

GRAND TRUNK

Request for Proposal



Port Milwaukee ("Port"), a City of Milwaukee ("City") department, is seeking high-quality proposals for a long-term tenant (preferred minimum of twenty years; 5-year base lease with three options for respective 5-year extensions; longer terms may be considered to facilitate major commercial/industrial development) at a portion of its "Grand Trunk" parcel, located on the Port's South Harbor Tract. The Grand Trunk site is available for increased commercial utilization, and is well-situated for tenants seeking access to the Port's multimodal transportation connections, including two Class 1 rail lines (Canadian Pacific and Union Pacific) as well as water-access for tug-and-barge service directly at Grand Trunk. The proposed lease will begin effective July 1, 2020.

// Quick Site Facts //



Owner: Port Milwaukee

Address: 632 E Bay Street; Milwaukee, WI 53207 (Lot 1)

Size: a 10.75 acre segment with potential water and rail access

Asking Price: \$25,000/acre or \$268,750/year for the base lease year

Zoning: The parcel is zoned IH (Industrial-Heavy)

Current Condition: Bare ground property available for commercial utilization and site development.

Wharfage and Dockage: In addition to base rent, tenant will be expected to pay the Port monthly wharfage and dockage

OVERVIEW

Port Milwaukee is excited to present this Request for Proposals (RFP) for potential longtime tenants seeking commercial utilization of a portion of its Grand Trunk parcel, totaling approximately 10.75 acres. This property is not improved with storm sewer, sanitary, domestic water, gas or electrical service. A successful respondent will be responsible, at their expense, for bringing improvements to site. The Port offers its long-term tenants, including terminal operators, manufacturers, and other beneficial owners of cargo, with world-class access to domestic and world markets via its multimodal transportation operations. Choice proposals will demonstrate capacity and interest in expanding commercial utilization of Grand Trunk, particularly through tug-and-barge based distribution of bulk, breakbulk, or other specialty cargoes. The Port aims to identify new trade markets and increase the Port's overall tonnage, via both import and export trade lanes, through increased utilization of the Grand Trunk parcel.

The Grand Trunk site is located within Milwaukee's Harbor District. In 2018, the City of Milwaukee Common Council adopted the Harbor District Water and Land Use Plan, setting forth a vision for the continued revitalization of Milwaukee's inner harbor that sets the standard for how waterfronts can work – economically, environmentally, and socially – for the next century.

Attracting water-dependent industrial development to the Grand Trunk site, as well as restoring the wetland area on the southern portion of the site, were identified as key projects in the Plan. There have been a number of other recently announced waterfront developments nearby in the Harbor District that align with these goals, including the Komatsu Mining and River1 (Michels Corporation) projects. The City is in the process of creating a Certified Survey Map (CSM) for Grand Trunk.

The CSM is anticipated to be complete by the end of 2019. Grand Trunk will be reconfigured and three new lots will be created. See [Map A](#) for details.

Lot 1: Commercial Use Tenant (SUBJECT OF THIS RFP)

Lot 2: Wetland Restoration Area/Conservation Zone (NOT INCLUDED RFP)

Lot 3: Future Development Site (NOT INCLUDED RFP)

The Grand Trunk Wetland Area/Conservation Zone (Lot 2) is located immediately south of the commercial leasehold that is the subject of this RFP. Any future use of the commercial leasehold cannot negatively impact or change the delineated wetland. A map of the delineated wetland is shown on [Map B](#). There is also a 5.5 acre future development site (Lot 3) that is located along S. Marina Dr. Neither the wetland nor the future development site are part of this RFP. *Please Note: During the creation of the CSM, changes may take place during the administrative review process. These changes could have a minor affect the southern boundary of Lot 1 and/or the total acreage.*



Zoning

- IH (Industrial-Heavy). This district accommodates light or high-intensity industry and often includes large structures. It also accommodates uses that require harbor or rail service. It has a strong relationship to shipping and rail services, accommodating manufacturing, shipping, and marina uses.

Current Condition

- Bare ground property available for commercial utilization and site development.

Asking Price

- Port Milwaukee is seeking no less than \$25,000/acre or \$268,750/year for the base lease year. Incremental lease increases would be negotiated with tenant as part of the final lease agreement, subject to the approval of the Board of Harbor Commissioners and the Milwaukee Common Council. All offers, including those received at less than the suggested base lease year price, will be considered by the Port.

Time Frame

- Port Milwaukee is seeking a long-term tenant that is interested in a 20-year base lease term, at minimum. Port Milwaukee is willing to entertain other lease term conditions totaling 20 years, including base and option contingencies. Longer terms may be considered to facilitate major commercial/industrial development.

Wharfage and Dockage

- In addition to base rent, tenant will be expected to pay the Port monthly wharfage and dockage of its throughput tonnage in accordance with the Municipal Port Tariff. Other City, State, and Federal requirements would apply.

Riverwalk Access

- The Grand Trunk site sits at the edge of the future Harbor District Riverwalk, which will follow the Kinnickinnic River and connect to the Downtown Riverwalk system. The Grand Trunk site is not currently included within the Harbor District Riverwalk Overlay Zone, and an industrial user that will make use of the waterfront for dockside loading and storage of cargo will not be required to develop a Riverwalk or provide public access. However, should a commercial use not utilizing the waterfront for shipping be proposed, respondents should incorporate a Riverwalk segment into their development, consistent with the Harbor District Riverwalk Design Standards and City of Milwaukee Riverwalk cost-sharing policies.

Storm Water Management Requirements

- A successful respondent and new development will be required to comply with City of Milwaukee Code of Ordinances Chapter 120 and create a storm water management plan if any of the following scenarios occur: (1) Development or redevelopment activities cause a land disturbing activity of 1 acre or more. (2) Development or redevelopment activities cause the cumulative area of all land disturbing activities at a property to be 1 acre or more over a 3-year period. (3) Development or redevelopment activities cause an increase of 0.5 acres or more of impervious area. Additional information can be found on the City's website <https://city.milwaukee.gov/stormwatermanagement/Frequently-Asked-Questions>.

Development Goals

Dockside reception, loading, and storage of bulk, breakbulk, or other specialty cargoes.
Modernization and improvement of the site, commercially and aesthetically.

Proposals that are consistent with the recommendations of the:

- Harbor District Water and Land Use Plan: <https://city.milwaukee.gov/AreaPlans/HarborDistrict>
- Port of Milwaukee Redevelopment Plan: <https://city.milwaukee.gov/PlansandStudies/PortofMilwaukee.htm>
- Grand Trunk Wetland Restoration: <https://city.milwaukee.gov/grandtrunk>

Site Attributes

- Approx. 10.75 acre lot
- River/slip access with 21± feet draft
- Sewer/water/gas/electric service potential
- Class 1 railroad access potential
- Immediate proximity to interstate system
- Immediate proximity to port multimodal connections and shipping

Restrictions and Uses Not to Be Considered

Port Milwaukee reserves the right to reject any and all proposals for any reason at its sole discretion. Rejections will occur should an applicant:

- Be delinquent in the payment of real or personal property taxes in the City of Milwaukee
- Have an outstanding judgment from the City of Milwaukee
- Have been subject to a property tax-foreclosure by the City within the previous five years
- Have an outstanding health or building code violation or orders from the City's Health Department or Department of Neighborhood Services that are not under active abatement
- Have been convicted of a felony that effects neighborhood stability, health, safety, or welfare

Proposal Requirements

Responses should be received not later than 12:00 p.m. Noon (Central) on Friday, November 15, 2019. All proposal responses should be limited to 10 pages total. Responders are asked to submit a Proposal inclusive of three elements: (i) Executive and General Summary; (ii) Understanding and Accomplishing the Goals of the RFP; and (iii) Organization and Contact Information Summary. Responses to this RFP must disclose a list of corporate officers, partners, or LLC members (if applicable). In short, qualified respondents will deftly explain the history and background of the responding firm, its understanding of Port Milwaukee's contemporary operations, its envisioned use of the Port's Grand Trunk parcel, and the respondents' domestic and international trade outlook, including any potential commodities envisioned to be handled at Grand Trunk.

Proposal Timeline

The envisioned proposal process is as follows:

- October 15, 2019: Formal announcement of Grand Trunk Request for Proposal (RFP) opportunity
- October 23, 2019 (1:00 p.m. – 3:00 p.m. CST): Site Walk-Through
- October 28, 2019 (12:00 p.m. Noon CST): Deadline for Questions
- October 30, 2019: Posting of Addendum on Port Website
- November 15, 2019 (12:00 p.m. Noon CST): Due date of RFP responses at Port Milwaukee
- November 2019 – December 2019: Port Milwaukee RFP Internal Review of Proposals Received
- December 20, 2019: Selection and Notification by Port of contractee
- December 2019/January 2020 (estimated): Final contract negotiations between selectee and Port Milwaukee
- February 2020 (estimated): Contract review and approval by Port Milwaukee Board of Harbor Commissioners (BHC)
- March 2020 (estimated): Contract review and approval by Milwaukee Common Council and Office of Mayor Tom Barrett
- April 2020 (estimated): Execution of new lease agreement
- July 1, 2020: Start of new lease

Review and Selection

Proposals will be evaluated in terms of:

- Quality of proposed utilization of Grand Trunk
- Contribution to the overall tonnage throughput of Port Milwaukee
- Ability to generate increased economic activity at Port Milwaukee and within the Harbor District, including diversification of commodities offered
- Total project investment
- Proposal team's expertise, experience, and financial capacity
- Project schedule
- Consistency with the Harbor District Water and Land Use Plan as well as Port of Milwaukee Redevelopment Plan.

Financial Assistance

The site will be leased at a market-rate commensurate with other water-front Port Milwaukee parcels with no additional City financial assistance.

Site Walk Through

A site walk through will take place on October 23, 2019 from 1:00 p.m. to 3:00 p.m. CST. All parties attending the site walk through will need to have safety boots, hard hat, safety glasses, and a high-visibility vest. The walk through is intended to give prospective respondents an opportunity to inspect the site. This will be an informal walk through, however all parties will be required to sign in. A representative from the Port will be on hand to record any questions. If there are any questions, an addendum will be publicly issued to address the questions by October 30, 2019.

Questions & Answers

All questions concerning the Request for Proposal (RFP) must be submitted in writing to Jackie Q. Carter, Finance Officer at Port Milwaukee, via email at jqcart@milwaukee.gov. All inquiries must be received at the Port via 12:00 p.m. Noon on October 28, 2019 (12:00 p.m. Noon CST). The Port reserves the right to respond to inquiries individually or to all known interested parties via public posting online. An addendum with answers to the questions will be posted by October 30, 2019. It is the responsibility of the prospective respondents to review the website prior to submission.

More Information

- Website: www.portmilwaukee.com
- Website: www.milwaukee.gov/DevelopmentSites

Special Notes

Unauthorized contact regarding this RFP with any City employee, including representatives of Port Milwaukee or the Department of City Development, may result in disqualification.

Port Milwaukee 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 lease with the awardee, and to impose additional restrictions, if necessary, particularly at the direction of the Board of Harbor Commissioners (BHC) or Milwaukee Common Council.

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

The Port will honor confidentiality requests to the extent possible under applicable law.