

Request For Proposals

For

1300 North Second Street

North Washington Industrial Park

TABLE OF CONTENTS

Contents	Page
Introduction	3
Site Facts	4
Site Photomap	5
Asking Price	6
Development Goals	6
Proposal Deadline	6
RFP Inquiries	6
Proposal Contents	7
Evaluation Criteria	9
Citizen Participation	10
Review/Selection Process	10
Timing	11
City Contracting Requirements	11

EXHIBITS

Exhibit A - Northside Job Park Guidelines

Exhibit B - Northside Job Park Guidelines Information update.

Exhibit C - Letter Consenting to Release of Proposal Information

NORTH WASHINGTON JOBS PARK

Request for development proposals for 1300 North Second Street

INTRODUCTION

Minneapolis is seeking development proposals for a 74,000 square foot property located at 1300 North 2nd Street. An air-photo of the site with approximate boundaries is included in this Request For Proposals (RFP). A response to the RFP will require a significant time and financial commitment from the responder. This introduction is intended to let recipients, in a sense, pre-qualify themselves prior to undertaking preparation of a response to the RFP. However, it should be understood that the City wishes to encourage responses to this RFP and we welcome a broad range of proposals. As noted later in this RFP, anyone interested in responding should contact the Community Planning and Economic Development Department (CPED) project coordinator, Jim Forsyth (612-673-5179 or jim.forsyth@ci.minneapolis.mn.us) who will be available to answer questions.

The site is within the City's North Washington Jobs Park. As such the City wants the redevelopment to generate living wage (at least \$10.23 per hour) employment, especially for City residents. The City also wants to increase the tax base by maximizing building coverage and compliance with Jobs Park Guidelines. (Attached as an appendix).

Land cost: The City will let the market determine the value of the land. The City has received a State grant to remediate the pollution on the site and remediation will be done prior to or during construction. Thus the site will be sold clean and buildable.

Development: We are looking for proposals with building coverage of about 30,000 square feet (40% of the site). Greater coverage is encouraged.

Employment: The public purpose of the Jobs Park is job creation. Therefore, proposals demonstrating the highest number of living wage jobs (\$10.23 per hour) will be most favorably received. In the past successful projects in the Jobs Park have generated at least one job for every 1,000 square feet of building. Thus, a project at this site would generate at least 30 jobs.

Building design: Proposals should be compatible with design guidelines attached to the RFP. The purpose of the guidelines is to give developers a clear indication of expectations and to maintain the integrity and quality of development in the Jobs Park. The selected developer must be ready to work with City staff, the neighborhood and the Jobs Park Committee to assure compliance with the guidelines.

Proposals will be screened initially by City Staff and the Jobs Park Committee (neighborhood and business representatives). Proposers that meet the requirements summarized above will be asked to meet with the Committee members to discuss their project and to provide draft drawings for the project (site lay out and draft quality building drawings) and to provide some assurance that they will be able to obtain financing. From this process a project will be selected that best meets all the goals for

the Jobs Park and City plans. The selected developer will then be required to provide documentation of financing and readiness to comply with City requirements described in this RFP and to negotiate a redevelopment contract.

SITE FACTS

- The site size is 74,181 square feet or 1.7 acres.
- The site is zoned I-2
- The Comprehensive Plan has identified the site as an Industrial Park Opportunity Area.
- The property will be remediated as a part of the redevelopment process and will be sold to the developer as though clean and buildable.
- The redevelopment site is composed of three (3) parcels listed in the following table.

Site Table

Address	Parcel ID Number	Owner	Square Feet	Acres	Proposed Redevelopment
1300 2 nd Street North	15-029-24-34-0023	City of Minneapolis	27,640	0.635	Light industrial
1316 2 nd Street North	15-029-24-34-0022	City of Minneapolis	18,608	0.427	Light industrial
109 14 th Avenue North	15-029-24-34-0123	City of Minneapolis	27,933	0.641	Light industrial
TOTAL			74,181	1.703	



City of Minneapolis - GIS2004.

ASKING PRICE

The estimated price of the site is at least \$6.00 per square foot. Those responding to this RFP should bear in mind that this is not a fixed price but should be considered a floor upon which to base their offer.

DEVELOPMENT GOALS

Development goals for the Jobs Park are fully described in the attached Exhibit A: **NORTHSIDE JOBS PARK DESIGN GUIDELINES** and **DEVELOPMENT FRAMEWORK** (Guidelines). In general the redevelopment goal is to create jobs and increase the tax base while removing blight. It is anticipated that the successful proposal will result in a building complying with the attached design guidelines that is about 30,000 square feet in size and results in employment of at least one job for every thousand square feet of building. Those responding to this RFP are urged to read carefully and comply with the guidelines in order to insure full consideration.

PROPOSAL DEADLINE

Proposal Submission

Proposers must submit copies of their proposals as follows: one unbound copy, ten bound copies and one electronic version in Microsoft compatible or PDF format on diskette or CD. Proposals must be on standard 8 ½" by 11" paper. All supporting documentation must be on paper no larger than 11' by 17". Proposals and supporting documentation must be submitted in a sealed envelope labeled "1300 North Second Street Development Proposal" Telefaxed proposals will not be accepted. Proposers may choose to provide additional sets if and when invited to do so for presentation purposes. Submissions will not be returned.

Proposals shall be delivered to the City on or before:
June 30, 2005
at or before 4:00 PM.

To:

**Contract Services
Department of CPED
105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401**

Proposals received after the deadline will not be accepted. It is neither CPED's responsibility or practice to acknowledge receipt of any proposal. It is the responder's responsibility to assure that a proposal is received in a timely manner.

RFP INQUIRIES

Prospective responders may only direct questions in writing to the department contact person:

James Forsyth
CPED
105 5th Avenue South
Minneapolis, MN 5401
Email: jim.forsyth@ci.minneapolis.mn.us
Fax: 612-673-5113

All questions are due no later than 4:30 PM June 17, 2005. Questions will be answered in writing and posted on the CPED website. (www.ci.minneapolis.mn.us/cped) The department contact person is the only individual who can be contacted about the project by proposers before the proposal deadline. Potential respondents are encouraged to periodically check the website for any new information concerning this RFP and for answers to questions posed by other respondents during the proposal preparation process. The department contact cannot vary the terms of the RFP. If you would like to tour the property, contact the department contact person in writing to schedule a tour.

The Department contact anticipates scheduling a meeting at which potential responders can pose questions regarding the RFP. That meeting if scheduled will be noticed on the CPED web site.

PROPOSAL CONTENTS

Proposals must include the following:

1. A **cover page** that includes the following information:
 - a. Developer's name and mailing address
 - b. Developer's current legal status: corporation, partnership, sole proprietor, etc.
 - c. Federal ID number or Social Security number
 - d. State ID number
 - e. Contact person's name, title, phone number, fax number and e-mail address
 - f. Signature of authorized corporate officer for each entity proposing as a partnership or team
2. A **description (narrative and drawings) of the proposed development** (e.g., size and location of the building and square footage of specific components, nature of improvements, number of parking spaces, anticipated materials and design style, circulation patterns, loading/service provisions) to be built on the site. If the development is proposed to be phased, the narrative should clearly define the components and timing of each phase and indicate the nature of the conditions upon which construction of subsequent phases would be based. Information should be included about the anticipated business(es) being carried out at the site.
3. An **identification of the entities** that will be involved, a description of the roles they will play (e.g., developer, architect, building owner, property manager,

tenant, professional consultant) and a summary of the team's past experience in working together. If the entities have experience in developing similar projects, a description of that experience should be included (including location, type of development, proposer's role(s), cost of project, funding sources, status of project, and information about any continued financial or operating interest in each). Identify the principal person who will speak for the development team and any other key participants who will be involved in negotiating the project terms. Specify whether the development entity is or intends to form a corporation, a general or limited partnership, a joint venture or other type of business association to carry out the proposed development. The developer must also provide two years of financial statements, which may be submitted confidentially to the CPED Director under separate cover. Design consultants on the team must be licensed in the State of Minnesota and contractors must be licensed to work in the City of Minneapolis; the submission must include a certification that identified team members meet these requirements.

4. A preliminary **capital pro forma** showing the sources and uses of funds (debt, equity and other) to acquire the property and construct the development (including any tenant improvements). Information as to the status of securing those funds should be included and inclusion of a conditional financing commitment is strongly encouraged. Clearly indicate any public assistance to be requested. Describe any proposed methods for the repayment of the public subsidy, or for opportunities for the City to participate in operating revenues, syndication proceeds or residuals. If the project includes multiple uses, the capital pro forma should be broken down for the component uses (commercial, housing, etc.).
5. Provide a **20-year preliminary before and after cash flow projection** (state the assumptions underlying income projections and include any market analysis used as a basis for those assumptions). This will be viewed as an indication of the thoroughness and realism of the proposal. Detailed proformas, in a format acceptable to CPED, will be required during the negotiation of a redevelopment agreement.
6. A **market study or other information** documenting the demand for the proposed space.
8. A **description of the public benefits** that will result from the development, e.g., the creation or retention of jobs (including the estimated number, type and wage levels), tax base enhancement, the provision of retail goods and services, etc. This should include an estimate of the taxable value upon completion and annual real estate taxes.

9. A **proposed timeframe** for the development, including identification of any conditions that must be met before the proposal can become a reality. The schedule should include the time needed to obtain financing, complete design and secure permits and approvals, prepare the site, start and complete construction, and start and complete lease-up and/or sellout.
10. An executed “**Consent for Release of Response Data**” form (Exhibit C). Proposals that do not include an executed “Consent for Release of Response Data” form shall be considered incomplete which will be grounds for rejection of the entire proposal.
11. Any **other information** that would help reviewers evaluate the proposal.

The contents of the proposal and any clarification to the contents submitted by the successful proposer may become part of the contractual obligation and be incorporated by reference into the redevelopment contract between the selected developer and the City.

Developers responding to this RFP are not required to provide a Good Faith Deposit on the land with their proposals. However, the developer whose proposal is ultimately selected by the City Council must make the required deposit at the time of selection.

The development contract to be negotiated between the selected developer and the City will require adequate guarantees and forms of security to assure that the proposed project is initiated and completed in a timely manner and anticipated tax revenues are generated.

EVALUATION CRITERIA

In reviewing potential development concepts, the following criteria are among those that will be considered:

- The experience and the financial and organizational capacity of the developer in successfully planning and completing development projects of similar type and scale, on time and within budget.
- The extent to which the proposed development is in compliance with the attached **NORTHSIDE JOBS PARK DESIGN GUIDELINES and DEVELOPMENT FRAMEWORK**.
- The extent to which the project can move forward on a timetable that will coordinate with the other development in the area.
- The market and financial feasibility of the project.
- The anticipated ability of the project to secure necessary public and private funds.

- The public benefits that would be provided by the project, including the proposed land price.
- The proposer's experience in working with neighborhood employment organizations and its willingness to enter into a voluntary job linkage agreement with the City
- The proposer's willingness to hire new employees at a wage level that is least equal to the City's living wage of \$10.23 per hour. The City and North Washington Industrial Committee prefer that new hires live in Minneapolis if at all possible.
- Overall quality of the submission.

The City may, in its sole discretion, expand or reduce the criteria upon which it bases its final decisions regarding selection of the developer for this parcel.

CITIZEN PARTICIPATION

The City of Minneapolis has established a citizen participation process for development projects impacting neighborhoods and values advice/input from the public obtained through this process. The neighborhood group officially designated to provide input on responses to this RFP is the North Washington Jobs Park Committee. The Northside Regional Residents Council (NRRC) is a member of the Job Park Committee. Under the Minnesota Government Data Practices Act, Minnesota Statutes Ch. 13, public disclosure of RFP response data prior to execution of a contract is restricted. Such restriction negates the ability of the public to effectively participate in the developer selection process. Therefore, the City requires each proposer to execute and submit a "Consent for Release of Response Data" form as attached to this RFP as Exhibit C.

REVIEW/SELECTION PROCESS

A committee that will include City staff (economic development, planning, public works) and representatives of the neighborhood and business community will review proposals received by the due date. Some or all of the proposers may be requested to present their proposals to the review committee and/or neighborhood organizations. It is hoped that this review process will be completed by July 29, 2005.

The review committee will then make a recommendation as to the developer that best meets the evaluation criteria. This recommendation will be considered by the CPED Director and then forwarded to the City Council for action.

If the City Council selects a development proposal that does not entail any additional public investment, staff will proceed to negotiate with the selected developer the terms of the proposed land sale. If the selected proposal requests additional public investment, staff will determine what types of further analysis, underwriting and/or

other processes are required. Unless further analysis indicates that the selected proposal is infeasible, staff will negotiate the terms of the proposed transaction during this period.

Once redevelopment contract terms have been negotiated and any further analysis completed, staff will return to the City Council for a land sale public hearing and consideration of approval of the land sale and related terms.

The City reserves the right to reject any or all proposals or parts of proposals, to negotiate modifications of proposals submitted, and to negotiate specific work elements with a proposer into a project of lesser or greater magnitude than described in this RFP or the proposer's reply.

TIMING

It is the City's desire that a redevelopment contract be executed with the selected proposer by October 31, 2005 and that construction of the project would begin by October 31, 2005.

Following is the anticipated timeline:

Pre-proposal meeting (optional):	June 1, 2005
Submission deadline for proposals:	June 30, 2005
Review/evaluation of proposals and neighborhood review:	August 15, 2005
Recommendation to City Council Community Development Committee on the selected developer:	September 15, 2005
Final action by City Council:	October 28, 2005

CITY CONTRACTING REQUIREMENTS

The selected developer will be required to enter into a redevelopment contract with the City and comply with any applicable City requirements. These requirements vary depending upon the type of development and the source and amount of public investment, if any, and may include, without limitation, the payment of Prevailing Wages for construction, the preparation of Affirmative Action Plans, competitive bidding, compliance with the Small and Underutilized Business Enterprise program or equivalent federal program, and Business Subsidy Act/Living Wage Policy, and reporting requirements for those programs. Some of the standard requirements are further discussed

below, but the following list is not exhaustive. Proposers unfamiliar with these standard requirements are urged to seek further information.

1. **Equal opportunity (nondiscrimination and affirmative action)** The selected developer and contractor will be required to submit a written Affirmative Action Plan for the development project and to comply and cause its contractors to comply with applicable provisions of Chapters 139 and 141 (Title 7, Civil Rights), Minneapolis Code of Ordinances, nondiscrimination provisions contained in Chapter 181, Minnesota Statutes, the Americans with Disabilities Act of 1990 (as amended), Section 109 of the Housing and Community Development Act of 1974 (as amended), the Age Discrimination Act of 1975 (as amended) and Executive Order 11246, as amended by Executive Order 12086. The selected developer will be required to agree not to discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, affectional preference, disability or other handicap, age (40 – 70), marital status, or status with regard to public assistance. The selected developer also will be required to take affirmative action to ensure that all employment practices are free of such discrimination. These employment practices include, but are not limited, to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The developer will post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause. The selected developer also will be required to, in all solicitations or advertisements for employees placed by or on behalf of the developer, state that it is an equal opportunity or affirmative action employer. CPED will require compliance in demolition, construction and marketing of development projects.
2. The **Job Linkage Program** links economic development with employment. The purpose of the program is to insure increased employment opportunities for Minneapolis residents. All commercial/industrial development projects whose primary purpose is job creation or retention, that receive non-City public development assistance, are required by contract to identify positions that are reserved for Minneapolis residents.
3. The City of Minneapolis **Living Wage Policy** established certain wage and hiring requirements applicable to the owner and tenants of development projects where the primary objective of the project is job creation or retention.
4. In accordance with the City's **Prevailing Wage Policy**, the selected developer covenants and agrees that it will cause its general contractor to comply with the wage and hour standards issued by the United States Secretary of Labor pursuant to the Davis Bacon Act, 40 U.S.C. Sections 276a to 276a-5, as

amended, and the Contract Work Hours and Safety Standards Act 40 U.S.C. Sections 327-333. The developer shall maintain appropriate payroll documentation for a 3-year period after completion of the project.

5. All development projects that receive any type of public financial assistance in excess of \$100,000 must establish contract goals for the utilization of **Small and Underutilized Businesses**.
6. The developer's contractor will be subject to the City's **Apprenticeship Training Policy** for development projects where public financial assistance is provided to the developer/owner.
7. Depending upon the level and purpose of public assistance that may be received, provisions of the Minnesota **Business Subsidy Act** may also apply to the project. Should these requirements apply, they will be incorporated into the development agreement.
8. The development must be in conformance with the Uniform Federal **Accessibility Standards** as published on April 1, 1988. Developers must describe the accessibility design for people with disabilities of each of the code required handicapped units, any proposed housing development (e.g. roll-in showers), the mix of accessible units in the project and where they are located, and any appropriate safety features for vision- and hearing-impaired people.
9. The City's **Affordable Housing Policy** applies to any residential development (rental or ownership) with ten units or more, or a project with a residential component of 10 or more units, that receives any public financial assistance. Public financial assistance includes the receipt of City-wide resources through the normal, competitive RFP funding processes established by the City, or the receipt of non-City resources that are either passed through the City or requires the City to be a co-applicant (see Affordable Housing Policy, Exhibit M).

Under the Affordable Housing Policy, three options are available:

- 20% of the units in the development must be affordable, or
- A comparable number of affordable units must be legally committed by the developer to be built elsewhere in the City, or
- A payment equal to the number of required affordable housing units times \$80,000 must be made into the City's Affordable Housing Fund.

Units are considered affordable if the rent (and/or the combined PITI with utilities) is no more than 30% of 50% of the Twin Cities Standard Metropolitan Statistical Area monthly household income, by family size. Affordable units must be occupied by households with incomes <50% MMI. Units must be affordable for a minimum of 15 years after completion.

10. **Soil Conditions:** The property will be sold “as-is” and it will be the developer’s responsibility to correct and pay for all costs associated with soil problems. Any environmental reports regarding the property within CPED’s possession may be reviewed during normal business hours at the CPED Offices by making arrangements with the Department Contact Person. Any potential proposer may also reasonably conduct its own environmental testing of the property by contacting the Department Contact Person, entering into a Right of Entry Agreement with the City and providing the requisite insurance coverage.
11. **Rezoning Responsibility:** It is the selected developer’s responsibility to undertake and finance any rezoning, variance and use permits necessary for approval of proposed development.
12. **Utilities:** It is the selected developer’s responsibility to identify the locations of and provide for the installation of electricity, gas, water, sewer service and other utilities servicing the site from the public mains to the individual units.
13. **Construction Standards:** Development must meet FHA minimum property standards and all Minneapolis City codes, and projects will be reviewed for energy efficiency.
14. **Residential Sale and Commercial Sale/ Lease:** The completed units must be advertised and offered publicly and must be sold to the general public.
15. **Hold Harmless:** The Respondent shall agree to defend, indemnify and hold CPED harmless from any and all claims or lawsuits that may arise from the Candidate’s activities under the provisions of the development agreement, that are attributable to the acts or omissions, including breach of specific contractual duties of the Respondent or the Respondent’s independent contractors, agents, employees or officers.

EXHIBIT A

**Northside Job Park Design Guidelines and Development Framework.
Attached separately as a PDF file**

EXHIBIT B
Northside Job Park Design Guidelines and Development Framework
Information update.

Name in Guidelines	New website	Phone number
Page 3-2 in report		
City of Minneapolis Inspections	Inspections Division Customer Service (General Information) http://www.ci.minneapolis.mn.us/inspections/Contact_home.asp	(612) 673-5800
MCDA	Minneapolis CPED http://www.ci.minneapolis.mn.us/cped/	(612) 673-5095
Minneapolis Public Works	Public Works Administration & General Information http://www.ci.minneapolis.mn.us/public-works/	(612) 673-2352
Minneapolis Planning Department	Minneapolis Planning Division http://www.ci.minneapolis.mn.us/citywork/planning/index.asp	(612) 673-2597
Minneapolis Fire Administrative Offices	Minneapolis Fire Department – General Information http://www.ci.minneapolis.mn.us/fire/	(612) 673-2890
Minneapolis Zoning Department	Zoning Administration http://www.ci.minneapolis.mn.us/zoning/	(612) 673-5836
Minneapolis Police Department	Police Bureau Chiefs – there is no general number, this is the number that was used in the report Minneapolis Police Department website - http://www.ci.minneapolis.mn.us/police/	(612) 673-2853
MNTAP	MnTAP - Minnesota Technical Assistance Program http://www.mntap.umn.edu/	(612) 624-1300 or 1-800-247-0015 (greater MN)
Page 6-1 in report		
Patrick Connoy - MCDA	Jim Forsyth – CPED	(612) 673-5179

EXHIBIT C
Form of Consent for Release of Response Data

_____, 20__

City of Minneapolis
Department of Community Planning and Economic Development
105 5th Avenue S.
Minneapolis, MN 55401

Re: _____ Request for Proposals
Consent for Release of Response Data

_____, on behalf of
_____, hereby consents to the release of its development
proposal in response to the _____ Request for
Proposals and waives any claims it may have under Minnesota Statutes Section 13.08
against the City of Minneapolis for making such information public. [The foregoing
consent and waiver does not extend to financial statements submitted under separate
confidential cover.](#)
