

Request for Redevelopment Proposals

927 West Broadway

Including vacant lots at:

- 1828 Dupont Avenue N
- 1832 Dupont Avenue N
- 1838 Dupont Avenue N



927 West Broadway

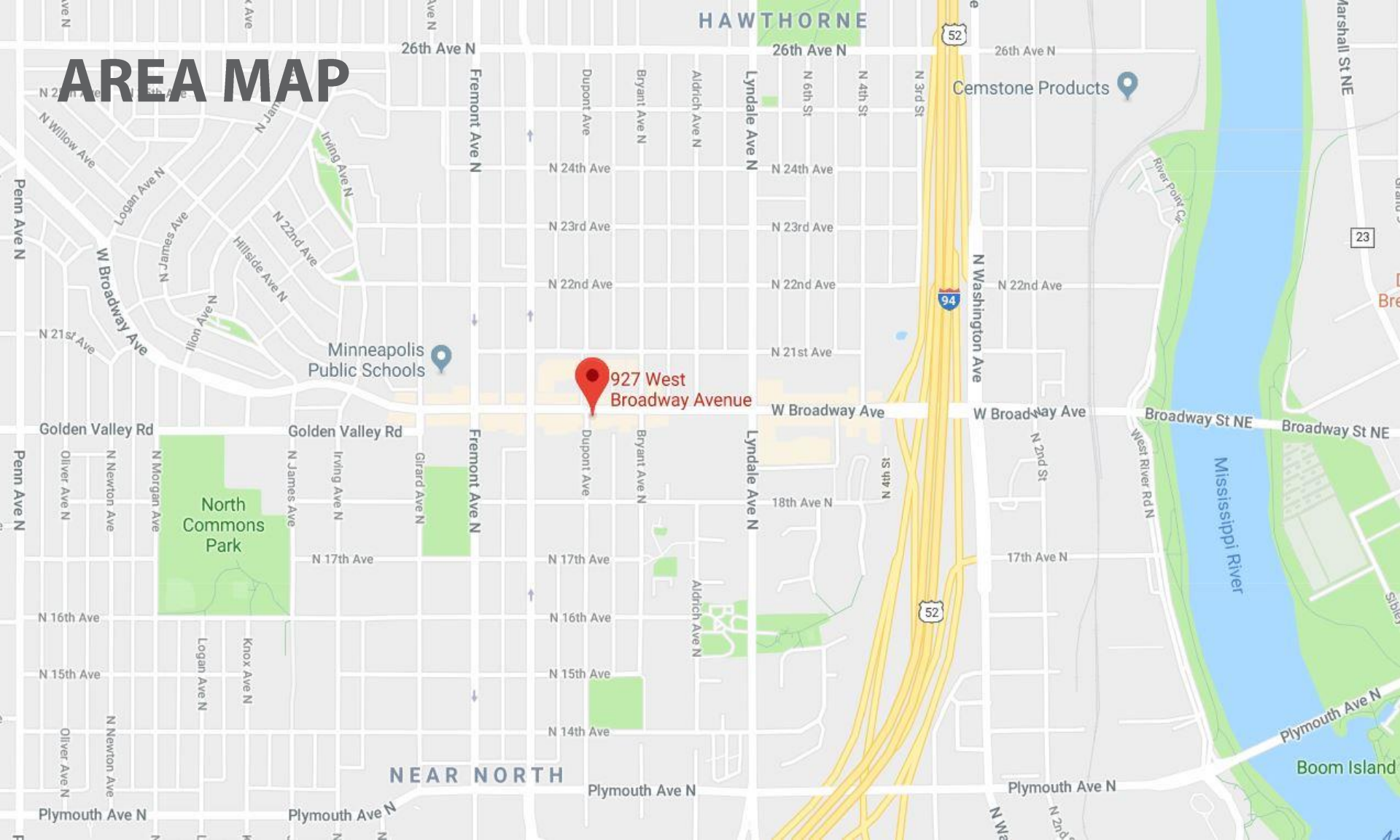
Optional Proposal Opportunity

- 1001 West Broadway

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AREA MAP



Request for Redevelopment Proposals

927 West Broadway & Vacant Lots

Optional – 1001 West Broadway

Introduction and Proposal Options

The City of Minneapolis, through its Department of Community Planning and Economic Development (CPED), is seeking redevelopment proposals for commercial buildings and land as described in this RFP. Proposals may be structured to include a parcel or parcels in **one of the following three (3) options**:

- **Option 1 - All five (5) parcels**
- **Option 2 - Parcels 1-4 - (927 West Broadway & all three (3) vacant lots)**
- **Option 3 - 1001 West Broadway only**

Proposals should clearly indicate which of the three (3) options has been selected.

Proposals which include all five (5) parcels should clearly indicate the anticipated timing of the development of each of the two buildings - 927 West Broadway for redevelopment, and 1001 West Broadway for redevelopment or for demolition and new construction.

The vacant parcels , 1828, 1832 & 1838 Dupont Avenue N, **are not offered as individual parcels or separate from an overall proposal for the development of 927 West Broadway.**

Offer Prices

Offer Price

The following offer price has been established for 927 West Broadway and the vacant parcels:

- **927 West Broadway, 1828, 1832 & 1838 Dupont Avenue N - \$1.00**

Optional Proposal

The commercial building located at 1001 West Broadway is offered as an **optional proposal opportunity**. **Offer price for 1001 West Broadway - \$1.00.**

Selected developer(s) will be required to clearly demonstrate the ability to obtain adequate financing, to complete the redevelopment of the property, to fulfill other standard City requirements, and to enter into a Redevelopment Agreement to assure compliance with these terms and conditions.

Discussion of Redevelopment Costs

927 West Broadway & Vacant Parcels

The anticipated expenses/costs associated with the structural, mechanical, roofing and other major improvements needed for 927 West Broadway will require **significant investment**.

Notwithstanding the \$1.00 Offer Price established for this building and the vacant parcels, selected developer(s) will be required to clearly demonstrate the ability to obtain adequate financing, to complete the redevelopment of the property, to fulfill other standard City requirements, and to enter into a Redevelopment Agreement to assure compliance with these terms and conditions.

Proposals should outline an overall development budget and operational budget with the ability to separately review and analyze the following:

- 927 West Broadway – Improvements to Existing Structure
- 927 West Broadway – Construction of New Addition, if included in proposal
- Construction of Parking Deck and or Housing Units, if included in proposal
- Demolition of 1001 West Broadway, if included in proposal
- Construction of New Building at 1001 West Broadway, if included in proposal
- Rehabilitation of Existing Building at 1001 West Broadway, if included in proposal
- Operation and profitability of overall development

Important Dates

Submission Deadline

Proposals are due **Friday, March 23, 2018 at 4:00 PM**. Proposals should be emailed to james.terrell@minneapolismn.gov. For files larger than 10MB, please provide materials on a CD or flash drive and deliver to CPED's offices at **105 5th Ave South, Suite 200, Minneapolis MN, 55401**. **Late proposals will not be accepted.**

An **RFP Informational Meeting** will be held on **Wednesday, February 14, 2018 at 2:00 PM** at the City's Innovation Center, located on the first floor of the Crown Roller Mill Building - 105 5th Ave South, Suite 200, Minneapolis MN, 55401. Email james.terrell@minneapolismn.gov to RSVP. **RSVP's are required for this Informational Meeting.**

Building Walk-throughs will be available **only by appointment** on the following days: **February 22nd, 23th, and 26th**. Email james.terrell@minneapolismn.gov to schedule appointment.

Questions related to the RFP should be emailed to james.terrell@minneapolismn.gov by **Friday, March 2, 2018**. Responses to questions will be posted to the City's website, [here](#), by **Friday, March 9, 2018**.

Development Objectives

RFP Submissions should include development concepts that:

1. Revitalize and activate the vacant storefronts & basement level of 927 West Broadway
2. Provide office space and retail goods and services to the community
3. Support intensification of commercial and business/office activity at the West Broadway & Dupont Avenue intersection
4. Include public realm/pedestrian improvements such as landscaping, lighting and security features, cross-walk safety features on West Broadway and Dupont Avenue
5. Provide clean, functional space with adequate parking to support the site's contemplated uses – (concepts may include a parking deck with housing above, on vacant parcels)
6. Address Americans With Disabilities Act (ADA) considerations by adding an elevator to 927 West Broadway - Likely will require adding a 3 story addition to the rear (south side) of the building
7. Concepts that contemplate demolishing 927 West Broadway **will not be considered**
8. Proposals that fully activate the intersection, with adequate parking, are preferred
9. Optional Proposal Concepts that contemplate **retaining the structure at 1001 West Broadway will be carefully scrutinized**, as the building has significant structural deficiencies
10. Optional Proposal Concepts for new construction at 1001 West Broadway should also support the intensification of commercial and business/office activity at the West Broadway & Dupont Avenue intersection
11. Proposals to vacate the portion of the alley immediately South of the 927 building **may be considered** provided such proposals are in compliance with City of Minneapolis Public Works standards

Development Objectives - Continued

If proposal includes a housing component

RFP Submissions that **include a housing component** should address the following objectives:

1. Proposals contemplating office space on the 2nd and 3rd floors of 927 West Broadway are **strongly preferred** to proposals contemplating housing for 927 West Broadway
2. New housing development at this overall development site should support intensification of residential activity - increase density
3. Residential development is preferred on the three (3) vacant lots (1828, 1832 & 1838 Dupont Avenue N) in conjunction with a parking structure that will serve the overall site
4. Mixed income residential development is preferred, as this location is in an impacted census tract
5. Innovation and creativity are encouraged
6. New residential construction should be mindful of the existing fabric and feel of the neighborhood and should compliment the general character of the area

Property Overview

927 West Broadway

The City of Minneapolis has owned 927 West Broadway since June 2009. The retail space on the first floor - ground level, has been occupied by various tenants over the past several years. The 2nd and 3rd floors and the basement are currently not usable and have not been occupied for a number of years. **Property has two (2) postal addresses: 927 & 931 West Broadway. Both addresses are part of the same property, 927 West Broadway.**

- Land Area – 4,781 sq. ft.
- PID - 16-029-24-14-0195
- Year Built - 1901
- Ground Floor Retail Space – approximately 2,600 sq. ft. (927 & 931 combined)
- 2nd & 3rd Floors Space – approximately 2,200 sq. ft., each floor
- Basement Floor Space – approximately 1,500 sq. ft.
- Parking - currently in front & rear of building
- Zoning – C1 – Commercial Neighborhood District

Property Overview

927 West Broadway - Continued

The property will require **extensive renovation** to be fully activated. This will include, but not be limited to:

- New Roof
- Structural repairs; east wall shows visible cracks
- HVAC, electrical, and plumbing systems
- Asbestos and lead paint abatement, if needed
- Windows, doors, walls
- Tuck-pointing/address water intrusion
- Parking lot or deck and streetscape improvements
- ADA Improvements – including elevators, with possibility of adding a 3 story addition to rear of building
- Fire suppression systems (depending on proposed use)
- Tenant build-out – Leasehold improvements

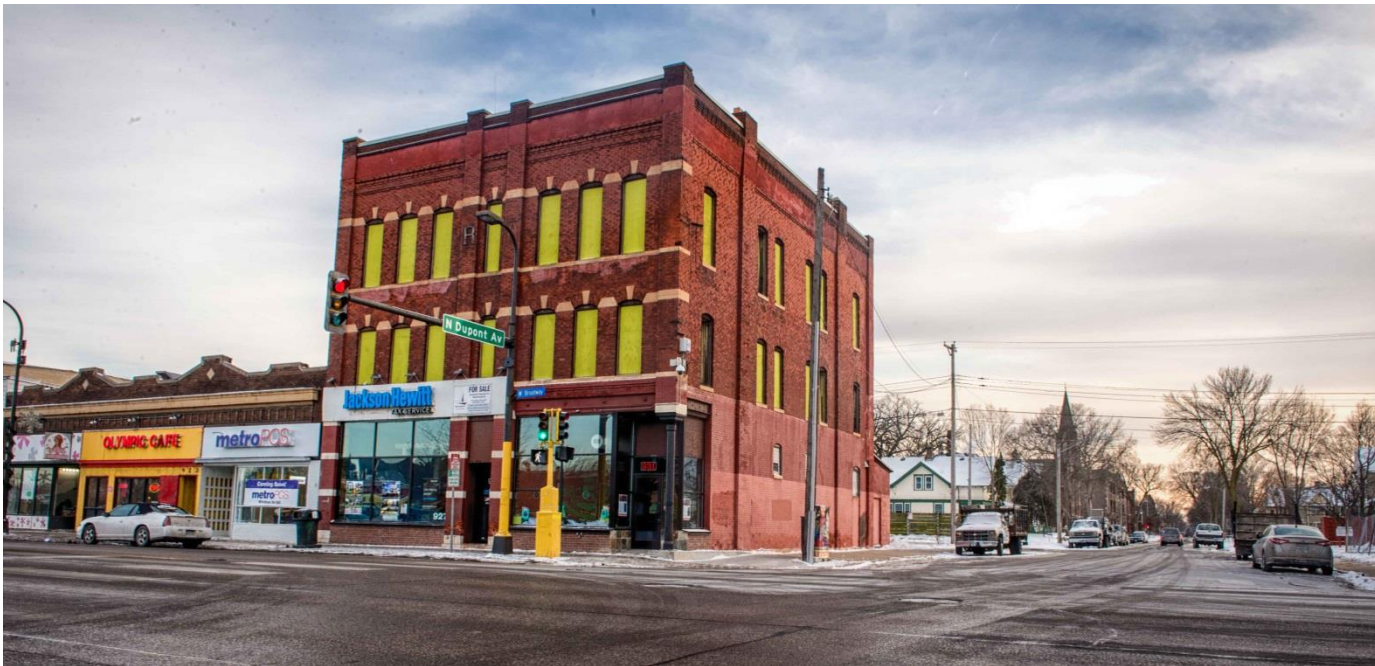
Addition information can be found at the following links on the City's website [here](#):

- 2017 Appraisal
- 2008 Appraisal
- 2010 Survey
- 2017 Roof Analysis
- 2001 Historical/Architectural Survey

Property Overview

927 West Broadway - Continued

Additional photographs of the property can be found [here](#):



Interior photographs of property are available at link above.

Property Overview

1001 West Broadway - Optional Parcel

Optional Proposal Opportunity

The City of Minneapolis has owned 1001 West Broadway since December 2008. Responses to this Optional Proposal Opportunity may be either for the retention and renovation of the existing structure or for the demolition of the structure and construction of a new building. The City of Minneapolis prefers retention of existing structures on West Broadway. However, any potential developer planning to retain the existing structure would need to **clearly demonstrate the financial feasibility of the redevelopment effort, as the structural deficiencies of this building would make renovation prohibitively expensive.** Proposals that contemplate demolition of the existing building should note that using the entire 1001 West Broadway site for **surface parking would not be allowed.**

- Land Area – 4,803 sq, ft.
- PID - 16-029-24-14-0168
- Year Built - 1880
- Parking - currently in front & rear of building
- Zoning – C1 – Commercial Neighborhood District

Addition information can be found at the following links on the City's website [here](#):

- 2010 Survey
- 2011 Structural Review
- 2009 Structural Review
- 2001 Historical/Architectural Survey

Property Overview

1001 West Broadway - Optional Parcel - Continued

Additional photographs of the property can be found [here](#):



Interior photographs of property are available at link above.

Potential Public Resources Available

CPED Great Streets Gap Financing Loan - Program is intended to provide gap financing for larger rehab projects in key commercial areas. Potential for \$100,000 - \$500,000 in debt financing. Subordinate to senior lender mortgage.

CPED 2% Loan Program - Program provides up to \$75,000 for tenant improvements and production equipment. City portion of loan is at a 2% fixed interest rate. The maximum term for 2% loans is 10 years. Requires a private lender match with financing at least equal to the City's loan amount.

HUD Section 108 Loan - Up to 20 years, fixed rate financing. Below market interest rates, with possible deferral of principal payments for up to 7 years.

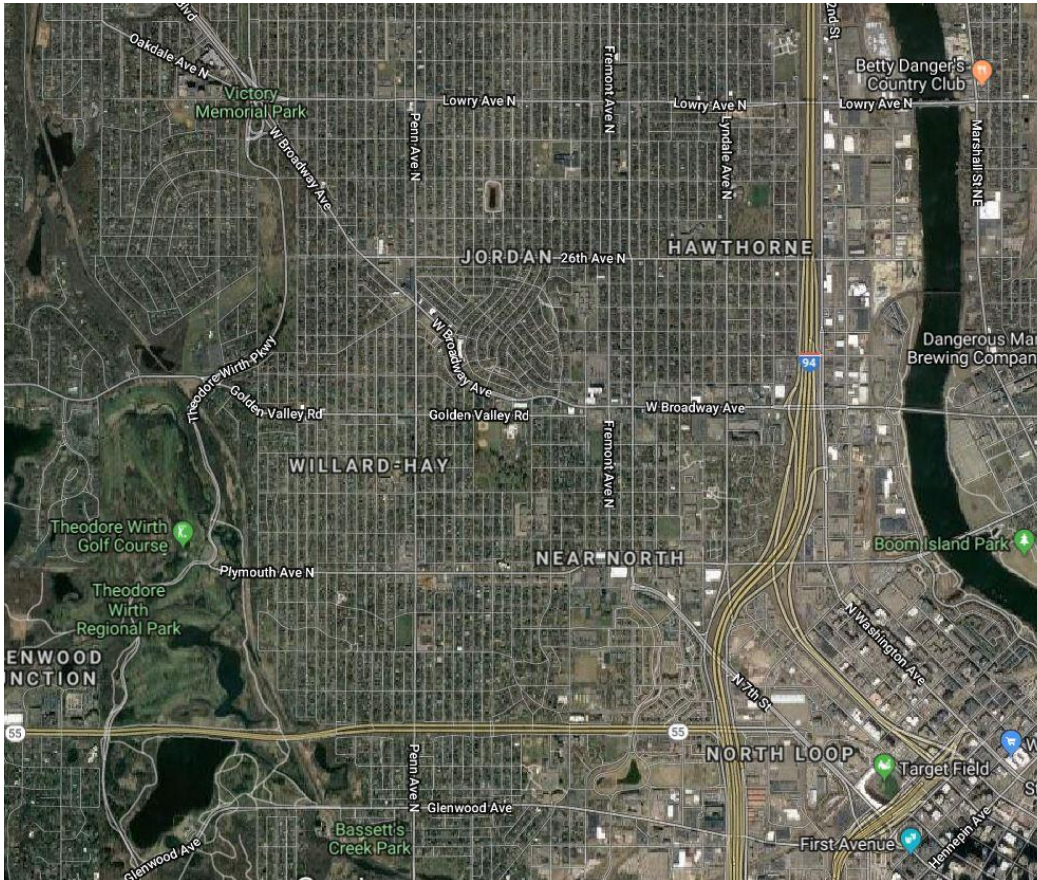
Great Street Façade Matching Grant - Up to \$7,500 for façade improvements. Must be matched by developer investment.

New Market Tax Credits - Subject to availability and developer's ability to secure this competitive source of development financing.

Twin Cities Local Initiatives Support Corporation (LISC) - Up to \$100,000 in development planning loans/grants; subject to LISC approvals.

CPED Affordable Housing Trust Fund Loan - Assists in financing the production of affordable rental housing units. Program requires that at least 20% of the total project units be affordable. Projects in impacted census tracts require at least 20% of the units affordable at or below 60% AMI. Projects in non-impacted census tracts require at least 20% of the units affordable at or below 50% AMI.

Neighborhood Overview



Close to site ...

- I-94
- Sammy's Eatery
- Breaking Bread
- US Bank
- CUB Foods
- Juxtaposition Arts
- NEON
- Emerge
- Walgreens
- 800 West Broadway

Within 2 miles of site ...

- Theodore Wirth Park
- Capri Theater
- Anytime Fitness
- Broadway Flats

Property Summary



Parcel Numbers

1. 927 West Broadway

16-029-24-14-0195

4,781 sq ft

2. 1838 Dupont Ave. N.

16-029-24-41-0030

7,115 sq ft

3. 1832 Dupont Ave. N.

16-029-24-41-0029

6,818 sq ft

4. 1828 Dupont Ave. N.

16-029-24-41-0028

6,818 sq ft

5. 1001 West Broadway

16-029-24-41-0168

4,803 sq ft

Zoning Summary



Zoning Key

927 West Broadway
1001 West Broadway
C1 - Neighborhood Commercial

1838 Dupont Ave. N.
R4 - Medium Density Housing

1832 Dupont Ave. N.
1828 Dupont Ave. N.
R2B - Low Density Housing

Additional information
available at this link:

<http://cityoflakes.maps.arcgis.com/home/webmap/viewer.html?useExisting=1>

Note: The West Broadway Overlay District requires that new buildings have a floor area ratio (F.A.R.) of 1.0 and be at least two stories tall.

Proposal Contents

Proposals **must include** the following information:

1. Developer's contact information
2. Detailed description of the proposed redevelopment, including which properties are included in submitted proposal(s) – (Which Option – 1, 2 or 3)
3. Identification of the entities that will be involved in the project and their roles (developer, architect, general contractor, building owner, tenants, etc.)
4. Letters of Intent from tenants or other substantive information documenting demand for the space and or the intent to lease space
5. A description of the team's experience in developing similar projects
6. Proposed timeframe for development, including time needed to obtain financing, complete design, secure permits and approvals, start and complete construction, and start and complete occupancy

Continued on following page . . .

Proposal Contents - continued

7. Description of the public benefits that will result from the project (jobs, provision of retail goods/services, increase in tax base, etc.)
8. Initial development pro forma (for construction/rehab costs – with detailed Sources & Uses of Funds Statement), and ten year operating pro forma, illustrating financial feasibility of the project. Example templates can be found on the City’s website, [here](#). Notes to all pro forma documents, with the inclusion of clear assumptions are preferred.
9. Proposer’s **financial statements** and/or **tax returns** for the past two years. **These may be submitted under a separate cover, so as not to be made public - They should be clearly identified as *CONFIDENTIAL*.**
10. An executed [Consent for Release of Response Data](#) form. **Proposals that do not include this form will not be accepted.**

Evaluation Criteria

The City of Minneapolis evaluates many different factors in considering proposals, including, but not limited to, the list below. **The City reserves the right to reject any or all proposals or parts of proposals, or to negotiate modifications of proposals submitted.**

1. The **market and financial feasibility** of the project.
2. The **experience and the financial and organizational capacity** of the developer.
3. The extent to which the proposal **meets the development objectives** for the site(s).
4. The extent to which the proposed development **complies with the City's zoning requirements and relevant planning guidance**. See the ([Minneapolis Plan for Sustainable Growth](#)) & ([West Broadway Alive! Plan](#)).
5. The **proposed project timeline** - The City expects development to begin within a reasonable time frame once City approvals and entitlements are secured. The City will not act as a "land bank" for development proposals that are not complete or not feasible.

Note: Individuals or groups interested in submitting a proposal, but who have limited development experience, are encouraged to submit a joint proposal with a more experienced party who can assist in the construction/rehab of the buildings.
(e.g. general contractor, local for profit or non-profit development org., etc.).

Submission & Review Process

Proposals are due by Friday, March 23, 2018 at 4:00 PM . Proposals should be emailed to james.terrell@minneapolismn.gov. **Pro forma documents** presented as a part of the response in PDF format should **also be submitted in Excel format for analysis**. For files larger than 10MB, please provide materials on a CD or flash drive, and deliver to CPED's offices at [105 5th Ave South, Minneapolis](#). **Late proposals will not be accepted.**

Qualifying responses may be invited to present their proposals at a community meeting which will be scheduled after the submission deadline.

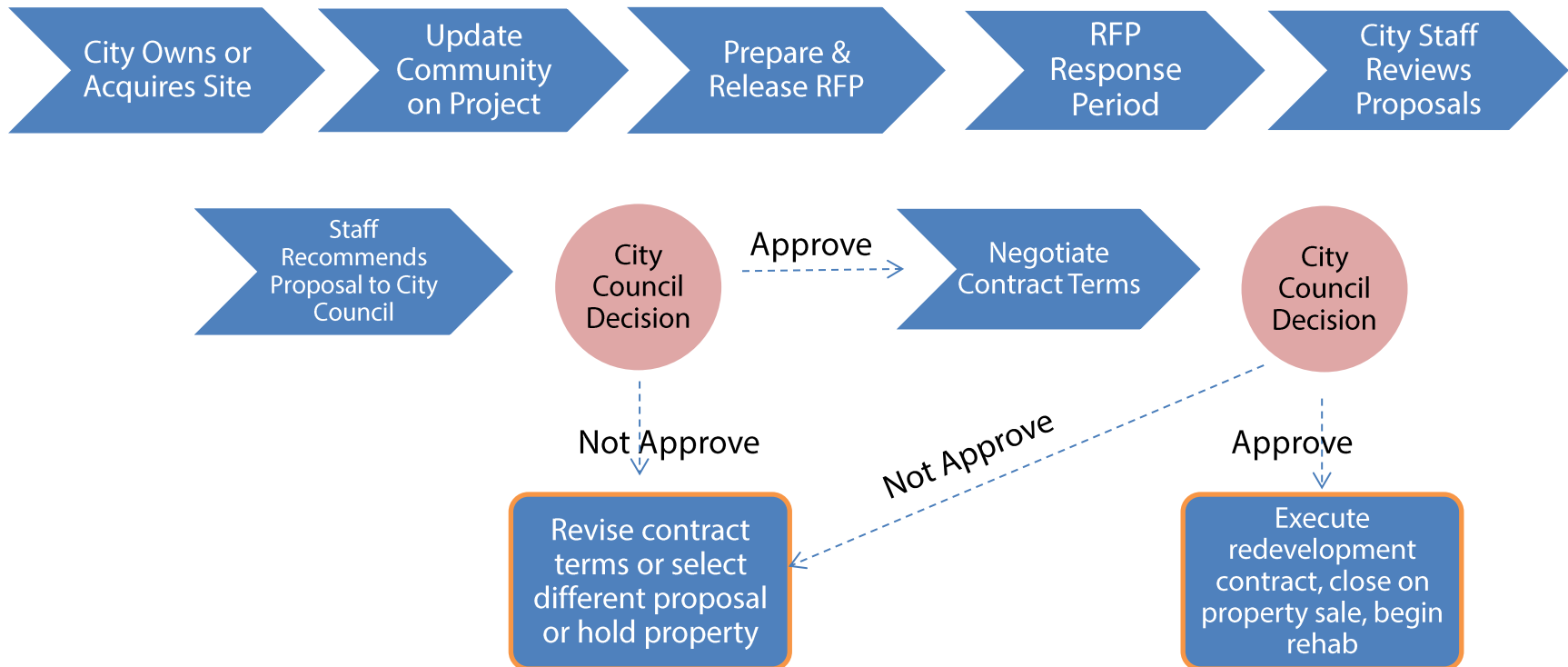
Following the City staff and community review period, City staff will make a recommendation to the City Council. If the proposal is approved, the selected developer will be granted exclusive negotiating rights and work towards executing a redevelopment contract with the City before the final land sale is approved and construction/rehab begins.

The selected developer will be required to enter into a redevelopment contract with the City that will contain standard City [contracting requirements](#) such as insurance and indemnification and **provisions to ensure full and complete redevelopment of the property.**

Other requirements vary depending upon the type of development and the source and amount of public investment, if any (e.g. prevailing wages to laborers, women and minority construction workforce participation).

Sample Redevelopment Process

(Illustration Only - Not a comprehensive list of all steps/requirements)



Draft Redevelopment Timeline

Actual timeline will depend on the number of proposals received, scope of project selected, etc.

RFP Released	January 31, 2018
RFP Informational Meeting	Feb 14, 2018
Building Walk-Throughs	Feb 22, 23, 26
RFP Submissions Due	Mar 23, 2018
City Staff Reviews Proposals	Apr 2018
Community Reviews Proposals - Provides Input to City Staff	Mar - Apr 2018
City Staff Recommends a Proposal - City Council awards Exclusive Negotiating Rights to Selected Developer	May 2018
City Staff and Developer negotiate Redevelopment Agreement; City Council approves agreement terms and land sale	Q3 2018
City Staff and Developer execute Redevelopment Agreement; Developer prepares plans and continues other due diligence items	Q3 2018
Developer finalizes plans, receives building permits, secures financing; City and Developer close on property sale	Q3/Q4 2018
Building renovation , completion and occupancy	2018 - 2019