse could benefit from Historic Tax Credit (HTC) programs at the New York State and Federal levels at 20 percent each, amounting to 40 percent of the “Qualified Rehabilitation Expenditures” (QREs). To claim these credits, the building must be listed on the state and federal registers and the work must be certified as conforming to the Secretary of the Interior’s Standards for Rehabilitation by the NY State Historic Preservation Officer (SHPO).

The City can provide access to a Payment in Lieu of Taxes Program (PILOT). The City will entertain an opportunity for developers to apply for a PILOT.

VI. FORM OF RESPONSE

The City seeks a developer to stabilize and adaptively re-use a City-owned parcel and building in downtown Hudson. The City’s goal is to activate the space with uses that will complement the City’s current improvements to the BRIDGE district as part of the City’s DRI.

Interested and qualified developers shall submit a Preliminary Proposal that includes a Statement of Qualifications and summary of experience.

PROPOSAL SUBMITTAL REQUIREMENTS

The Proposal must be submitted by the deadline identified below and must include the following:

a) Letter of Interest

- i. Summary of your Initial Thoughts on the Redevelopment Options and your organization's ability to complete the project. Include summaries of your experience with similar projects.
- ii. Introduce the general concept and nature of planned uses and present the main strengths and the type of uses you are proposing for your development.
- iii. Your preference regarding sale versus lease, use of historic tax credits, and any other insight on the successful redevelopment of the property.
- iv. Any information or materials to differentiate your organization as the right fit for Hudson and the Dunn Warehouse Adaptive Reuse.

b) Description of Proposer

- i. Describe whether you are proposing this project as an individual, corporation, joint venture, consortium or other type of partnership.
- ii. Describe your organizational structure and capabilities with an organizational chart of key firms who will be involved including lead companies, supporting firms, subconsultants, etc.
- iii. Description of all principals to be involved in the project including name, address and qualifications of each.

c) Statement of Qualifications, Experience, and References

- i. Proposer's statement of qualifications and summary of experience with developing and operating similar projects.
- ii. Describe your experience working with public/private partnerships with state and local governments and/or public corporations or development authorities.
- iii. Describe your experience with HTCs and other tax credits and/or public funding programs to be used.
- iv. Describe your financial capacity to carry out the proposed project. This should include publicly available information about your assets to understand your financial strength.

- v. Provide up to ten pages of relevant experience and past projects that exemplify your work that is similar to what you are proposing for the Dunn Warehouse project. Include information on the location, size, uses, approximate contract value, completion date, plans and photographs of the completed projects, and contact information.

VII. PROCESS AND DEADLINES

Time is of the essence in this project. The City intends to proceed as expeditiously as can reasonably be achieved.

Thursday March 5, 2020 – Issue Request for Expression of Interest

Wednesday March 18, 2020 at 10:30 AM Site Visit
Meet at Dunn Warehouse
Hudson, NY 12534

Friday March 27, 2020 at 11:30 AM – Questions regarding the REI DUE

Friday April 10, 2020 at 4:00 PM – PROPOSALS DUE

Week of May 6, 2020 – Candidate Interviews

Submissions will be evaluated on the strength of the following categories:

- ✓ Qualifications and experience of developer with similar projects,
- ✓ Consistency with the City's Vision and Development Goals,
- ✓ Completeness of submission,
- ✓ Any other factors deemed relevant,
- ✓ Financial protection; and
- ✓ Confidential info.

VIII. GENERAL INFORMATION

1. All inquiries must be in writing via email to the City of Hudson Mayor's Aide Michael Chameides at mayoralaide@cityofhudson.org The points of contact for any questions relating to this REI are:

Michael Chameides
Mayor's Aide
City of Hudson
520 Warren Street
Hudson, NY 12534
Phone: (518) 828-7217
www.cityofhudson.org

2. The proposal submission shall include 6 hard copies AND one electronic copy submitted on a thumb drive. All submissions become the property of the City of Hudson upon submission.

Submissions must be hand-delivered or mailed

**to: City Clerk
City of Hudson
Attn: Dunn Warehouse Proposal
520 Warren Street
Hudson, NY 12534**

Submissions must be received by 4:00 p.m. (EST) on Wednesday, April 10th, 2020.

3. The City assumes no responsibility or liability for any cost incurred by proposers in responding to this REI.
4. The City reserves the right to reject, in whole, or in part, any proposal for any reason.
5. The City reserves the right to supplement, amend, or otherwise modify any elements

of this REI without limitation. It is the proposer's responsibility to ascertain if the City has issued any notices, clarifications, or addenda to this RFP. Any notices, clarifications, or addenda will be posted on the following website: http://www.cityofhudson.org/business/dri_documents.php

6. A team consisting of representatives from the City of Hudson and The Chazen Companies will review each submission and make its recommendation to the City's Common Council.
7. Upon selection of a proposal by the City, negotiations will commence to secure a definitive form of Purchase and Sale/Development Agreement. If an agreement cannot be reached with the selected developer, the City reserves the right to go to the next developer to begin negotiations.
8. *New York State Finance Laws (SECTIONS 139-J AND 139-K)* - State Finance Law Sections 139- j and 139-k (collectively, the "Procurement Requirements") apply to this REI. These Procurement Requirements (1) govern permissible communications between potential respondents and the City of Hudson or other involved entities with respect to this REI; (2) provide for increased disclosure in the public procurement process through identification of persons or organizations whose function is to influence procurement contracts, public works agreements and real property transactions; and (3) establish sanctions for knowing and willful violations of the provisions of the Procurement Requirements, including disqualification from eligibility for an award of any contract pursuant to this REI. Compliance with the Procurement Requirements requires that all communications regarding this REI, from the time of its issuance through final award and execution of any resulting contract (the "Restricted Period"), be conducted only with the designated contact persons listed below.

Respondents must submit the Offerer Disclosure of Prior Non-Responsibility Determinations, and the Offerers Affirmation of Understanding of an Agreement pursuant to State Finance Law as part of their submittal. These forms are attached in Appendices A and B.

If a prospective bidder is found to have knowingly and willfully violated the State Finance Law provisions, that prospective bidder and its subsidiaries, related or successor entities will be determined to be a non-responsible bidder and will not be awarded any contract issued pursuant to this solicitation.

For the purposes of compliance with State Finance Law Sections 139-J, contacts with only the following persons are considered permissible: City of Hudson Mayor's Aide Michael Chameides at mayoralaide@cityofhudson.org

9. The City of Hudson reserves the right to obtain additional information where necessary to achieve full and complete understanding of proposer's product, services, and/or terms of a potential transaction. Discussions and additional investigations may be conducted with responsible entities who submit a proposal deemed to be reasonably likely of being selected for an award. The purpose of such discussions and investigations will be to provide clarification and to assure a proposer's full understanding of, and responsiveness to, the solicitation requirements. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of submittals, and such revisions may be permitted after submissions. In conducting such discussions, there shall be no disclosure of any information derived from submittals submitted by competing proposers. The purposes of such discussions shall be to:
 - a. Determine in greater detail such proposer's qualifications,
 - b. Explore with the proposer the scope and nature of the project,
 - c. The proposer's method of performance, and
 - d. Determine that the proposed project is financially viable and meets the City's development objectives.