REQUEST FOR PROPOSALS



Redevelopment of East 54th Street & Riverview Road

On behalf of the City of Minneapolis ("City"), the Department of Community Planning and Economic Development (CPED) is seeking development proposals for the redevelopment of an assembled site currently owned by the City, known as the 54th and Riverview Road Development Site. The site is located at the southeastern edge of the Minnehaha neighborhood of the Nokomis East community of South Minneapolis and the City. It is adjacent to and east of the Light Rail Transit (LRT) Blue Line running along MN State Highway 55 providing direct access to downtown Minneapolis and the Veteran's Medical Center at the most southern border of the City of Minneapolis.

The redevelopment site is reflected at the right and in Exhibit A where you will find a map of the City with the site in perspective and a survey. The entire

development site includes the following properties:



Property Address	PIN*
5348 Riverview Road	17-028-23-34-0058
5364 Riverview Road	17-028-23-34-0028
5368 Riverview Road	17-028-23-34-0056
5118 E. 54 th Street	17-028-23-34-0034

*PIN: Hennepin County property tax identification number

The site includes land acquired with federally funded Higher Density Corridor Housing Program (HDCHP) funds. The HDCHP and federal Community Development Block Grant (CDBG) program funds require that the redevelopment results in increased housing density and affordable housing, as further outlined within this solicitation and its Development Objectives attached as Exhibit B.

RFP Released December 30, 2015

The City's ultimate development goal for this site is to create an affordable family housing development that contributes to the vibrancy of multi-family transit oriented development along this major transit corridor. A well-designed development proposal will link the proposed housing to employment, shopping, schools, parks and recreational opportunities by encouraging pedestrian traffic and access via the Blue Line's LRT station and the adjacent commercial node at Minnehaha Avenue and 54th Street.

Background Information

The local housing stock in the immediate area is predominantly single family homes with some recent redevelopment of higher density multifamily housing. The majority of the area's single-family homes were built between 1920 and 1960 with a building boom during the1920s and 1940s. This neighborhood was developed before others due to the availability of streetcar routes and rail lines along the current Blue Line LRT alignment, just west of the development site. As the neighborhood continues to change, preserving affordability in housing, and the ability to maintain housing, especially for seniors living on fixed incomes and families with children, will become increasingly difficult.

Over the last decade, the City has acquired and assembled the development site with property purchased from the MN Department of Transportation (DOT) and private property owners. The area was originally developed as single-family homes for Fort Snelling military officers. The homes were subsequently purchased and razed by the DOT and used as a staging and storage area during the reconstruction and expansion of adjacent Highway 55.

Shortly after purchasing the majority of the site from the DOT, in 2005, an initial Request for Proposals to develop the site was released June, 2007. The City selected a two-phased development proposal by co-developers: Beacon Interfaith Collaborative, formerly Plymouth Church Neighborhood Foundation and Twin City Habitat for Humanity (TCHFH). The proposal envisioned the creation of the adjacent Riverview Senior Apartments and an eight-unit for-sale townhome development that would be marketed and developed under the TCHFH model of providing safe, decent and affordable homeownership for those not easily sheltered. Due to the collapse of the housing market in 2008 and lack of public and private financial assistance, the TCHFH homeownership component was not realized.

The beautiful Riverview Senior Apartments located adjacent to the development site at 5360 Riverview Road is the result of the initial RFP and the creation of a four-story, 42-unit affordable

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apartment complex for seniors, including the very frail elderly. The apartment building is less than three blocks from the VA Medical Center Station along the Hiawatha light-rail line. The Riverview Seniors Apartments were developed with financial assistance from the U.S. Department of Housing and Urban Development's Section 202 Program (Supportive Housing for the Elderly), the City of Minneapolis, Minnesota Housing Finance Agency, Federal Home Loan Bank and the congregations of two local churches: Minnehaha United Methodist Church and the Nokomis Lutheran Church.

Current Conditions

The 54th & Riverview Road development site, located on the border of the Minnehaha community, offers extensive green space and transit opportunities via the Light Rail Transit Blue Line, pedestrian vehicular access along Hiawatha Avenue/MN Highway 55 and just north of Highway 62. The Minneapolis/St. Paul International Airport is approximately 2.7 miles from the site. The site is located just west of Minnehaha Park and south of Minnehaha Creek and the Longfellow Gardens providing walking and biking paths in close proximity to adjacent businesses, parks, nearby schools and public transit access points.

The site is currently separated by an existing alley/entrance to the adjacent Riverview Senior Apartments, located just southwest of the development site, at 5360 Riverview Road. It will be the responsibility of the selected developer to consider the placement or reconstruction of a new alley or shared access to the existing Riverview Senior Apartments and the proposed development; and to negotiate any alterations to provide the appropriate access to a new configuration with the adjacent property owner, as appropriate. Two separate building complex designs will be consider as long as both structures blend well into the surrounding environment.



Riverview Senior Apartments completed 2012

Situated just west and adjacent to the northern end of the development site is the "Yardville" right-of-way (ROW) currently owned by the Minnesota Department of Revenue. This public ROW currently includes electric power poles on its eastern portion. The City encourages applicants to consider this ROW area in the preparation of their proposal; however, any proposed infrastructure improvements may be outside the scope of this development.

Yardville represents open space in a public ROW currently enjoyed by adjacent residents. It also represents an opportunity to buffer Hiawatha Lane homeowners from the increase in density of the

proposed development. Possibilities and objectives for open space components are described in the text and illustrated in the Nokomis East Light Rail Transit Station Small Area Plan (attached as Exhibit C) through the inclusion of renderings and images of development. Proposers should consider including these elements within their proposal.

Property owners to the west of the Yardville ROW have expressed an interest in maintaining a green-space buffer like the one that the ROW currently offers. The City encourages, but does not require, all respondents to this RFP to think creatively about a way to incorporate this ROW into their development that maximizes the aesthetic, environmental, and use value of this ROW for residents of the proposed development and existing, adjacent residents. Respondents' proposed approaches to this area will not be among the considerations in the evaluation of proposals; however, it will provide additional strength to the proposal.

The land is currently zoned at R3 and R4 for a Multiple-Family District. The R3 Multiple-Family District is established to provide an environment of predominately single and two-family dwellings, cluster developments and smaller multiple-family developments on lots with a minimum of five thousand (5,000) square feet and at least one thousand five hundred (1,500) square feet of lot area per dwelling unit. In addition to residential uses, institutional and public uses and public services and utilities may be allowed.

The R4 Multiple-Family District is established to provide an environment of predominantly medium density apartments and congregate living arrangements, single-family and two-family dwellings and cluster development, on lots with a minimum lot area of five thousand (5,000) square feet and at least one thousand two hundred fifty (1,250) square feet of lot area per dwelling unit. In addition to residential uses, institutional and public uses and public services and utilities may be allowed.

Meeting the attached development objectives may require a rezoning depending on the proposed redevelopment. The site is an area of approximately 47,380 square feet (1.09 acres) of developable land. Redevelopment of this site is subject to the policies in the City's Comprehensive Plan (The Minneapolis Plan)

at: http://www.ci.minneapolis.mn.us/cped/planning/cped comp plan 2030 and the Nokomis East Light Rail Transit Station Small Area Plan

at http://www.ci.minneapolis.mn.us/cped/planning/cped plans#south

If you have specific questions about the rezoning requirements or restrictions, the comprehensive plan, the Nokomis East Light Rail Transit Station Small Area Plan or other relevant planning documents, please contact Beth Elliot, Principal City Planner, at 612-673-2442.

Development Objectives

The City's development objectives envision a medium-density residential development consistent with R4 zoning standards, with a preference for townhouse rental or ownership housing. While the site is divided into two separate parcels, the possibility of two separate buildings will be considered. To accomplish the redevelopment of this site may require a change in the existing zoning. In addition, the City hopes to maximize the property's development potential, contribute to economic growth in this southeastern sector of the city, increase urban livability, and leverage the value of the nearby transit infrastructure.

The development objectives for the 54th & Riverview Road development site are completely outlined in Exhibit B attached to this solicitation. Its owner, the City of Minneapolis, is seeking a viable affordable housing development that may include a variety of housing options along this transportation corridor. The City is interested in pursuing an affordable housing development that will help diversify this southeastern Minneapolis housing market, increase housing density along the Hiawatha Corridor, add public pedestrian amenities and attract stable commercial and retail investments in the area.

The Nokomis East Neighborhood Association and the City of Minneapolis are seeking a medium density affordable family housing project with desirable amenities in this housing market in providing affordable housing in an area of the City where it is currently lacking, complement the other development activities in the area and meet both the City goals and the interests of the community.

Estimated Fair Reuse Value or Asking Price

The development site includes approximately 47,380 square feet (or approximately 1.09 acres) of developable land. CPED has obtained an independent appraisal of the property which estimates the value at approximately \$663,320.00 or \$14.00 per square foot based on a maximum unit count of 32. The City reserves the right to re-appraise the site based on responses to the RFP and the specific proposals submitted if the proposal is proposing more than 32 units of housing.

The property will be sold "as-is" and it will be the developer's responsibility to correct and pay for all costs associated with environmental issues and remediation related to the Property. If a proposal requires environmental remediation of any portion of the Property, the developer may request that the City, subject to City Council approval, sponsor a future pollution grant application. The developer will be responsible for all costs associated with the grant application. The successful development proposal may enter into a Right of Entry Agreement with the City of Minneapolis and provide the requisite insurance coverage. Environmental reports are attached as Exhibit D; however, they are dated and may need to be updated, as appropriate.

Proposal Submission Deadline

Proposals are due in City offices no later than 4:00 p.m. local time, **Friday, February 12, 2016** and should be addressed to:

Minneapolis Community Planning & Economic Development Theresa Cunningham, Senior Project Coordinator 105 Fifth Avenue South, Suite 200 Minneapolis, MN 55401

Proposals received after the deadline may not be accepted. It is neither CPED's responsibility nor practice to acknowledge receipt of any proposal. It is the responder's responsibility to assure that a proposal is received in a timely manner.

Proposal Contents

Proposers must submit copies of their proposals as follows: one unbound copy, and nine (9) bound copies and one electronic version Microsoft Office compatible or in PDF format on CD. Proposals must be on standard 8 ½" by 11" paper. All supporting documentation must be on paper no larger than 8 ½" by 14". Proposals and supporting documentation must be submitted in a sealed envelope or boxed container labeled "54th and Riverview Road 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. Developers are requested to submit proposals that do not exceed twenty (20) facing pages of information (ten pages double-sided) excluding optional folder, binder, or covers. Text must be in font size no smaller than 11 points and must include the following information to be deemed complete and responsive and must be in the following order and with corresponding section numbering (all proposals must include page numbers). The information being requested through this RFP is necessary for the City to adequately evaluate your proposal. Failure to supply the requested information may result in rejection of your proposal. The City is not responsible for the costs incurred by proposers or their contractors in connection with this RFP process, including, but not limited to, costs associated with preparing a proposal or associated with participating in any presentations or negotiations related to this RFP. Proposals deemed incomplete and/or non-responsive will not be considered.

Any and all submitted proposals must include the following information and materials:

A cover page expressing the developer's desire to submit the proposal and includes the following information:

- Developer's name and mailing address
- Contact person's name, title, phone number, fax number and e-mail address
- Reference the development site as the "East 54th Street & Riverview Road development site"
- Signature of authorized corporate officer for each entity proposing as a partnership or team. Developer's current legal status: corporation, partnership, sole proprietor, etc. and supporting evidence/documentation;
- Federal tax ID number or Social Security number;

in addition to the cover letter, the packet should include the following materials separated by index tabs or dividers including:

Exhibit	Description
Α	Completed and Signed Offer to Purchase Property for a Commercial/Industrial or
	Multifamily/Residential Project (Exhibit E)
В	A description of the public benefits that will result from the development, e.g.,
	the number and types of housing units, the incorporation of public art and/or
	cultural elements, etc.
С	Market Study or other information documenting the demand for the proposed
	housing. Reports larger than 50 pages should be delivered by courier or US mail
	to CPED in hard-copy format on the proposal due date.
D	MHFA Common Application attached as a link to the application workbook
	(Exhibit F)
E	Form Consent for Release of Response Data (Exhibit G)
F	Documentation of Letter of Interest or Commitment to Finance the proposed
	development.
G	Complete Set of Design Concept Plans or Renderings (including electronic copies

	of front elevations and a site plan)
Н	Proposed planning and/or zoning approvals (i.e. alley or street vacations,
	conditional use permits, variances, etc.)
1	Proposed timeline 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.
J	Developer's portfolio of recent similar multi-family housing developments
	providing details on: project name, location, total development cost, affordability
	levels, date completed and credentials
K	Proposal Evaluation & Self-Scoring Worksheet (Exhibit H)
L	Minneapolis Department of Human Rights Approved Affirmative Action Plan*
M	Completed Request for Small and Underutilized Business Program Goals form
	which is attached as Exhibit I.

^{*}If not on file with Minneapolis Department of Civil Rights

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, the City, and MSFA.

Development teams/developers responding to this RFP are not required to provide a good faith deposit on the land with their proposals. However, the development team whose proposal is ultimately selected by the City Council must make the required deposit – 10% of purchase price – upon execution of the redevelopment contract. The City will hold the deposit until development of the project is complete.

Inquiries regarding this Request For Proposal

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

Ms Theresa Cunningham
Minneapolis Community Planning & Economic Development
105 Fifth Avenue South, Suite 200
Minneapolis, MN 55401

Phone: 612.673.5237

Email: theresa.cunningham@minneapolismn.gov

Fax: 612.673.5248

All questions are due no later than Friday, **January 15, 2016.** All responses to questions will be addressed on the City's website at: www.minneapolismn.gov/cped/rfp/index.htm The department contact person is the only individual who can be contacted about the project by proposers before the proposal deadline. The department contact cannot vary the terms of the RFP. The site may be toured on your own. No appointment is needed to survey the area.

Proposal Evaluation Criteria

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. Staff will review and rank proposals and make land sale and funding recommendations to the City Council. As any selected development proposal moves forward through City approvals, the Developer will be encouraged to submit their proposals to the appropriate neighborhood group for review. As the funding is time-sensitive, the City reserves the right to re-allocate unused funds during the project period as defined in the Offer to Purchase and the Development Contract. All projects must demonstrate compliance with city and federal requirements.

In reviewing and evaluating the potential development concepts, the Review Committee will evaluate the proposals based on criteria outlined in the Proposal Evaluation Worksheet attached Exhibit H, which outlines the various criteria that will be evaluated in selecting a successful development proposal.

The City may, in its sole discretion, expand or reduce the evaluation criteria upon which it bases its final decisions regarding selection of the developer for this site. Proposers may self-evaluate their proposal utilizing the self-scoring form attached as Exhibit H and provide relevant comments that justify their designated points in the space provided.

Citizen Participation

The City of Minneapolis has established a citizen participation process for development projects impacting neighborhoods and values advice and input from the public, obtained through this process. The neighborhood group officially designated to provide input on responses to this RFP is the Nokomis East Neighborhood Association. Under the Minnesota Government Data Practices Act (GDPA), Minnesota Statutes Ch. 13, public disclosure of RFP response data prior to execution of a contract is restricted. The statute may be reviewed by clicking on the link in Exhibit J. In order to meet the City's citizen participation goals, the City requires each proposer to execute and submit a "Consent for Release of Response Data" form as is also attached in Exhibit G. Failure to submit the "Consent for Release of Response Data" will be grounds for rejection of the entire proposal as unresponsive. Notwithstanding the foregoing, if a proposer wishes to claim data submitted in response to this RFP is not public under the GDPA, the proposer may submit such information under separate cover along with a legal opinion outlining the argument as to why said materials are not public for the City to consider before responding to a GDPA request. The City will only hold such information as nonpublic if the City agrees with the proposer's legal opinion.

Timing

It is the City's desire that a redevelopment contract be executed with the selected developer within twelve (12) months of selection and that construction of the proposed development would begin within ninety (90) days thereafter.

The following is the anticipated RFP and development selection timeline:

54th & RIVERVIEW RD. PROPOSAL SELECTION TIMELINE			
	D 20 2045		
RFP Release Date	December 30, 2015		
# Days to Submit Questions	16		
Questions due	January 15, 2016		
# Days Developers have to Prepare Proposal	45		
Proposals Due	February 12, 2016		
# Days for Review Committee to review and select proposal	21		
Date proposal selected by CPED	March 4, 2016		
Forward selected proposals to Neighborhood by	March 8, 2016		
# of Days for NENA to review and comments on proposals	45		
Neighborhood Comments to CPED	April 22, 2016		
RCA due for CD & RS Meeting	May 2, 2016		
City Council CD & RS Meeting	May 17, 2016		

Redevelopment should be completed by 2018.

Review/Selection Process

A review committee has been formed to outline and define this solicitation for development proposals that includes City staff and neighborhood organization representatives. Some or all of the applicants may be requested to present their proposals to the review committee and/or at a neighborhood meeting. It is hoped that this review process will be completed within 21 days of the proposal submission deadline.

The review committee will then make a recommendation on which proposals should be forwarded to the neighborhood for their 45-day review and comment period. The neighborhood organization may then provide their written comments on their preferred proposal which the review committee will take into consideration. The review committee will then make a final decision on which proposal best meets the proposal evaluation criteria. This recommendation will then be forwarded and considered by the CPED Director and then forwarded on to the City Council for action. The review committee reserves the right to reject any and all proposals.

If the City Council concurs with the Review Committee's recommendation on the selected development proposal that does not entail any additional public financial 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.

City Contracting Requirements

The selected developer will be required to enter into a redevelopment contract with the City that will contain standard City requirements such as insurance, indemnification, and provisions to ensure redevelopment of the Property, e.g., construction and financing plan approval prior to commencement of construction, transfer and encumbrance limitations prior to completion, and reversionary rights. Other requirements vary depending upon the type of development and the source and amount of public investment, if any. The following list is not exhaustive. Proposers unfamiliar with these standard requirements are urged to seek further information from City staff.

- 1. Equal opportunity (affirmative action and nondiscrimination). If the project receives public financial assistance over \$50,000, the selected developer will be required to submit a written affirmative action plan to the City's Department of Civil Rights for the development project. The selected developer 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, and other applicable federal, state and local regulations, statutes and ordinances pertaining to civil rights and nondiscrimination.
- 2. Prevailing Wage Policy. In accordance with federal Prevailing Wage Policy, the developer must covenant and agree to 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 Davis-Bacon Act requires that all contractors and subcontractors pay prevailing wages as determined by the federal Davis-Bacon wage decision. All contractors and subcontractors subject to the Davis-Bacon Act must provide weekly certified payroll records to the Minneapolis Department of Civil Rights. The signed construction contract that contains the building specifications for the project must contain a copy of the appropriate United States Department of Labor Federal Wage Decision document and the HUD form 4010, Federal Labor Standards Provisions.

The appropriate date for the wage decision shall be the earliest of (i) the date of formal bid opening for either the general contractor (if the general contractor was competitively procured) or for the subcontractor (if the general contractor was not competitively procured) provided the construction contract is awarded within 90 days; (ii) the start of construction; and (iii) the date of the construction contract where complete construction specifications are included, with such wage decision modified and updated as required by federal labor standards.

3. Small and Underutilized Business Program. Development projects that receive public financial assistance over \$100,000 must comply with Chapter 423 of the Minneapolis Code of Ordinances, which requires "good faith efforts" to meet goals for the use of businesses owned by women and minorities in construction and professional services. A list of certified

businesses can be obtained by contacting the Small and Underutilized Business Program at 612-673-3076 or at www.mnucp.metc.state.mn.us. Proposers must complete and submit Exhibit I Request for SUBP Goals.

- 4. Apprenticeships. If the City provides assistance to the developer as defined in the City's Registered Apprenticeship Training Program Policy, the developer must covenant and agree to cause its general contractor and any subcontractors with a construction contract over \$50,000 to provide evidence of participation in an apprenticeship training program registered with the state.
- 5. Minnesota Business Subsidy Act. Depending upon the level and purpose of public assistance that may be received, provisions of the Minnesota Business Subsidy Act, Minnesota Statutes, sections 116J.993-116J.995, and/or the City's Living Wage Ordinance, Minneapolis Code of Ordinances, chapter 38, may also apply to the project. Should these requirements apply, they will be incorporated into a business subsidy agreement.
- 6. Uniform Federal Accessibility Standards. 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.
- 7. Soil Conditions. The Site will be sold "as is" and it will be the developer's responsibility to correct and pay for all costs associated with environmental or geotechnical soil problems. Any environmental reports in CPED's possession regarding the property 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.
- 8. Affordable Housing Policy. 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 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.
- 9. *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.
- 10. *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.

- 11. *Construction Standards*. Development must meet all Minneapolis City codes, and projects will be reviewed for energy efficiency.
- 12. Hold Harmless. The selected developer shall agree to defend, indemnify and hold the City harmless from any and all claims or lawsuits that may arise from the developer's activities under the provisions of the redevelopment contract, that are attributable to the acts or omissions, including breach of specific contractual duties of the developer or the developer's independent contractors, agents, employees or officers.

NO LATE PROPOSALS WILL BE ACCEPTED EQUAL OPPORTUNITY HOUSING