



REQUEST FOR PROPOSALS

**A DEVELOPMENT TEAM FOR THE OSSEO
'NORTH CENTRAL' REDEVELOPMENT AREA**

Issued by:

City of Osseo & Osseo Economic Development Authority

415 Central Ave

Osseo MN 55369

AUGUST 2017

INTRODUCTION

The City of Osseo is seeking a Development Team for the acquisition and redevelopment of five-to-eight adjacent parcels consisting of approximately 1.23-to-1.98 acres. Seven of the eight parcels contain existing buildings which would be removed during development.

The site is bordered by single-family residential homes to the east, and multi-family residential buildings to the south and west. The site is bordered by County Road 30 to the north, and City-owned streets on remaining sides. The City's main downtown park (Boerboom Veterans Memorial Park) is located two blocks to the south. The site will also be within biking distance to the future Blue Line Light Rail Transit (LRT) stop located in neighboring Brooklyn Park. The site has excellent access to Hwy 169, County Road 81 and 494/94.

This offering provides an exciting opportunity to revitalize a key area of Osseo's downtown core into a desirable community asset with the full support of the Osseo Economic Development Authority and the Osseo City Council. This redevelopment project comes on the heels of the very successful 5 Central multi-family residential apartment project, also located in downtown Osseo.

SUMMARY

The City of Osseo is requesting proposals from qualified developer for redevelopment of the property. Currently, none of the sites are owned by the City of Osseo or the Osseo EDA. However, the City intends to make efforts to acquire those parcels for redevelopment.

Proposals must be received no later than **5:00 pm on Monday, October 30, 2017**. Proposals received after the above date and time may not be considered. Please submit one (1) paper copy and one (1) digital copy of the proposal to:

City of Osseo
Attn: Riley Grams, City Administrator
415 Central Ave
Osseo MN 55369
rgrams@ci.osseo.mn.us

Notwithstanding any other provisions of the RFP, the City reserves the right to reject any or all proposals, to waive any irregularity in a proposal, and to accept or reject any item or a combination of items, when to do so would be to the advantage of the City or its taxpayers. It is further within the right of the City to reject proposals that do not contain all elements and information requested in this document. The City of Osseo shall not be liable for any losses incurred by any responders throughout this process.

GENERAL INFORMATION

The City of Osseo is located in northwest Hennepin County, and is situated between the cities of Maple Grove and Brooklyn Park. There was an estimated 2016 population of 2,717. The downtown core of the community contains a mix of restaurants, bars, shops and other services. Recently, the historic Osseo water tower was named to the National Register of Historic Places, and is featured at Osseo City Hall. Osseo is located close to Hwy 610, Hwy 169, 494/94 and County Road 81. The City is served by its own full-time Police force and paid-on-call Fire Department. Both the Osseo Junior High School and Senior High School are located four blocks from the site.

The City intends to expand Boerboom Park into a full City block park in the next few years. The City features several events throughout the year, including the InterMarque Vintage Foreign Auto Show, the Osseo Lions Roar Festival, and the Osseo Minidazzle Celebration. Additionally, the Osseo Farmers Market and Movies/Music in the Park series are held during the summer months in downtown Osseo.

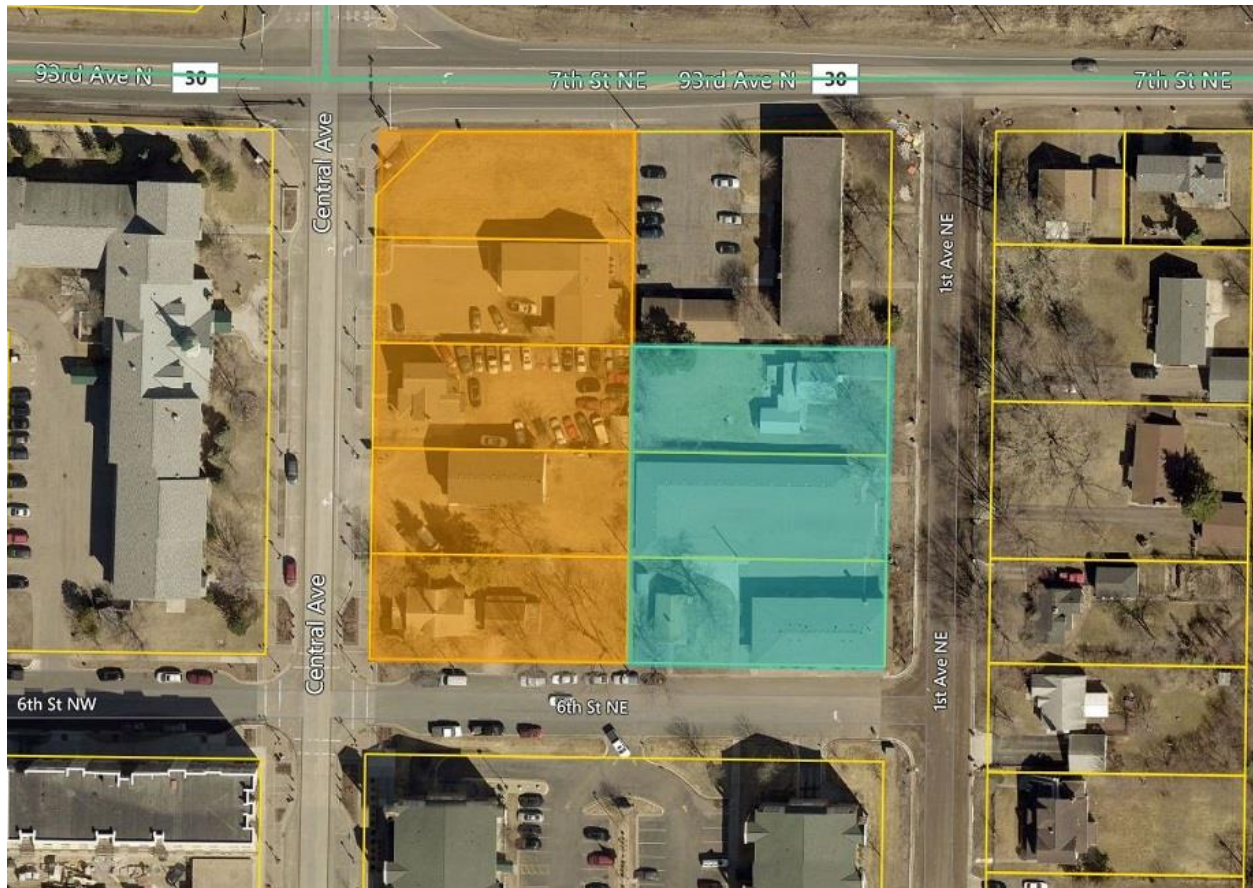
The downtown core of the City has been an area identified by the Osseo City Council for higher density, particularly residential units. The current Osseo EDA and City Council have been proactive and supportive regarding redevelopment efforts in recent years.

SITE CONDITIONS AND DEVELOPMENT STATUS

The proposed site can be redeveloped in two phases. The first phase consists of five parcels, all in the western half of that block. Those parcels currently contain four buildings which would likely be demolished as part of the first phase of redevelopment. The second phase includes three additional parcels, located in the southeastern section of that block. Additional buildings currently stand on those parcels and would likely be demolished as part of the second phase of redevelopment.

None of the properties are currently under City ownership. The City intends to assist, as needed, in the purchase these properties for the purpose of redevelopment, using a combination of City funds, grant funds, and other forms. The entire site is served by municipal water and sanitary sewer. The Comprehensive Plan currently guides these properties for high density residential or mixed uses, suggesting 80 percent residential and 20 percent commercial use. Please contact City Hall for more information on zoning and density requirements.

The site is flat, and contains sand based soils allowing for excellent site drainage. A city-wide Phase I Environmental Site Analysis was completed in 2007 and is available for review. It is anticipated that the buildings demolished as part of the redevelopment process may require some remediation.



Parcel information:

PHASE 1 (orange)

Address	Size	Assessed Value (2017)
632 Central Ave	0.23 acres	\$82,000.00
624 Central Ave	0.25 acres	\$333,000.00
616 Central Ave	0.25 acres	\$113,000.00
608 Central Ave	0.25 acres	\$257,000.00
600 Central Ave	0.25 acres	\$154,000.00

PHASE 2 (blue)

Address	Size	Assessed Value (2017)
617 1 st Avenue NE	0.25 acres	\$143,000.00
609 1 st Avenue NE	0.25 acres	\$78,000.00
17 6 th Street NE	0.25 acres	\$520,000.00

DEVELOPMENT OBJECTIVES

In developing Requests for Proposals, the City has established the following preferred guiding principles for the redevelopment of the site:

- Preference toward market-rate multi-family housing choices (either rental or ownership units), perhaps with some minimal mixed-use commercial spaces along Central Ave.
- A moderate price point is preferred.
- Buildings should not be more than three (3) stories in height to comply with current zoning requirements and land use guidance.
- Appearance and look should be consistent with the existing historic downtown . A good example is the recent 5 Central Apartments project.
- Preference to larger apartment units to support family households and to minimize the need for off-street parking. Underground parking facilities are encouraged.
- Common outdoor space is also preferred, as well as typical amenities of newer multi-family residential projects (meeting space, workout facilities, etc).
- Ensure that the development is complementary to the existing land use and surrounding areas. Consideration is given to those designs that make use of sustainable practices.
- A phased development is preferred (phase I, western half; phase II, eastern half). The first phase should constructed so as to add the second phase at a later date.



Example of the successful 5 Central Apartment redevelopment project

RESPONSIBILITIES OF THE CITY AND THE DEVELOPER

The Development Team will have the responsibilities expected of any new development offering in the City. The Development Team should be aware that sewer, water, electrical, cable and telephone service are already available at the site. Depending upon the development proposed, it is anticipated that the project will adhere to all local watershed district rules and regulations.

The Development Team is expected to:

- 1) Prepare development plans and apply for the development as typically required under the City's process.
- 2) Prepare the Response Action Plan and other investigations as needed to ensure compliance with environmental remediation requirements.
- 3) Construct the development in substantial conformance with approved development plans.

The City will:

- 1) Provide the Phase I Environmental Site Assessment.
- 2) Provide any other information the City may have in its possession that may assist the Development Team in the planning process.
- 3) Assist with project funding, as requested/appropriate (see "City Assistance" below).

DEVELOPMENT SCHEDULE

The anticipated development schedule is as follows:

October 30, 2017	Proposals are due to the City.
December 2017	City reviews proposals and determines next steps.
February 2018	City potentially selects Development Team.
April 2018	Potential Development Agreement negotiated.
May 2018	Final plans are approved by the City.
Summer 2018	Demolition and construction begin.

PROCESS

Submission

Complete proposals must be submitted to Osseo City Hall on or before Monday, October 30, 2017. All proposals must be received by 5:00 pm. Proposals received after the above date and time may not be considered. Proposals are to be sealed and clearly marked "PROPOSAL – Osseo North Central".

Please submit one (1) paper copy and one (1) digital copy of the proposal to:

City of Osseo
Attn: Riley Grams, City Administrator
415 Central Ave
Osseo MN 55369
rgrams@ci.osseo.mn.us

Selection

Developers submitting proposals will be asked to formally present their plan to the Osseo Planning Commission. The Planning Commission will make a recommendation(s) to the City Council who will select a Development Team with which to enter into a purchase agreement. Developers recommended to the City Council will be asked to present their plan to the City Council. The City reserves the right to accept or reject any proposal at its sole discretion.

Submittal Requirements

Developers are encouraged to meet with City Staff prior to the submittal to explain the site and city goals in greater detail. All submissions must include:

- A narrative of the Developer's approach, indicating interest level and the type of development proposed in terms of site and market.
- A description of the concepts/plans for this site. General schematic site plans are highly encouraged.
- A description of the target market demographics for the project.
- A list of related development experience and examples of previous projects.
- Proposal for acquisition of the property, including price and terms.
- Estimated proposed sales prices or rental rates.
- Estimated pro forma, including proposed acquisition cost from the City. Estimate of sources and uses of funds for redevelopment by amount.
- If applicable, a description by type and amount of any anticipated financial assistance that would be needed in order to complete the project, as well as the anticipated uses for those funds.

- Types of funding or other assistance used in previous successful projects.
- Development schedule, if a different schedule is proposed.
- A description of the Development Team members including their experience with similar development and redevelopment projects.
- At least three current references that have relevant knowledge concerning the development team's ability to manage similar projects. Names, affiliations, addresses, email and telephone numbers must be provided.

Evaluation Criteria

The proposals will be evaluated based on multiple criteria. These include:

- 1) Financial feasibility of the project.
- 2) Proposed property acquisition price.
- 3) The Developer's conceptual approach.
- 4) The Developer's ability to design and construct the project in a timely manner.
- 5) The Development Team and their qualifications.
- 6) Consistency of the concept with the development objectives.

City Assistance

The City would consider utilizing tax increment financing (TIF) in the form of a pay-as-you-go note to assist with redevelopment costs if needed for gap financing to offset the acquisition price. The City will also consider applying for grant funding for redevelopment purposes if needed on order to complete the project. Anticipated public financing by type and amount needed should be listed within the proposal. If either of these will be requested, the funding amounts and uses of those funds should be clearly identified within the proposal.

Inquiries

Prospective proposers may submit questions by email or telephone to:

Nancy Abts
City Planner, City of Osseo
763-425-1454
nabts@ci.osseo.mn.us

Ownership of Materials

All materials submitted in response to the RPF become the property of the City of Osseo and supporting materials will not be returned. The City of Osseo is not responsible for any costs incurred by the proposer in the preparation of the proposal.