



Request for Proposals for the Purchase and Redevelopment of **1170 Arcade Street**

Release date: **November 21, 2022**

Deadline for submission of complete responses: **February 3, 2023 at 4:00 p.m.**

Project website: **stpaul.gov/1170Arcade**



SAINT PAUL
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1170 ARCADE AVENUE

A development opportunity on Saint Paul's East Side

The Saint Paul Housing and Redevelopment Authority (HRA) is soliciting proposals for the purchase and redevelopment of 1170 Arcade Street in the Payne-Phalen neighborhood of Saint Paul (see [Attachment A](#) and [Attachment C](#)). A drone video is posted at stpaul.gov/1170Arcade.

This .22-acre corner site is one block south of Maryland Avenue and four blocks east of Payne Avenue and is served by multiple transit routes. Arcade Street will be undergoing MnDOT improvements beginning in Fall of 2024, including resurfacing the street, repairing sidewalks, updating curbs and driveways, improving pedestrian lighting, improving traffic signals and updating bus stops. More information on that project is here: talk.dot.state.mn.us/e7tharcade. The site has nearby access to parks and natural amenities, including Lake Phalen and Phalen Regional Park.

The Payne-Phalen (District 5) Community Council (see [Attachment F](#) for Neighborhood Profile) is eager to support redevelopment of this parcel. The neighborhood vision for the area is for a mix of uses, including community-oriented development in a variety of land uses: destination commercial, office, light industry and multi-family housing, favoring high quality building designs and sites that provide aesthetically pleasing public spaces and contribute to a sense of safety. For this site, commercial and mixed-use proposals will be considered, with a priority for offers that include an active, ground-floor use, job creation, housing, elements that promote environmental sustainability and space for community use.

The 2040 Comprehensive Plan supports higher density development to take advantage of nearby commercial and residential development, as well as the transit and amenities in the area. Project massing, height, scale and design must transition appropriately to surrounding development. The 2040 Comprehensive Plan can be found at stpaul.gov/2040plan and the Payne-Phalen (District 5) District Plan and Vision, and the Arcade Street Small Area Plan are included as [Attachment E](#).



"1170 Arcade Street is in a business corridor that is an important destination for housing, food, social services and transit. I am excited for our community in the East Side of Saint Paul to gain development that contributes toward that success and builds toward sustainability, connectivity and prosperity for our neighbors and businesses along Arcade Street."

- Nelsie Yang, Ward 6 City Councilmember



INSTRUCTIONS FOR SUBMITTING AN OFFER

All required materials must be emailed to Jonathan Reisetter, Senior Project Manager (jonathan.reisetter@ci.stpaul.mn.us) by 4 p.m. on Friday, February 3, 2023.

A complete submission will include:

- HRA General Application (see [Attachment G](#))
- Proposal narrative, including mix of uses
- Conceptual site plan
- Offer price
- Development timeline
- Preliminary Sources and Uses budget, including total development cost
- Experience and qualifications of developer, including development team bios
- Brief community engagement plan

Please note that email attachments over 20 MB cannot be received. Applicants may choose to submit their application materials by providing a link to files hosted on a cloud storage service (i.e Dropbox, Google Drive, etc.). Please contact Jonathan Reisetter with any questions or concerns about the submission process or to confirm receipt.

The sale will be subject to the requirements of the Disposition of HRA Owned Real Estate Policy (see [Attachment D](#)), including Vendor Outreach Program and Affirmative Action. Other compliance programs may also apply depending on the proposed project and funding sources. A copy of this policy is available at stpaul.gov/HRA. Additional conditions also apply (see [Attachment H](#)).

The property will be listed for sale on the City of Saint Paul website, early notification system (ENS) and on the property via a sign. Notification will also be provided to the District Council.

The property will be listed from November 21, 2022 until February 3, 2023, at a minimum. PED staff will begin reviewing offers on February 6, 2023.

PROPERTY DETAILS

Property address: 1170 Arcade Street (southeast corner of Arcade Street and Rose Avenue East)

PIN: 28-29-22-22-0121 (see [Attachment B](#))

Lot size: Approximately 122 x 80 feet, total area of approximately 9,760 square feet (0.22 acres)

Current use: Vacant, paved surface

Value: \$81,500 appraisal value as of April 4, 2022

Current zoning: T2 – Traditional Neighborhood. The T2 traditional neighborhood district is designed for use in existing or potential pedestrian and transit nodes. Its intent is to foster and support compact, pedestrian-oriented commercial and residential development that, in turn, can support and increase transit usage.

Soil condition: This site was previously used as a gas station. The HRA is planning to apply for grant funding for environmental site investigation in spring 2023.

REVIEW OF OFFERS

Upon review of offers, PED staff may forward a recommendation to the HRA Board of Commissioners to award tentative developer status to a specific proposer. The designation of “tentative developer status” means that the HRA has tentatively approved of the developer and the proposed project and will not negotiate with any other entity for the property while the developer diligently pursues the completion of all conditions attached by the HRA Board in award of the designation. Typical conditions may include design plans for the project, completion of a market study, environmental investigations, evidence of financing and negotiation of a development/purchase agreement, subject to HRA Board approval.

The HRA is under no obligation to sell the property. The HRA reserves the right to reject any and all offers to purchase. An application fee will be due, as outlined in the attached disposition policy, upon award of tentative developer status.

A final development/purchase agreement for the property must be approved by the HRA Board after a public hearing. The timeline for closing on the Development Agreement would typically not exceed one year. Upon closing, the HRA would transfer property to the selected developer by Quit Claim Deed, in “as is” condition, under the terms of the Development Agreement.

SELECTION CRITERIA AND TIMELINE

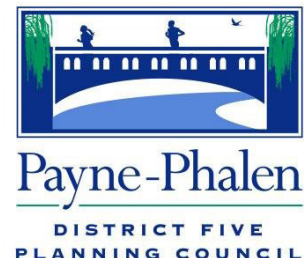
On February 6, 2023, the HRA staff will begin reviewing offers and may contact proposers as needed for additional information.

Staff will evaluate proposals using the following criteria:

1. Proposed commercial uses, including the type and number of jobs created
2. Proposed types and number of housing units and level of affordability
3. Opportunities for business owner or resident ownership, or other community wealth-building opportunities
4. Projected property tax revenue
5. Offer price
6. Experience and qualifications of the developer
7. Financial feasibility of the project
8. Proposed development timeline
9. Compatibility with Saint Paul’s 2040 Comprehensive Plan, Payne-Phalen (District 5) District Plan and Vision and the Arcade Street Small Area Plan (see [Attachment E](#))

The Payne-Phalen Community Council supports development opportunities that highlight the walkability of this site, especially because of its proximity to existing and planned high-frequency transit. We are also excited to see infill development on this site and other sites on the Arcade Street corridor, which is set to have traffic calming and other upgrades in the next couple of years.

- Jack Byers, Executive Director of the Payne-Phalen District Five Planning Council





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For more information, contact:

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