

April 10, 2015

Frequently Asked Questions (FAQ)

Request for Proposals (RFP) for 2313 13th Avenue South Deadline: April 23, 2015, 4:00 pm

- 1. Can City staff provide specific feedback on a proposed layout for the 10-year operational or development pro forma and budgets for the project proposal?**

No. There are many acceptable formats for the financing spreadsheets and budget tables requested in the RFP; and they will also vary depending upon the specific proposed project development concepts, ownership, revenue sources and financing structures. Applicants are encouraged to consult with specialists on their development team (developers, architects, accountants, financing specialists, etc.) to provide the requested information in a clear, complete and consistent format. Numbers provided in the financial exhibits should tie together information on the architectural development program for the City-owned development parcel, building design and site plan, hard and soft costs of construction, sources of financing for construction, and revenue sources for construction financing and 10-years of operations consistent with the tenants, ownership and uses of the building.

- 2. A capital campaign is proposed to provide a portion of the funding for the development project that we are proposing. Should we include the capital campaign related expenses in the development budget in addition to the projected campaign revenues?**

It is appropriate to include the costs of financing as part of a development budget. Therefore, a portion of capital campaign costs can be included in the development budget to the extent that the fundraising expenditures are directly related to financing the building development and occupancy (rather than fundraising for organizational expansion, new programs and staff, other existing facilities, or current program operations). If development proposals are being financed with a capital campaign, it is preferable to provide a copy of the complete campaign finance plan, including milestones and documenting previous fundraising experience.

- 3. As part of our pre-development planning for an owner-user building, we are exploring options that might allow for periodic private rental of some proposed building facilities. Should we include a description of these potential rental uses in the project narrative? Should we include the potential rental income in the project budget?**

If the development team is investigating potential rental uses but the investigation is not at a stage where a full feasibility assessment (incorporating the costs, revenues, market demand and vacancy risks of the proposed rental use) has been completed, the potential rental use can be included in the project narrative. However, such narratives should include a discussion of the concrete steps that the development team has taken to pursue the rental uses and purely hypothetical rental uses should not be included. Project economic feasibility should not depend upon rental income from uses that might not be included in the project, or whose associated costs and risks are not included in the project development or operating budgets.

4. Can City staff provide feedback on how a specific potential development concept will compete with other pending proposals for the property?

No. All complete proposals that are submitted and responsive to the request for proposals (RFP) requirements will be evaluated using the City development goals for the property and the evaluation criteria that are identified in the RFP document. City staff will not know which potential proposers or parties expressing interest in this RFP actually decide to submit proposals until after the RFP deadline on April 23.

5. Can City staff comment on whether a potential development concept would be acceptable and well received by the neighborhood?

No. City staff cannot provide information or speculate about how neighborhood stakeholders may react to specific development concepts for 2313 13th Avenue South. Information about the Citizen Engagement process for this development solicitation is included in the RFP document.

6. Is there a page limit for the RFP?

No. A page limit was not identified in the RFP. However, proposers are asked to balance completeness in responding to all of the format and content requirements of the RFP document, with the succinctness and clarity of their responses. In some cases, additional reports or exhibits may provide helpful supplemental information about the development team or the proposed project, and can be attached as exhibits to the development proposal. If the City review team has supplemental questions about the project, proposers may also be asked to respond to additional specific questions after their proposals have been submitted.

7. How certain or mandatory are the dates listed in the timing section of the RFP?

Mileposts listed in the RFP represent preliminary goals for the redevelopment of this property, several of which are identified as “to be determined” (TBD). These mileposts can be anticipated to evolve depending upon the number and characteristics of the proposals received, and the specifics of any development project that is selected by the City Council for this property. Proposers are required to submit a project schedule for their project with their development proposals and are encouraged to be rigorous in defining their anticipated project mileposts and timelines. Project readiness and the extent to which a project is likely to move forward on the proposed schedule is one evaluation criteria that will be considered by the City review team, in the community engagement process, and by elected officials.

8. What if all of our development team members have not been selected?

Proposers are not expected to have identified all of their development team members at this time. This is a request for proposals process to obtain the development rights for the acquisition and redevelopment of a City-owned property. It is recognized that proposers are in an early stage of concept development and pre-development planning. Development team members should include sufficient expertise to provide the formal exhibits and the required information identified in the proposal contents section, with the appropriate authority, expertise and professional credentials for the current stage of preliminary project concept development and cost and feasibility assessment.

9. Who should development teams talk to about technical issues and regulatory requirements related to site planning, stormwater management, and property development as we prepare our proposals?

If requested, specific City technical staff will be identified in the Minneapolis Public Works Department and the Department of Community Planning and Economic Development to respond to technical questions related to zoning, building code, environmental constraints, public utilities, traffic, stormwater management, etc. City staff providing technical information to proposers will not be members of the proposal review team. Contact information will be made available to development team members by contacting the RFP coordinator.

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