



Seven Corners Gateway, Saint Paul, Minnesota

A Premier Development Opportunity in the Capital City's Downtown

Seven Corners Gateway, Saint Paul, Minnesota

A Premier Development Opportunity in the Capital City's Downtown

REQUEST FOR PROPOSALS

The City of Saint Paul and its Housing and Redevelopment Authority (the "City" or "HRA") is pleased to announce that it is offering its Seven Corners Gateway site for redevelopment and is seeking proposals from interested developers. The Seven Corners Gateway site ("Site") is a prominent 2.4-acre parcel located across W. 7th Street from the Xcel Energy Center, bounded by Smith Avenue, Kellogg Boulevard, W. 7th Street, and W. 5th Street.

The site is located at the entrance to both Saint Paul's downtown entertainment district and the vibrant W. 7th Street commercial corridor. Adjacent to both 35E and I-94, the Site is accessible from major freeways in all directions. Over 55,000 cars, on average, pass by the Site every day. It also has excellent access to mass transit. Located across the street from the Smith Avenue Transit Center (including a 600-car publicly-owned parking ramp), the Site is served by 23 bus routes with easy access to the entire Metro Transit system. The downtown core; Mississippi River; Upper Landing; Irvine Park; the W. 7th commercial district; and the campuses of United/Children's Hospital, Regions and St. Joseph's Hospital are all within a ten-minute walk. The Site is ideally positioned to offer excellent views of downtown, Mississippi River bluffs, St. Paul Cathedral, and the State Capitol.

See www.stpaul.gov/7cornersgateway for a detailed list of nearby land uses.



Xcel Energy Center



Smith Avenue Transit Center

REQUESTS FOR PROPOSALS DUE: 8/29/14

The HRA seeks to enter into negotiations for development rights with the developer that best meets the needs and interests of the City. Proposals should include information on development team members, a conceptual land use program for the Site accompanied by a site plan and design concept plans, and other information as requested by the City. The objective is for interested developers to submit sufficient material for the City to make an informed selection of a development team. The City will then work exclusively with the selected team to refine the proposal and move toward a formal development agreement with the HRA.

RFP Process Timeline

7/14/14 - RFP Issue Date

8/4/14 - Submission of written questions from Proposers

8/11/14 - Response to written questions from Proposers

8/29/14 - Proposals Due

9/2-9/12/14 - Review and evaluation of proposals

9/19/14 - Interviews, if necessary

No later than October 8, 2014 - Recommendation to HRA for tentative developer status

RFP Contact:

Ellen Muller, Economic Development Manager

651-266-6605

ellen.muller@ci.stpaul.mn.us

VISIONS

Seven Corners Gateway Site Vision

The City of Saint Paul envisions a high-density, mixed-use site that evokes a sense of welcome and destination at this important gateway into downtown Saint Paul, mindful of its proximity to the St. Paul Cathedral and Capitol.

Active first-floor uses will provide vibrancy at street level, and an entertainment component will feed off the energy of Xcel Energy Center, and the W. 7th Street and Rice Park entertainment districts. The land use program and site design will embrace the diversity and cultures of the people of Saint Paul. A high-quality public realm will provide gathering places on-site and connect the development to its neighborhood. The project will be a model of advanced sustainable urban infill development.



The City's vision for the Site should be viewed in the context of the City's vision for downtown as a whole, as laid out in the Saint Paul Comprehensive Plan:

Downtown Vision

Downtown Saint Paul is a rich collection of neighborhoods connected to the Mississippi River, the Great River Passage, miles of bike trails and the Bruce Vento Nature Sanctuary. We celebrate its unique European character, including beautiful historic buildings and walkable, friendly streets that are compact in size and scale. With parks at the heart of every neighborhood, the arts, culture and entertainment districts drive a strong creative economy. Our diverse residents choose downtown Saint Paul over other downtowns because of this unique combination of amenities. We are an innovative job center for millennials who take full advantage of a growing transit system that connects downtown Saint Paul to the rest of the region, catalyzing dense transit-oriented development in mixed-use urban villages along the way.



PROPERTY DESCRIPTION

The area of the site is 103,761 square feet, or 2.38 acres. The site is currently used as a surface parking lot and is flat. It is zoned B-5, Central Business Service District, which allows a wide variety of uses. There are no parking, setback, or minimum lot size requirements. The maximum floor area ratio is 5.0, with density bonuses available by providing specific amenities.

The site includes a portion of Cleveland Circle, an ornamental paving and landscaping installation at the intersection of W. 7th, 6th and 5th streets. Cleveland Circle was originally laid out in four sections, with each corner containing an arched paved and landscaped area. One section has since been removed to accommodate the Xcel Arena and entry plaza across the street from the Site. Responses to the RFP should indicate how the proposed development will address the paved and landscaped area. The City is open to either option: retaining the Cleveland Circle design and incorporating it into the site plan, or replacing it with building and/or public realm.

The HRA owns the Smith Avenue Transit Center, located across Smith Avenue from the Site. The Transit Center is a 600-car public parking ramp and bus layover facility for Metro Transit buses. The Transit Center is designed to accommodate a skyway connection to the site. Proposals should assume that this public parking asset could be available at competitive rates, if appropriate, for end-users of the Site.

Please refer to the Appendix for additional information regarding the Site.



DEVELOPMENT CONSIDERATIONS - PLANNING PRECEDENTS

The type, scale, intensity and design of proposals should be determined within the context of key documents guiding redevelopment of this site. All of these documents can be found online at www.stpaul.gov/7cornersgateway.

- ***Saint Paul Downtown Development Strategy (2005)***
The chapter of the Saint Paul Comprehensive Plan that addresses the future of downtown as a whole.
- ***Seven Corners Gateway Evaluation Tool (2007)***
Created to make clear the City's and community's preferences for land use, site configuration, view protection and urban design on the Site. The *Evaluation Tool* is a series of questions developers should ask as they plan for new development.
- ***Seven Corners Gateway Plan (2000/2005)***
Contains planning, development and urban design guidance for the blocks along W. 7th between Kellogg Boulevard and Grand/Ramsey. It provides broader planning context for the W. 7th corridor to the west of the subject site.
- ***Saint Paul on the Mississippi Development Framework (1997)***
Establishes city-building and urban design principles for downtown that promote diversity, density, pedestrian-friendliness, a vibrant public realm and enhancement of the urban ecology.

- ***Great River Passage Master Plan (2013)***
The City's long-term and comprehensive vision for developing Saint Paul's Mississippi riverfront as an interconnected system of parks and trails, now called the Great River Passage. For sites adjacent to the Great River Passage, such as the Seven Corners Gateway site, the goal is to promote redevelopment that enhances neighborhood livability and river access.
- ***Prosper: Momentum is Building – Vision SP20/20 (2014)***
A visioning document from a task force convened by Mayor Coleman led by Michael Langley, CEO of Greater MSP, and Doug Baker, CEO of Ecolab. The plan looks at possible development scenarios for several key downtown sites, including the Seven Corners Gateway site.



Architect concept for the site from *Prosper: Momentum is Building*

DEVELOPMENT CONSIDERATIONS & SELECTION PROCESS

Land Sale

The HRA's policy is to sell property at its appraised fair-market value. Any write-down of this value will be considered a public subsidy.

Environmental

The site will be sold "as-is" without any representations or warranties. It will be the developer's responsibility to conduct environmental due-diligence, and to undertake any necessary remediation. The HRA has not conducted any environmental investigations of the site, but previous excavations in the area related to the construction of Smith Avenue and the Smith Avenue Transit Center uncovered petroleum-impacted soil. This soil was removed as part of a Response Action Plan dated March 31, 2008. The City will assist the chosen developer in seeking environmental investigation and cleanup grants, if needed, that might be available through various public agencies.

The site contains underground utilities that may require relocation depending on the scope of the proposed project. The developer should assume that a development may build above storm and sanitary tunnels unless the proposed development has underground components that would adversely impact the structural integrity of the tunnels. The two sewer access points shown on the Utility Survey must be maintained. This means that they cannot be covered, and that sewer vector trucks need full access to the manholes. Moving the sewer access shafts off the site is not allowed.

See www.stpaul.gov/7cornersgateway for copies of documents related to environmental reviews.

Selection Process

The City's Department of Planning and Economic Development ("PED") staff, who provide services to the HRA, will review the proposals, and decide whether to recommend a developer to the Mayor and the HRA Board of Commissioners. The HRA will select and designate a tentative developer of the Property for a specified period of time. During the tentative developer period, the developer will have the exclusive opportunity to refine the proposal and move toward a formal development agreement with the HRA.

As a condition of being awarded tentative developer status, the selected developer will be required to pay to the HRA a non-refundable "Application Fee" of \$30,000. The HRA will retain the Application Fee regardless of whether a development agreement is approved by the HRA Board of Commissioners, or whether the project is built. The developer will not receive any credit for the Application Fee in the sale price of the land. The selected developer may also be required to provide an "Expense Deposit" that would be used as a deposit to pay the cost of outside financial, appraisal and legal advisors that might be employed by the HRA.

The HRA has the exclusive power to make a final determination regarding the purchase and redevelopment of the Site, and is under no obligation to proceed with designation of a selected developer for the Site. Neither the HRA nor the City of Saint Paul is legally or morally obligated to accept any submitted proposal, to sell any portion of the Site, or to be held liable for any costs incurred in replying to this announcement and request for proposals.

RFP SUBMITTAL REQUIREMENTS

Responses must contain the following information at a minimum, presented and TABBED in the order shown.

Section 1: Letter of Intent

Letter of intent, signed by an officer or owner of the applicant developer, stating your commitment, should you be awarded tentative developer status, to proceed with good-faith negotiations with the HRA toward a development agreement regarding the acquisition and disposition of the Property as described in your proposal.

Section 2: Description of Development Program

A) Public Realm – The City desires a high-quality public realm as part of any proposed project. Write a brief narrative describing your approach to the design and use of public spaces within the project (including sidewalks, plazas and parks).

B) Program Elements – Describe general program elements of your proposed development. Include specific proposed uses to the extent they are known, including recognized hotel brand concepts, if applicable, and how the uses would support, leverage and capitalize on the RiverCentre and Xcel Energy Center. Should you want to talk to the Minnesota Wild about their use of the Xcel Energy Center and/or their future needs, contact: Bill Huepenbecker, bhuepenbecker@rivercentre.org, 651-265-4858.

C) Market Viability – Generally describe the market viability of your proposed uses. What information was used to assess market viability?

D) Parking Requirements – What are the estimated parking requirements related to your proposed uses? What is your plan for meeting your parking needs?

Section 3: Description of Project Design

The following concept illustrations are required. They should be provided in 11x17 paper images and PDF electronic format/cd. Any other materials are optional.

Site Plan – Rooftop plan showing the placement of proposed structures and public realm elements. To the extent possible, the site plan should reference the development program in Section 2.

Massing Study – Depict the general character and mass of your concept. This may be presented from multiple viewpoints.

Section 4: Financial Information

Provide information that demonstrates your financial capacity to undertake your proposed project. Information must include:

References – At least two references from financial institutions. Please provide contact names and phone numbers.

Financial Statements – Prime developer's most recent financial statement, and summary financial statements from last two years, showing revenues, expenses, and balance sheets.

RFP SUBMITTAL REQUIREMENTS

SELECTION CRITERIA

Section 5: Description of Development Team

Identification of Team Members – Identify all proposed team members and their roles. Because of the Site’s extremely high visibility, the City is particularly interested in a project with high design value and would like to know what architect(s) will be part of the development team.

Individual Team Members’ Relevant Experience – Identify specific relevant experience of individual team members. Provide at least two references for each key individual team member related to this relevant experience.

Prime Developer’s Relevant Project References – Provide references (i.e. project identification, contact person, telephone number) for at least three projects, similar in scope and type to the project you are proposing for the 7 Corners Gateway site, for which the prime developer was responsible.

Claims Status – Provide information on the nature, magnitude, and current status of any claims or suits against any team members - individuals or firms - within the last three years in any matter related to professional activities. Have any team members been on any public entity adverse lending or debarment list during the past ten years?

Proposals will be evaluated by, at a minimum, the following criteria: 1) the qualifications and characteristics of the development team; 2) the proposed conceptual design and use of the Property; and 3) the public benefits of the project.

- 1) **Qualifications and characteristics of the development team:**
 - Experience in successfully developing prominent sites within an urban core.
 - Demonstrated financial capacity to undertake proposed development, including existing relationships with major lenders and past experience with financing similar developments.
 - Team members with expertise matching the proposed development program.
- 2) **Proposed conceptual design and use of the Property:**
 - Range of uses and their “fit” with the Site and urban context.
 - Demonstration of understanding of, and commitment to, the City’s vision for the Site, relating to the guidelines embodied in the *Seven Corners Gateway Development Evaluation Tool*, *Downtown Development Strategy*, *Seven Corners Gateway Plan*, and *Saint Paul on the Mississippi Development Framework*.
 - Degree of sustainable building and landscaping techniques.
- 3) **Public benefits of the project:**
 - Projected increase in tax base.
 - Job creation.
 - Increased vitality and annual visitors.
 - Minimization of public subsidy (if any).

SUBMITTAL INSTRUCTIONS

A. Questions

Respondents are asked to submit questions related to the RFP, in writing, on or before **4:30 p.m. on Monday, August 4, 2014** to:

City of Saint Paul
Department of Planning & Economic Development
Attn: Ellen Muller
25 West Fourth Street, Suite 1300
Saint Paul, MN 55102

Questions may be also be emailed to:
ellen.muller@ci.stpaul.mn.us

Questions and written responses will be posted at **www.stpaul.gov/7cornersgateway** on or before **Monday, August 11, 2014**. No oral questions on content will be accepted. Questions on submission only may be phoned to Ellen Muller at 651-266-6605.

B. Submission

Respondents should submit an unbound copy and ten (10) bound copies of their Proposal by **4:30 p.m. on Friday, August 29, 2014** to:

City of Saint Paul
Department of Planning & Economic Development
Attn: Ellen Muller
25 West Fourth Street, Suite 1300
Saint Paul, MN 55102

Please also include one electronic version in PDF format on CD or flash drive.

C. Public Information

Upon submission, submissions become the property of the City and will not be returned. All information submitted to the Department of Planning and Economic Development will be considered public information in accordance with Minnesota statutes governing data practices (13.59 & 13.591). If a developer feels that any information required is proprietary in nature, a request must be made in writing to Ms. Muller at the address listed above, or via email, by 4:30 p.m. on Friday, August 15, 2014 to retain the confidentiality of specific information. This request must include the specific type of information and the reason(s) for requesting confidentiality. Written responses regarding the City's ability to maintain confidentiality in accordance with Minnesota statutes governing data practices will be furnished on or before Wednesday, August 20, 2014.

D. Conflict of Interest / Non-Collusion / Compliance

Proposer's response to this RFQ indicates compliance with Chapter 24.03 of the Saint Paul Administrative Code: "Except as permitted by law, no City official or employee shall be a party to or have a direct financial interest in any sale, lease, or contract with the City." Should any such conflict or potential conflict become known to the Proposer, it must immediately notify the City of the conflict or potential conflict, specifying the part of this RFP giving rise to it, and advise the City whether the Proposer will or will not resign from the other engagement or representation. Violation of this provision may result in rejection of an otherwise complete proposal.

Proposers are not to collude with other proposers and competitors, or take any other action that will restrict competition.

SUBMITTAL INSTRUCTIONS

Any transfer of HRA-owned property, regardless of whether subsidy is involved, requires compliance with the City's Affirmative Action policy and Vendor Outreach program. Other compliance requirements may apply depending on level of public subsidy, if any.

Please refer to the compliance matrix at www.stpaul.gov/7cornersgateway for more information on specific possible compliance requirements.

E. Disclaimer

It is hereby understood that submission of an application to purchase and redevelop the Property imposes no legal or moral obligations on PED, the HRA or the City of Saint Paul to proceed with the designation of tentative developer designation and/or the sale of the Property. It is the obligation of PED and HRA staff only to make recommendations to the HRA Board of Commissioners as to the designation of tentative developer and/or sale of the Property. The HRA Board of Commissioners has the exclusive power, in its sole discretion, to make final determination regarding the designation of tentative developer and/or sale of the Property.

The information contained herein is not intended to be a complete description of the Site or of the regulatory, environmental or other conditions that may affect the feasibility of a proposal. Information that is relevant to planning a proposed project may not be included in this offering package. The City is making available to proposers certain reports and information provided by consultants retained by the City.

The City does not represent or warrant the accuracy or completeness of the information contained in such reports, and disclaims all responsibility for the reports.

Applicants are encouraged to conduct their own due-diligence investigations of conditions that may affect the Property and their plans, and not to rely solely on information contained in this package.

The HRA reserves the right to amend or terminate this RFP package and RFP process and to cancel negotiations involving this RFP at any time. Neither PED, the HRA, nor the City of Saint Paul, nor their representatives is liable for any costs incurred in replying to this RFP.

APPENDICES

- A. Aerial Photo of the Site: www.stpaul.gov/DocumentCenter/View/73671
- B. Boundary, Location, Topographic & Utility Survey: www.stpaul.gov/DocumentCenter/View/73667
- C. Description of Nearby Land Uses: www.stpaul.gov/DocumentCenter/View/73788
- D. Saint Paul Downtown Development Strategy: www.stpaul.gov/DocumentCenter/Home/View/3104
- E. Saint Paul on the Mississippi Development Framework: www.stpaul.gov/DocumentCenter/View/73779
- F. Seven Corners Gateway Plan: www.ci.stpaul.mn.us/DocumentCenter/Home/View/8440
- G. Seven Corners Gateway Evaluation Tool: www.stpaul.gov/DocumentCenter/View/73668
- H. Prosper: Momentum is Building - Vision SP20/20: www.ci.stpaul.mn.us/DocumentCenter/View/71868
- I. Environmental Audit: www.stpaul.gov/DocumentCenter/View/73669
- J. 2008 Response Action Plan: www.stpaul.gov/DocumentCenter/View/73670
- K. Little Davis-Bacon Labor Standards: www.stpaul.gov/DocumentCenter/View/73673
- L. Affirmative Action Requirements: www.stpaul.gov/DocumentCenter/View/73672
- M. Vendor Outreach Program: www.stpaul.gov/DocumentCenter/View/73674