

Adaptive Use and Rehabilitation of 2603 Sheridan Road, The Harley Clarke Mansion

RFP # 24-07

ADDENDUM No. 1

April 18, 2024

Any and all changes to the Contract Document are valid only if they are included by written addendum to all potential respondents, which will be mailed, emailed and/or faxed prior to the response due date to all who are known to have received a complete RFP document. Each respondent must acknowledge receipt of any addenda. Each respondent, by acknowledging receipt of any addenda, is responsible for the contents of the addenda and any changes to the response therein. Failure to acknowledge receipt of any addenda may cause the response to be rejected. If any language or figures contained in this addendum are in conflict with the original document, this addendum shall prevail.

This addendum consists of the following:

1. Addendum Number One (1) is attached and consists of a total of Four (4) pages including this cover sheet.

Please feel free to call (847-866-2910) or email (<u>lithomas@cityofevanston.org</u>) with any questions or comments.

Sincerely,

Linda Thomas Purchasing Specialist

Adaptive Use and Rehabilitation of 2603 Sheridan Road, The Harley Clarke Mansion

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This addendum forms a part of RFP #24-07 and modifies these documents. This addendum consists of the following:

Questions Received:

Question 1: Is the property within a TIF district and is TIF funding available for rehabilitation?

Answer 1: No.

Question 2: The RFP mentions expansion of on-site parking needing to be done sensitively but does not outright preclude said expansion. Has there been thought by the City as to a preferred location for an expansion of on-site parking to occur?

Answer 2: The City's preference is to explore off site parking solutions, use of alternative modes of transit, and predictive uses that are conducive to use of a valet, bike valet, and shuttle service. However, the City understands there may be a need for sensitive expansion of on-site parking to accommodate certain staffing or programatic needs for a viable adaptive use model. Modest expansion of parking could be explored at the south side of the existing drive, mirroring parking conditions to the north side of the drive. Final determination of appropriateness would be left to the Preservation Commission, and the City recommends reviewing the Commissions standards for review of alteration and new construction available here.

- Question 3: Can an estimate be provided for the amount of annual property tax, and are there any property tax incentives available?
- Answer 3: The City's Economic Development Division has prepared an estimate utilizing comparable properties, use categories, and associated average tax burden. This document is attached to this addendum. Property tax incentives or abatement have not been considered as part of this RFP.

Question 4: The RFP mentions a possibility of bridge financing or a bridge loan. Could an estimate be provided for the preferred loan to value ratio, term, and rate?

Answer 4: These specifics are left to the responder to propose as a starting point for negotiations. The City intends to consider this type of financing only under unique circumstances and extraordinary benefit to the public derived through a proposed adaptive use that may not be viable without it.

Question 5: In order for a non-owner to meet historic tax credit filing requirements and deadlines for an upcoming allocation, owner consent is required for the Part I and Part II applications. Does the City consent to this, and can a letter be provided if requested by submitting parties prior to an award?

Answer 5: Yes, a letter can be furnished upon request.

Question 6: Is the City of Evanston open to a landscape only bid?

Answer 6: No, rehabilitation of the property's grounds should be included as part of a proposed rehabilitation and adaptive use model that also includes the mansion and coach house.

Attachment:

Sample tax estimates

Note: Acknowledgment of this Addendum is required in the Bid.

Evanston Tax	Rate	Notes				
Hotel Room Tax	7.50%	Paid by guest				
Sales Tax (2% to City of Evanston)	10.25%	Paid by guest	Combined sales tax rate on general merchandise is 10.25%			
Liquor Tax (combined with Sales Tax	16%	Paid by guest	Liquor Tax is 6%			
Amusement Tax	5%	Ticketed Venues with	ith a capacity under one hundred (100) audience members. 5% of gross receipts			
Property Tax	7.95%	Paid by property owner				
Hotel Room Tax Calculator Example	#					
Total Rooms	7					
Annual Room Nights	100					
Average Daily Rate	\$250					
Total Revenue	\$175,000					
Hotel Room Tax	7.50%					
Total Annual Hotel Tax	\$13,125					
Example Comparables	Colvin House (Chicago)	Stan Mansion	Villa D'Citta (Chicago)	Mesón Sabika (Dupage)	Loyola at Cuneo Mansion & Gardens (lake county)	Haley Mansion (Joliet/Will County)
Sq ft	6,000	20,000	6,000	8,000	31,000	20,00
Tax Bill 2023	\$65,000	\$108,878.51	\$35,352.42	\$59,195.86	\$121,515.46	\$50,000.0
Property Tax Per Square Foot	\$10.83	\$5.44	\$5.89	\$7.40	\$3.92	\$2.5
Privately Owned Mansion Event Spaces Property Tax Comparison						
Average Property Tax Per Square Foot (cook,dupae, will, lake counties)	\$6.70					
Average Property Tax Cook County Examples	\$7.39					
Harley Clark Mansion + Coach House Square Footage	20,000					
Harley Clarke Tax Similar Sq Ft Comp (Stan Mansion)	\$108,878.51					
Harley Clarke Tax based on Cook County Average	\$147,795.52					
Cheney Mansion Oak Park (owned by park district, no property tax)						
Cheney House Sq Ft	12,000	Per Square Foot				
Cheney House Oak park Total Revenue	\$413,574.00	\$34.46				
Cheney House Oak park Total Expenses	\$425,555.00	\$35.46				
https://pdop.org/wp-content/uploads/2023/01/2023-Staff-budget-final.pdf						
Page 374 of above link provides detailed expenditures/revenues						
Cheney is a non-profit/park district property. Just order of magnitude purp	oses. Harley Clark	ke program may be er	ntirely different			
Apply revenues to Harley Clarke Square Feet	\$689,290.00					