

## City Contracting Requirements for a Land Sale

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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.

The redevelopment contract will also provide that the City will not close on sale of the parcel/phase to the selected developer until the proposed project/phase is ready to proceed, as evidenced by the provision of evidence of financing, approval by the City of detailed plans and other conditions precedent. The following requirements apply to all developments:

1. **“As Is” Sale and Reversionary Rights.** The City will convey the property “as is,” with no title warranties and subject to reversionary rights running in favor of the City. In the event that subsequent to conveyance of the property and prior to receipt by the selected developer of a “Certificate of Completion”, the selected developer defaults in the terms of the redevelopment contract, the City will have certain rights to re-acquire the property. In order to facilitate the obtaining of funds necessary for construction of the minimum improvements, the City agrees that it will enter into a reasonable agreement of subordination of the City's interest in the property to the interests of the holder of such a permitted mortgage, provided that the City determines, in its reasonable judgment, that the interests of the City under the land sale remain adequately protected.
2. **Equal opportunity (nondiscrimination and affirmative action)** The selected developer and contractor will be required 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, sexual orientation, gender identity, disability, age, marital status, familial status, or status with regard to a public assistance program. 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 be required to 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.
3. The development must be in conformance with the **Americans with Disabilities Act** of 1990 and ADA Amendments Act of 2008, the **Fair Housing Act** and the **Uniform Federal Accessibility Standards**.
4. **Rezoning Responsibility:** It is the selected developer’s responsibility to undertake and finance any rezoning, variance and use permits necessary for approval of the proposed development.

5. **Construction Standards:** Residential development must meet FHA minimum property standards and all Minneapolis City codes, and projects will be reviewed for energy efficiency.
6. **Residential Sale and Commercial Sale/ Lease:** The completed units must be advertised and offered publicly and marketed affirmatively.
7. **Hold Harmless:** The selected developer must agree to defend, indemnify and hold harmless, to the extent allowed by law, the City and its officers and employees from any and all liabilities, claims, damages, costs, judgments, lawsuits and expenses, including court costs and reasonable attorney's fees, that may arise from the redevelopment agreement or the development of the development property.
8. The City's [Unified Housing Policy](#), as updated December 7, 2018, 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 is developed on property purchased from the City even if no financial assistance is being provided.

The following requirements may apply, depending upon amount/type of public financial assistance and type of development:

9. If the City provides assistance to the development as defined in the City's [Prevailing Wage Policy](#), the selected developer will be required to covenant and agree 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.
10. If the City provides assistance to the development as defined in the City's **Apprenticeship Training Policy**, the selected developer's contractor and any subcontractors with a construction contract over \$50,000 must participate in a registered apprenticeship training program.
11. The [Job Linkage Program](#) links economic development with employment. It establishes aspirational goals for employment opportunities for Minneapolis residents. All commercial/industrial development projects whose primary purpose is job creation or retention must sign a job linkage agreement.
12. 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.
13. All development projects that receive public financial assistance in excess of \$175,000 must comply with the [Small and Underutilized Business Program](#) ordinance, Chapter 423 of the Minneapolis Code of Ordinances. When this program applies to a project, it requires developers and contractors to either meet the City's goal for utilizing women and minority owned subcontractors on the project or make good faith efforts to do so.
14. Depending upon the level and purpose of public assistance that may be received, provisions of the Minnesota [Business Subsidy Act](#) and/or the City's [Responsible Public Spending Ordinance](#) may also apply to the project. Should these requirements apply, they will be incorporated into the redevelopment agreement.