

MEMORANDUM

To: Office of the Mayor
From: Proposer Selection Review Committee
RE: NA-2020-014 – Mohawk Theater – Sincerity Builds, LLC
Date: January 29, 2021

PSRC Recommendation to Reject.

1. **Introduction:** The Proposer Selection Review Committee (PSRC), comprising Michael F. Nuwallie, Angie Lopes Ellison, and Zachary Feury, met on Friday, January 29, 2021 at 2:30pm to discuss and make a recommendation upon the proposal submitted by Sincerity Builds, LLC (the proposer) to purchase for \$100,000.00 the property known as the Mohawk Theater in response to the Request for Proposals (RFP) issued as NA-2020-014.

2. **Proposal Summary:** The proposer propose two phases of construction resulting in the Mohawk Theater and Performing Arts Center. The first phase of construction will focus on stabilizing the interior of the building and creating temporary exhibition space for Extreme Model Railroad and Contemporary Architecture Museum (EMRCA, Inc.). The proposer proposes leasing the space to EMRCA, Inc. for a three-year period prior to the commencement of Phase 2 construction. The lease is expected to generate \$280,000 over the three-year period. Phase 2 of construction will result in building improvements creating food/dining space in the southern portion of the building and a performing arts venue in the northern portion of the building. Upon completion of Phase 2, the performing arts venue is planned to be programmed by a consortium of regional cultural institutions.

3. **PSRC Discussion:** The PSRC reviewed the proposal and agreed on the following:

- The proposal conformed to the minimum criteria.
- The proposed reuse of the property will create a public benefit and have a positive impact on the neighborhood in that it will create performing arts venue on Main Street thereby potentially increase downtown vibrancy and economic activity.
- The proposed reuse is compatible with the Vision 2030 comprehensive plan and zoning regulations for the CBD zoning district.
- The proposer's qualifications and prior related project experience are well-articulated in the proposal. The proposer has a background in banking and architecture. The lease agreement with EMRCA, Inc.—an entity that formerly leased real property from the North Adams Redevelopment Authority (NARA)—is a deterrent. EMRCA, Inc. was and remains a delinquent tenant, owing NARA in excess of \$12,000.00. As such, EMRCA Inc.'s involvement in the proposal reflects negatively and should be viewed as deterrent. The primary cause for deterrence is that the proposed phase two construction appears reliant on revenue generated via a lease agreement with a tenant known to be delinquent in payment.
- The proposed purchase price of \$100,000.00 is below the property's assessed value of \$436,800.00. As such, the proposed purchase price is deemed not advantageous.
- The overall quality of the proposal is not acceptable.

4. **Recommendation:** The PSRC, with unanimous agreement among its members, recommends that the City of North Adams reject the proposal submitted by Sincerity Builds, LLC in response to NA-2020-014 for the proposed purchase and reuse of the Mohawk Theater for \$100,000.00.