



City Manager's Office
City of Albert Lea
221 E. Clark St., Albert Lea, MN 56007
507-377-4330
irigg@ci.albertlea.mn.us

REQUEST FOR PROPOSALS
Development of City-owned
Property – Entry Level Housing
Due: April 21, 2025

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 develop City-owned property ("Property"). The intended outcome of this Request for Proposals ("RFP") process is the creation of a development agreement ("Agreement") that will establish terms and conditions, and further define the scope, design, overall use and development of the Property.

PROPERTY DESCRIPTION

Please refer to the attached list of property groups in Exhibit A. Use the PID number to search in <https://beacon.schneidercorp.com/?site=FreebornCountyMN>.

Using the property search option enter the PID number to get details. There are options to discover zoning, 2-foot topography, flood plains, utility locations, and lot dimensions.

DEVELOPMENT VISION

The vision for development of these properties is housing. One requirement is that the units built are not exact replicas and variation is implemented through various means of setbacks, exterior materials, exterior colors, different porches, roof lines, and house sizes/floor plans. The development should look and feel like these buildings are part of the neighborhood.

If built on crawlspace/pier foundation, the exterior wall to the foundation shall be primarily a brick or cementitious panel. Wood or metal skirting is not acceptable.

Garages are not required, however access to off street parking with some form of exterior storage when a garage is not provided is required.

Preservation of existing trees, or planting of tree varieties is highly encouraged.

ASKING PRICE

City has not set a minimum purchase price and will determine the award of a proposal based on the quality of the proposal and the improvement it brings to the neighborhood. Refer to Section 6.

INCENTIVES

The City is willing to provide a rebate of \$5,000 towards any added costs for design standards meeting the development vision. The City will rebate up to \$5,000 in utility connection costs.

For proposal Group #2, the City will consider the use of Tax Increment Financing for housing that is transformative to the neighborhood and/or meets housing goals as prescribed in TIF statutes.

Housing TIF: <https://www.house.mn.gov/hrd/issinfo/tif/hsgdist.aspx>

Redevelopment TIF: <https://www.house.mn.gov/hrd/issinfo/tif/redev.aspx>

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.

The City intends to install a reverter clause for the Property if it is not developed in the time frame established within the development/purchase agreement.

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:

1. Description of the Developer's proposed project:
2. Description of the Developer's experience developing the proposed type of project and/or operating the proposed use.
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. Description of the benefit(s) your proposed project could bring to the City including but not limited to:
 - a. Projected number of housing units (if applicable).
 - b. Rent levels (if applicable)
 - c. Resale amount (if applicable)
 - d. Other benefits to the City

PROPOSAL TIMELINE

Release Request for Proposals..... April 01, 2025
First Review of Proposals April 21, 2025

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.

PRE-DEVELOPMENT 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.

DEPOSIT (TIF ONLY)

No deposit is required unless the proposal is requiring the use of TIF. Per policy the City requires a deposit of \$20,000 to cover attorney and consultant costs if the Developers fail to meet the terms of the Agreement.

LEGISLATIVE ACTION

City and Developer acknowledge that the City must exercise its independent legislative authority in making any and all findings and determinations required of it by law concerning the Property. Developer selection does not restrict the legislative authority of the City in any manner whatsoever and does not obligate the City to enter into the Agreement.

CONSTRUCTION

The Developer shall be responsible for demolition, construction and commissioning of the project including obtaining all permits, fees, and approvals necessary for construction of the project.

Section 5 CITY RIGHTS AND RESPONSIBILITIES

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 shall to its best ability make staff available to assist when needed in any inspection of the properties during the work day and answer questions.

Section 6 SELECTION PROCESS

CRITERIA

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

- Long term tax impact.
- Environmental impact.
- Impact on housing needs.
- Developer history.
- Ability to complete the project timely.
- Providing a variety of housing construction methods/materials.
- What better provides a variety or increases in the number of developers investing in the community.

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 Contact

City of Albert Lea, Minnesota
Attn: Ian Rigg, City Manager
221 E Clark Street
Albert Lea, MN 56007
Telephone: 507-377-4330
Email: irigg@ci.albertlea.mn.us

Exhibit A

Proposal Group #	Address	PID	Desired Outcome	City Action/Notes
1	Sparks & Belmont	346630130	3 SFU	This property can be split into 3 lots. Prefer crawl space or slab on grade.
2	722 Washington 717 Madison 815 Madison 806 Jefferson 810 Jefferson 710 Madison	340140540 340140790 340140830 340140920 340140910 340141070	1 SFU Twin / Duplex 1 SFU 1 SFU 1 SFU 1 SFU	Group development preferred. There are 2 properties also owned by HRA and 1 by the State under Freeborn County control in the same 6 block area. TIF district is possible and greater incentives may be available if meeting income requirements.
3	610 4th Street	340361080	1 SFU	
4	409 Clark Street West	340012160	1 SFU	
5	1207 Newton Ave S 1209 Newton Ave S	340400090 340400100	1 SFU 1 SFU	Check Exhibit B . Prefer crawl space or slab on grade.
6	1110 Virginia 1116 Virginia	346400040 346400030	1 SFU 1 SFU	Can be a twin home, or single family home at a 18' width minimum
7	725 Plainview Ln	340590930	Twin / Duplex	Can be split into twin lot.
8	1712 Eberhardt St	342410490	1 SFU	
9	117 Fenton	348410120	1 SFU	
10	1509 Fountain 1505 Fountain 1501 Fountain 205 7th Avenue N 121 7th Avenue N 119 7th Avenue N	340110380 340110390 340110400 340110410 340110420 340110430	1 SFU 1 SFU 1 SFU 1 SFU 1 SFU 1 SFU	Group Development preferred, may be too small for a TIF district. Prefer crawl space or slab on grade. Minimum of 4 SFU or 3 twin/duplex homes. Requires new survey and recording of lot lines. Check Exhibit C.

<i>SFU</i>	Single Family Home
<i>Twin Home</i>	One structure divided along the property line creating a zero setback for greater density
<i>Duplex</i>	One structure divided into two separate housing units on one lot
<i>HRA</i>	Albert Lea Housing and Redevelopment Authority



EXHIBIT C

FOUNTAIN STREET

AVENUE

8TH

NO.

340110370

340110380

340110390

340110400

Development is advisable at or exceeding 1220 elevation

AREA KNOWN TO FLOOD

340110100

340110100

340110090

340110090

340110110

340110110

340110120

1

340110120

340110360

340110350

340110340

340110330

BLOCK

340110410

340110420

340110430

2

AVENUE

7TH

NO.

340110670

340110680

340110660

340110650

340110640

NO.	DATE	BY	REVISION	NO.	DATE	BY	REVISION
1							
2							
3							
4							
5							
6							
7							

I hereby certify that this plan was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

Signature: Steven J. Jablonski Date: 4/2/2025 License No.: 24464



8TH AVENUE AND FOUNTAIN STREET
CITY OF ALBERT LEA