

Hamm's Brewery Complex Redevelopment Clarifying Questions Updated April 21, 2022

When will an Environmental Impact Statement (EIS) be completed for the project?

The type of environmental review needed will not be determined until a specific development proposal is selected. The size and content of a project will determine what type of review will be needed and when that process will occur.

Would the City require minority developer participation on the development team?

There is no requirement for project participation by minority developer firms, but proposals will be evaluated on how historically underserved communities will benefit from the project. In accordance with the disposition policy, construction of the project will be required to comply with the City's Affirmative Action ordinance and Vendor Outreach Program.

Who can submit a proposal?

Anyone can submit a proposal and their response will be reviewed against the criteria in the request for proposals.

Is the property in the request for proposals vacant?

The buildings included in this solicitation are vacant with no tenants and are owned by the HRA. Saint Paul Brewing and 11 Wells Spirits are located in separate, privately owned buildings on the site, which are not included in this solicitation. Portions of the HRA-owned property are subject to access easements for these existing businesses. There are additional private businesses and organizations located in nearby former Hamm's Brewery buildings, but they are not owned by the HRA or included in this solicitation.

Is the property listed on the National Register?

The property is not currently listed on the National Register of Historic Places. It has been previously reviewed and determined to be eligible as a part of an eligible district. This determination was reviewed and affirmed again recently as part of the Rush Line project.

Are state tax credits available for this redevelopment?

The state historic tax credit is currently scheduled to expire in June of 2022. If the credit is not extended during the 2022 State of Minnesota Legislative Session, then state historic tax credits would not be





available for the project.

Will preference be given for proposals that pursue historic designation for the site?

The goal identified in the request for proposals is to reuse the buildings to the greatest extent possible. We will evaluate proposals on whether designation is important to advancing the project and stated goal.

Has the City or HRA committed subsidy to this project?

The Hamm's Brewery Complex is an exciting, and potentially challenging, redevelopment opportunity. The request for proposals provides a list of potential financial tools that could support a redevelopment project. If a development concept will require subsidy, please provide a preliminary request in your submission. Submissions will be evaluated based on a developer's financial plan and viability, including reasonableness of the requested subsidies. Any City or HRA assistance would require a public process and would depend on compatibility and eligibility of the uses, gap analysis, and availability of funds.

What type of development does the City/HRA want to see?

The request for proposals is written broadly to allow multiple uses and redevelopment scenarios. The HRA will not consider proposals for full demolition of the buildings or proposals for storage as the primary activity at the site. The review committee will evaluate a proposal's components based on the proposal's ability to meet stated City goals, provide well-paying jobs, affordable housing options, and/or opportunities for community wealth-building.

What are the parking requirements?

On August 18, 2021, the City Council approved Ordinance 21-27 amending off-street parking requirements in the City's zoning code and eliminating off-street parking requirements citywide. As with any new development in Saint Paul, a developer for the Hamm's Brewery Complex would be able to build or provide parking for the intended uses on site, up to the maximum amount.

Can you provide contact information for the other property owners on the site?

The former aquaponics operation located at 700 Minnehaha Ave. is currently listed for sale by the private property owner. More information and contact information for the listing can be found here. The other two adjacent parcels where Saint Paul Brewing (688 Minnehaha Ave.) and 11 Wells Spirits (704 Minnehaha Ave.) operate are privately owned and not listed publicly for sale. The contact information for those property owners is considered private data, and HRA staff are unable to provide that to prospective developers during the RFP process.

Does the HRA have an agreement with Can Can Wonderland for development of the Hamm's Brewery Complex?

To date, the HRA has not received a development proposal from Can Can Wonderland or its associated businesses. The HRA has no existing agreements with a developer for the property covered in the solicitation. Any developer can submit a proposal, which will be reviewed against the criteria outlined in the RFP.

What is the asking price for the Hamm's site?

There is no set asking price for the Hamm's Brewery Complex redevelopment site. A proposer should list a purchase price that works for their project, with the understanding that the HRA will be evaluating based on project financial viability, not just purchase price.

Has there been any structural analysis for the buildings?

No, the HRA does not have any recent engineering or other structural evaluation of the buildings.

What is the condition of the building roofs?

The complex has multiple roof elevations in varying conditions. The HRA has replaced three sections of roof in the last two years and completed additional roof patching to prevent water intrusion.

Has there been any testing or abatement for asbestos or lead-based paint in the Hamm's Brewery buildings?

The HRA does not have current, comprehensive lead-based paint or asbestos testing reports for the Hamm's Brewery Complex. Previously, the HRA performed limited asbestos abatement in a number of the buildings in order to facilitate redevelopment of the site. Additional hazardous materials testing and potentially abatement will be needed prior to redevelopment.

What is the timeline for evaluating proposals and making a recommendation to the HRA Board of Commissioners?

Updated 1/20/2022 based on extended deadline:

Proposals received by the submission deadline will be reviewed by an internal committee starting in **May 2022.** Based on that review process, HRA staff and the executive director may provide a recommendation to the HRA Board of Commissioners to grant Tentative Developer Status to a particular proposer. Staff currently estimates that a recommendation could be made to the HRA Board in the **late summer or fall of 2022.** More information on the HRA property sale process can be found here.

Would the HRA consider a proposal that includes the demolition of Building 56 (Brew House Addition)?

Yes, the HRA would consider concepts that call for the demolition of smaller structures on the property and/or buildings with less historic value, including Building 56. Building 56 was built in 1955-56 and the 2003 National Register of Historic Places Designation Report (included as an exhibit to the RFP) identified it as noncontributing to the proposed historic district. As with any aspect of a proposal, the HRA would consider how the proposed demolition serves the development concept and addresses the criteria in the RFP.

Why did the HRA extend the submission deadline from January 31 to April 29, 2022?

The Hamm's Brewery Complex is a significant development opportunity. The HRA extended the submission deadline by 90 days in the hopes the City will be able to soon provide additional information regarding possible amendments to the recently passed rent stabilization ordinance, specifically any potential exemption for new housing construction.

Does the building square footage provided include the lower levels and/or basements of the buildings?

The square footage calculations in the "HRA Buildings at Hamms – Summary" spreadsheet provided in the building design materials folders generally do not include basement levels or building levels below Minnehaha Avenue. One exception to this is the Building 3 square footage calculation, which does include the ground floor level. All proposers are encouraged to review the historic floor plans and documents provided. The HRA assumes no responsibility or liability for any errors or omissions in the content and all materials are provided in an "as is" condition.

To access to the additional design materials, please submit a request at: <u>https://forms.office.com/g/KhRwXY0UCd</u>

When considering TIF for the project, what is the appropriate percentage to use for the amount contributed to the fiscal disparity pool and not captured in the TIF district, and what percentage does the City hold back as an administrative fee?

Any potential subsidy, including TIF, will depend on compatibility and eligibility of the uses, a gap analysis, and availability of funds. The City of Saint Paul/HRA makes no commitment of public funds to a developer or project selected through this process. If a developer requests the establishment of a TIF district, the City of Saint Paul/HRA would decide whether to elect Option A or Option B, pertaining to Fiscal Disparity taxes. In most cases, the City of Saint Paul/HRA has established a TIF district and elected Option A, which enables the TIF district to capture all the increased commercial tax capacity; however, such a determination cannot be made in advance, and an election of Option B would reduce the available tax increments by subtracting the portion of commercial taxes that are contributed to the fiscal disparity pool. More information on calculating the reduced amount can be found on Ramsey County's website: Tax Calculators & Rates | Ramsey County. Furthermore, the City of Saint Paul/HRA does not pledge more than 90% of the available tax increments collected, holding back 10% for administration.

Does the Saint Paul Public Housing Agency have any capacity to provide project-based vouchers or any other form of rental assistance at this development? If so, how much is available?

The Saint Paul Public Housing Agency (PHA) is a separate governmental entity from the City of Saint Paul and the HRA. The PHA Board of Commissioners determines each year whether to offer project-based vouchers and how many will be made available. If project-based vouchers are offered, the PHA typically does so through Minnesota Housing's yearly Consolidated Request for Proposals. Information about the project-based voucher application process can be found at: <u>https://www.stpha.org/general-program-information/pbv-program-development-applications</u>.

Will proposal content be public information?

The name of the 'Development Team' submitting a proposal is immediately public information at the submission deadline date, but the content of all submissions is considered non-public information throughout the tentative developer phase until a development agreement is approved by the HRA, at which time all proposals are deemed public data regardless of whether or not the proposal is selected by the HRA.

Would the City of Saint Paul's Rent Stabilization Ordinance apply to new housing at Hamm's?

Following passage of the Rent Stabilization Ordinance, the City has been focusing on three core areas: exempting new construction, convening members of our community, and planning for implementation. As expressed in Resolution 22-408, passed by the City Council on March 23, 2022, the City is pursuing a new residential construction exemption, <u>City of Saint Paul - File #: RES 22-408 (legistar.com)</u>. For further information, here is a link to the City's website regarding the Residential Rent Stabilization Ordinance approved by Saint Paul voters on November 2, 2021, <u>Rent Stabilization | Saint Paul Minnesota (stpaul.gov</u>).

Can a development team submit a proposal for only a portion or parcel of the Hamm's site?

The HRA will not consider proposals for only a portion of the site. The HRA owns and is soliciting proposals to redevelop the entirety of the remaining Hamm's Brewery Complex. A description and map of the available property can be found in the RFP document, starting on page 7. Submissions must include a concept for the rehabilitation and reuse of the Main Brewery Buildings and any other buildings on site; proposed new construction, if applicable; and a conceptual site plan for connectivity within the complex. Required submission components are outlined on page 13 and 14 of the RFP document.

What does the City require for steel columns? Will sprinklers be sufficient or are there additional requirements?

HRA staff is unable to respond to detailed building code questions. If the HRA board grants Tentative Developer Status to a proposer, then the Tentative Developer would need to submit and obtain approvals from the appropriate governmental entity or department, such as the City's Department of Safety and Inspections.

Is there a detailed survey and condition report for utilities serving the complex?

The HRA does not have current, comprehensive survey and condition report for utilities serving the Hamm's Brewery Complex. Exhibit 7 of the Request for Proposals - <u>Site Survey (2019)</u> shows the location of existing utility easements.

What is the current status of the wells at the Hamm's Complex? Does the HRA have a survey or map of the existing wells?

The HRA does not have a current survey or map of the existing wells on the HRA-owned portion of the Hamm's Brewery Complex. The entire historic Hamm's complex was known to have eleven wells, five of which were located on the now HRA-owned property. Well Number 1 (MN# 1000025649), Well Number 2 (MN #1000025650), and Well Number 4 (MN# 1000025652) are no longer in use and are not accessible for permanent sealing. The HRA has executed variance agreements with MDH to postpone the requirement to seal the wells until/if they are located and become accessible. The variance agreements were recorded on the property on March 9, 2022. Well Number 3 (MN# 1000025621) has been located approximately 95 feet south of Building #3, is no longer in use, and is currently unsealed. Well Number 11 (MN# 10000200493) is in use.

Does the HRA have intentions to retain parking in the surface lot for existing businesses (e.g. Saint Paul Brewing, 11 Wells Distillery)?

There is no requirement for a proposal to retain parking in the surface lot for existing businesses. However, "Site Planning and Connectivity" is a key evaluation criterion, with proposals that respond to the site context and are complementary to the existing businesses scoring higher.

Does the City have any plans to help with the Phalen Creek Daylighting Plan?

The <u>Swede Hollow Master Plan</u> identifies Daylighting Phalen Creek within Swede Hollow Park as a priority. The Capital Region Watershed District is currently studying the feasibility and options for daylighting Phalen Creek between Swede Hollow Park and East Side Heritage Park to the north along the regional trail. Since the feasibility study is still underway, any potential opportunities to incorporate daylighting the creek onto what is currently HRA-owned property are unknown. The HRA would work with a Tentative Developer and the City of Saint Paul Department of Parks and Recreation to explore any such opportunities. More information about efforts to daylight Phalen Creek can be found at the Lower Phalen Creek Project <u>website</u>.

Has the HRA acquired bids for the demolition costs of the complex?

No, the HRA does not have recent bids for demolition of any of the HRA-owned buildings. The HRA will not consider proposals that call for the demolition of all the buildings on site.

Has the HRA acquired bids for the cost of repairing the existing retaining wall on the south end of the property below the bluff?

No, the HRA does not have recent bids to repair the retaining wall.

Has the HRA had an appraisal done on the complex?

Yes, the HRA ordered an appraisal for internal policy purposes. The appraisal is dated December 3, 2021, and sets a market value as of September 21, 2021 as negative since the buildings are functionally obsolete and demolition expenditures are greater than land value. A copy of the appraisal can be made available upon request.

Has a comprehensive Phase I or II environmental study been completed on the complex?

A sitewide Phase I was completed in 2021 and included as <u>Exhibit 10 Sitewide Phase I Investigation</u>. The HRA does not have a Phase II study for the complex.