

January 22, 2013

FREQUENTLY ASKED QUESTIONS

**Open Sale Memorandum
807 Broadway Street NE**

1. Will the City of Minneapolis require that any reuse of the Property goes through Preliminary Design Review as well as a neighborhood review?

The purchase of the property by itself would not trigger Preliminary Development Review (PDR). However, due to the size and complexity of the property, any significant improvements made to the site is likely to trigger PDR, as well as other development applications. For more information, contact Minneapolis Development Review at 612-673-3000.

2. Will the City of Minneapolis require a complete review of the Property and all buildings systems including but not limited to fire-life safety, ADA, code compliance, exterior aesthetics & site, mechanical, electrical, plumbing, storm-water management, sanitary & storm water separation, and elevator/conveyance.

The sale of the property by itself does not trigger property inspections. However, those portions of the building undergoing a change in occupancy would require that a certificate of occupancy be issued. Chapter 5 requirements of Minnesota Rules, Chapter 1311 (sometimes called the Conservation Code) would apply. Fire-life safety, fire protection systems, structural safety, health, accessibility provisions and other miscellaneous building code, mechanical, electrical and plumbing code would all be part of the review and inspection. Areas remodeled but not changing occupancy would be subject to Chapter 4 provisions of Minnesota Rules, Chapter 1311. While they set a lesser standard for some of the items, most of the same issues are addressed. Areas not altered would be subject to the minimum provisions of the Minnesota State Fire Code. For more information contact Minneapolis Construction Codes Services at 612-673-3000.

3. Has the Minneapolis Heritage Preservation Commission (HPC) studied or made any determinations regarding the status of the buildings or the Property?

The property at 807 Broadway NE has not undergone a complete designation study, and historic status has not been definitively determined. However, a Building Inventory Form was prepared for the Minnesota Mazda Lamp Works property in 2004 during a

survey of properties located in Minneapolis that focused on historic building architecture. This Building Inventory Form has been added as an exhibit to the Open Sale Memorandum. The building inventory form states that: "The property displays a degree of architectural interest and integrity in comparison with other properties in the area; however, the property does not appear to be individually distinctive enough to meet local or National Register criteria for architecture. As such, the property does not appear to be significant under local or National Register criteria and is recommended not eligible." The City of Minneapolis is willing to work with a developer interested in further researching and investigating historic designation, but it should be noted that it has not yet been determined whether or not this property is eligible based on criteria other than architecture.

During this Open Sale Memorandum process, parties interested in the possible purchase and redevelopment of the 807 Broadway NE property have asked about working with the MPS to initiate a Part 1 application and commence work with the State Historic Preservation Office and National Park Service to determine historic significance and eligibility for historic tax credits. The Minneapolis Public School District will consider various approaches proposed by potential redevelopers for expediting the preparation and submittal of a Part 1 application for historic designation after purchase offers for 807 Broadway NE have been received on February 22, 2013.

4. What street improvements are planned for Quincy Street NE and Jackson Street NE? If street improvements are planned, are any of these costs provided for in the City of Minneapolis' Capital Budget?

At present, Quincy and Jackson Street NE have been identified by the City of Minneapolis as having a substandard surface, along with other nearby streets in the industrial area. However, this is a general list and does not imply that these streets have been prioritized for reconstruction or funded. This project has not been included in the most recent Capital Improvement Program, and no funds have been dedicated towards the project.

Until the project is funded and the scope for improvements is determined, it is not possible to determine the design and costs. Input from adjacent property owners and project stakeholders play an important role in defining project scope and design. If these streets were to be reconstructed, current City policy would likely involve an assessment to adjacent properties. There are several competitive State and local funding programs that will consider funding applications for public infrastructure that supports significant housing and economic development projects.

5. Does the School District have an appraisal of the property and is it available for review?

Since March 2012 the MPS has obtained several appraisals of the 807 Broadway Street NE property. These appraisals were conducted to provide Minneapolis Public Schools and Minneapolis CPED with business information necessary for marketing the property for sale, evaluating options for disposition of the land and buildings, and establishing an initial opinion of value for the competitive Open Sale process. These Restricted Use Appraisal Reports are not available for public review.

6. What environmental testing and other reports are available for the property? Are there any asbestos survey reports, asbestos management plans or asbestos abatement documentation, or lead-based paint (LBP) inspection or risk assessment reports available?

The Phase 1 Environmental Site Assessment for the Minneapolis Educational Service Center, dated February 9, 2012, prepared by Braun Intertec Corporation is the only recent environmental investigation report available for the entire property. This report has been posted as an exhibit to the Open Sale Memorandum (OSM) at http://www.ci.minneapolis.mn.us/cped/807BroadwayNE_OpenSaleMemo

An industrial hygiene assessment was completed by ARS Environmental Health, Inc. on April 1, 2011 for the MPS Records Department, located at that time on the ground floor at 807 Broadway Street NE. This document has been added as an additional exhibit to the OSM.

The Minneapolis Public Schools has a professional Environmental Health and Safety staff that manages environmental safety, records, and mitigation projects in all MPS facilities. Records for ongoing asbestos management plans and abatement projects at 807 Broadway Street NE are available for review.

A Phase 2 Environmental Investigation has not been conducted for the 807 Broadway Street NE property. There are no recent comprehensive building audits or testing data available for asbestos, lead or other environmental contaminants available. The 807 Broadway property is being sold as-is.

7. How does the Minneapolis Public Schools advise potential purchasers of the property to treat environmental investigation and costs in their purchase proposals?

Interested proposers should put forth their best proposals. As stated in the Open Sale Memorandum, the description of the purchase offer should include all relevant terms and mileposts, including conditions and contingencies to closing.

8. What MPS plans exist for the school district staff and materials that are still occupying the property? How long will it take for MPS to vacate the building?

Since the new Minneapolis Public Schools headquarters building opened on West Broadway in July 2012, more than 400 administrative staff and most of their furniture, fixtures and equipment have been moved to this new building and other MPS facilities. However, several MPS departments, trades, and storage functions are still located in portions of the 807 property. Although an exact timeline for moving these remaining functions has not yet been identified, the MPS is actively moving forward on vacating the building.