



Request for Proposals Development of City-Owned Property

SECTION 1 PROJECT SUMMARY

The City of Albert Lea ("City") is seeking development proposals ("Proposals") from qualified firms, developers, purchasers and builders ("Developers") for the opportunity to purchase and develop City-owned property ("Property"). The intended outcome of this Request for Proposals ("RFP") process is the creation of a development/purchase agreement ("Agreement") that will establish terms and conditions, and further define the scope, design, overall use and development of the Property.

PROPERTY DESCRIPTION (approximate boundaries in Exhibit A)

Approximately 18.8 acres is located on a former industrial site. All blocks have some form of site remediation of soil conditions for contaminants. City shall make available what data and reports it has regarding the property and soil conditions. A Soil Tax Increment District and a Development Remediation Plan is in progress to clean up the site to make it ready for development.

DEVELOPMENT VISION

The City is asking for proposals early so that plans for infrastructure, remediation and grant applications for those costs can be made in advance with intended Developers known and willing to proceed. Many grant applications require private development commitment prior to award of funds for cleanup.

Construction should begin summer or fall 2024. The City shall continue to work on a Remediation Action Plan, Soil Tax Increment District, engineering for infrastructure, certain remediation grant funding options and installation of road now through summer of 2024.

Currently, the property is zoned Planned Urban Development and the City is looking for a mixed use of the site with retail/commercial in Block 1; dense multifamily or senior housing in Block 2; and housing, retail or mixed use in Block 3. The City will install water, sewer and road services. The Minnesota Department of Transportation is unlikely to allow any access off of Main Street or Garfield Avenue north of Eberhart Street.

ASKING PRICE AND SALE TIMELINE

The City is setting the sale price at \$120,000 an acre with the understanding that certain incentives or rebates may be provided to offset remediation or development costs. Any reduction in purchase may qualify as contributing matches in certain development grants or funding options. In some developments the purchase prices may be eligible TIF expenses to be reimbursed.

The City will sign purchase agreements with closing dates no sooner than January 31, 2024 and no later than June 30, 2024. This is to allow time for certain state submissions regarding soil remediation plans and remediation funding.

SECTION 2 GENERAL CONDITIONS

During the RFP period, Developers and their employees, agents or representatives, shall have the right of reasonable access to the Property during normal business hours for the purposes of inspection, undertaking any necessary soils tests and otherwise conducting due diligence to ensure that the Property is suitable for Developer's intended use.

Notwithstanding anything else in this RFP, Developer shall defend, indemnify and hold the City, its employees, officers and agents, harmless from any injury, property damage or liability arising out of the exercise by Developer of this right of access, other than injury, property damage or liability relating to the gross negligence or willful misconduct of the City or its officers, agents or employees.

SECTION 3 PROPOSAL REQUIREMENTS

QUESTIONS

To evaluate and select the appropriate Developer, the City is requesting development proposals. Proposals must respond to the following questions for each identified parcel in Exhibit A:

1. Description of the Developer's proposed project:
 - a. Size in acres and/or square feet of building space.
 - b. Type of use(s) planned (e.g. housing, commercial, industrial, business park, or mixed-use).
 - c. Conceptual designs.

2. Description of the Developer's experience in developing the proposed type of project and/or operating the proposed use:
 - a. Name and location of project(s).
 - b. Description of project(s).
 - c. Completion date of project(s).
 - d. Experience in private development.

3. Explanation of the Developer's organization and a list of other partners and their roles (if any).

4. The proposed general timeframe for the development of the Developer's proposed project. If multiple components or phases are planned, a list of all.

5. A proforma showing project costs, operational expenses and revenues, funding sources and anticipated incentives from the City or other sources.

6. To determine the benefit to the community the Developer should provide detailed benefit(s) the proposed project could bring to the community including but not limited to:
 - a. Tax revenue.
 - b. Wage creation/job creation.
 - c. Number of housing units and rent levels.
 - d. Served demographics of the community.
 - e. Efforts to meet the City's Climate Action Plan (<https://cityofalbertlea.org/climate-action-plan/>) or other sustainable benefits.

PROPOSAL TIMELINE

Release Request for Proposals..... May 10, 2023
 First review of proposals May 22, 2023
 Proposal close date August 18, 2023

APPROVAL TIMELINE *(timeline may be extended if no viable proposals are received)*

Earliest potential presentations to City Council..... May 22, 2023
 Earliest potential public hearing on property disposal June 26, 2023

SECTION 4 DEVELOPER'S RESPONSIBILITIES

Following Developer selection and execution of an agreement, Developer shall proceed with detailed due diligence, pre-development, and other activities while working with City to negotiate an Agreement, including the purchase and sale of the property.

Predevelopment Costs

The selected Developer shall bear all predevelopment costs relating to this project. All fees or expenses of engineers, architects, financial consultants, attorneys, planning or other consultants or contractors retained by Developer for any study, analysis, evaluation, report, schedule, estimate, environmental review, surveys, planning and/or design activities, drawings, specifications or other activity or matter relating to the project shall be the sole responsibility of and undertaken at the sole cost and expense of Developer.

Earnest Money

The selected Developer shall provide earnest money of \$2,500 an acre with a minimum of \$6,000 and shall be applied to the purchase upon final recorded sale. This excludes deposits for cost requirements of tax abatement or tax increment financing agreements. If through no fault of the Developer the sale cannot close, the City would reimburse all Earnest Money.

SECTION 5 PROPOSAL INSTRUCTIONS

A complete, concise and professional response to this RFP will enable the City to identify the Developer who will provide the highest benefit to the City and will be indicative of the level of the Developer's experience and commitment to the proposed project. Proposals must demonstrate that the approach, design, and financing plan for the project will allow for successful development and delivery.

The following minimum information should be provided in each proposal and will be utilized in evaluating each proposal submitted. Proposals should include the following items:

- Proposal cover sheet.
- Completion of questions 1-6 in Section 3 above. Please answer in a format that is easy to follow related to the questions asked.
- Proposed offer price to purchase the Site.

The City will not be liable for any expenses incurred by Developers responding to this solicitation. All material submitted will be kept by the City.

The City reserves the right to retain all proposals submitted and to use any ideas in a proposal, regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the proposing Developer of the conditions contained in this Request for Proposals, unless clearly and specifically noted.

The City is not liable for any costs incurred by the Developers in preparing and submitting proposals.

SECTION 6 SELECTION PROCESS

CRITERIA

The selection of a winning proposal will be based on the following criteria in no order of importance:

- The purchase price of the property.
- Short-term tax impact.
- Long-term tax impact.
- Environmental impact.
- Impact on housing needs (if applicable).
- Creation or maintaining of jobs (if applicable).
- Developer history.
- Community provision of services

STANDARD TERMS AND CONDITIONS

The City has the sole authority to select a Developer for this project and reserves the right to reject any and all proposals, to waive any informality or minor defects in proposals received.

SECTION 7 INDEMNIFICATION

Developer shall indemnify, defend and hold the City, their officers, agents and employees harmless from any and all claims, damages, losses, causes of action and demands, including, without limitation, the payment of all consequential damages, expert witness fees, reasonable attorney's fees and other related costs

and expenses incurred in connection with or in any manner arising out of Developer's performance of the work contemplated by this RFP.

Submitting a response to this RFP signifies that the Developer is not covered under the City's general liability insurance, employee benefits, or worker's compensation. Developer's obligation to indemnify shall survive expiration or termination of this RFP and shall not be restricted to insurance proceeds, if any, received by the City, and their officers, agents and employees.

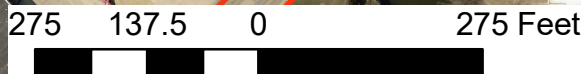
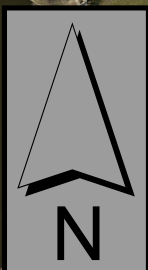
Developer shall defend, with counsel of City's choosing and at Developer's own cost, expense and risk, any and all claims, suits, actions or other proceedings of every kind that may be brought or instituted against City, and their officers, agents and employees as a result of this RFP. Developer shall pay and satisfy any judgment, award or decree that may be rendered against City, and their officers, agents and employees as part of any such claim, suit, action or other proceeding. Developer shall also reimburse City for the cost of any settlement paid by City, and their officers, agents and employees as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Developer shall reimburse City, and their officers, agents and employees for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided.

SECTION 8 RFP ADDENDA

The City may determine it is necessary to revise any part of this RFP. Revisions will be made by written addenda and it is the Developer's responsibility to understand and comply with any addenda to this solicitation. Addenda may be posted on the City's website, <https://cityofalbertlea.org/rfps/>, and vendors may use the contact information below if they have any further questions:

City of Albert Lea, MN
Attn: Ian Rigg, City Manager
221 E Clark Street
Albert Lea, MN 56007
Telephone: 507.377.4300
Email: irigg@ci.albertlea.mn.us

Exhibit A



65

65

22

OUTLOT C

4.32 ACRES

4.04 ACRES

2

1

BLOCK 1

3.95 ACRES

3

RETENTION POND

OUTLOT A

PARK/GREENSPACE

PLANNED STREET

1

BLOCK 2

4.34 ACRES

PLANNED STREET

1

BLOCK 3

2.08 ACRES

PARK/GREENSPACE

OUTLOT B

RAILROAD CENTERLINE

PLANNED STREET

PARK/GREENSPACE

OUTLOT C

PARK/GREENSPACE