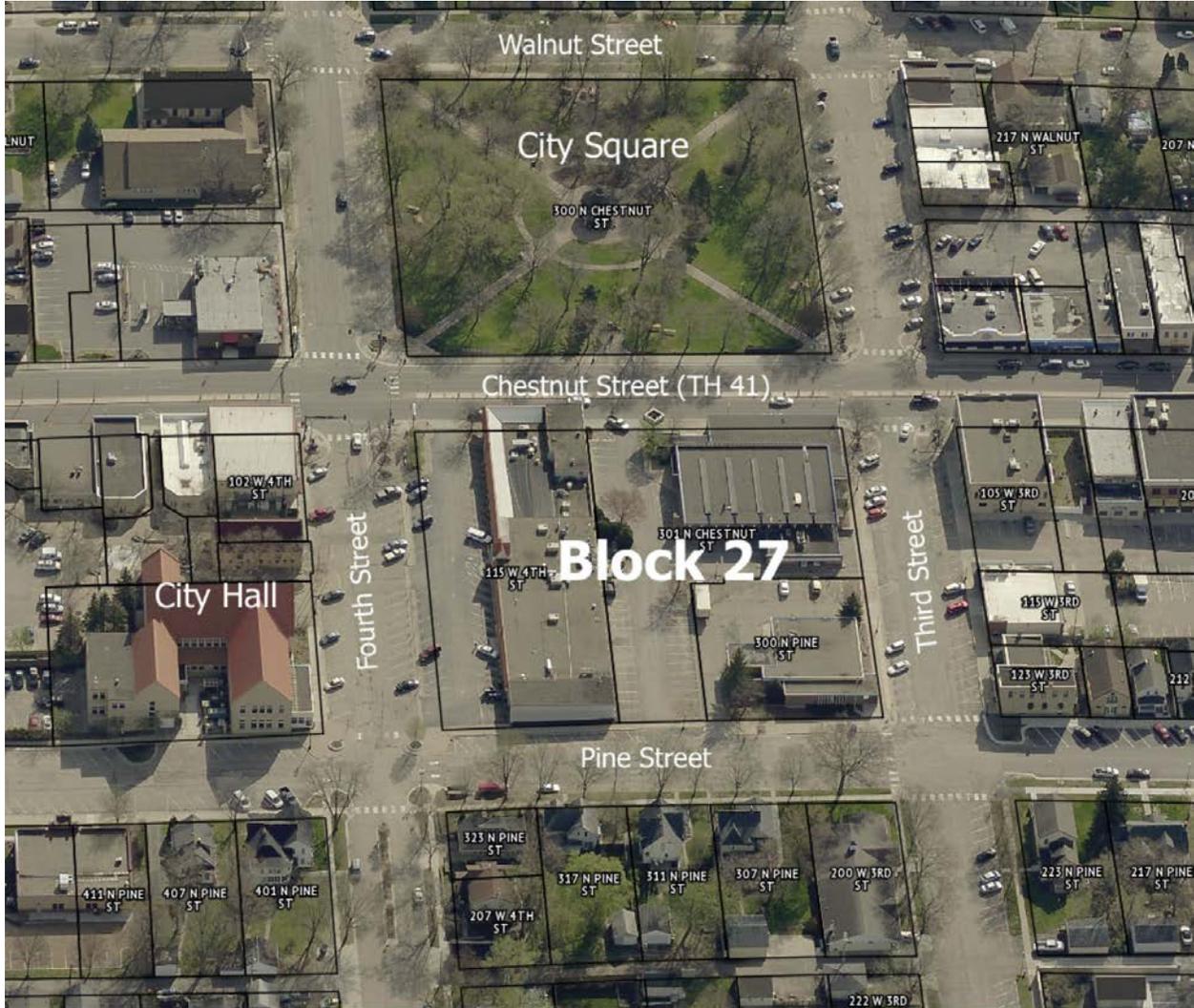


REQUEST FOR QUALIFICATIONS (RFO)
City Square West (Block 27) - Mixed Use Redevelopment
Chaska Economic Development Authority
Historic Downtown Chaska, Minnesota

Issue Date: February 10, 2020
Due Date: February 28, 2020 (4:00 p.m. CST)



PURPOSE of RFO

The purpose of this Request for Qualifications (RFO) is to find a Preferred Developer to implement the redevelopment of the City Square West Mixed Use Redevelopment block in Historic Downtown Chaska, Minnesota. The selected Preferred Developer and the Chaska Economic Development Authority (CEDA) will enter into a Preliminary Development Agreement which will guide the Developer/CEDA partnership during the process of preparing a redevelopment plan. The Preferred Developer will work collaboratively with the CEDA, City, Property Owners, and the Public. It is anticipated that the Preferred Developer and the CEDA will ultimately enter into a Development Agreement which will guide the Developer/CEDA partnership during the site construction process.

REDEVELOPMENT OPPORTUNITY

Site Description

The City Square West Mixed Use Redevelopment site is approximately two (2) acres in size, encompassing all of Block 27. A typical block in Historic Downtown Chaska, Block 27 is bounded on the north by Fourth Street, on the west by Pine Street, on the south by Third Street, and on the east by Chestnut Street (State Hwy 41). This redevelopment block consists of three properties that are currently privately owned.

The City of Chaska identified the City Square West block as one of three catalyst redevelopment sites in the City's 2012 Downtown Master Plan. This block occupies a unique location in downtown across from historic City Square Park. Located on Chestnut Street, downtown's "Main Street" and State Highway 41, the site is along a high-traffic regional roadway with great access for businesses and visibility at 18,000 ADT (projected to grow to 22,000 ADT by 2040). This block sits midway between 2nd St, the city's most historic commercial street, and civic and commercial destinations north of 4th St. While this block contains shops, services and restaurants that have provided a positive contribution to downtown over the years, the existing buildings need reinvestment and do not contribute to the long-term vision for the historic character, scale and identity of downtown.

For several decades, the site was host to the Carver County Courthouse and County Library, a two-story Italianate-style building that proudly fronted City Square Park until it was replaced in 1966. Today the site contains three commercial buildings totaling approximately 48,000 building square footage (just under 40,000 sq. ft. excluding basements) which are occupied by a bank, post office, and a mix of various retail uses including restaurants, laundromat and surface parking lots. The buildings on this block are primarily one-story structures, oriented more toward the automobile (e.g. a drive-thru facility, large surface parking lots) than the pedestrian (e.g. lacks engaging storefronts and entries adjacent to sidewalks). This development pattern is consistent with this block's period of construction but does not reflect the predominant character or development patterns of Historic Downtown Chaska.

Historic Downtown Chaska is a picturesque traditional downtown environment home to a broad mix of activities including the historic City Square Park, a "Main Street" commercial & entertainment district, a hub for community institutions (city, county, educational, religious), places of employment, residential neighborhoods, and the Minnesota River. Chaska's downtown is also home to a wealth of historic assets including a national historic district and numerous other historic buildings; many of them constructed of Chaska brick.

In support of the community's mission "To be the Best Small Town in Minnesota", the City has consistently made downtown revitalization and redevelopment a community priority. Recently built and planned projects include complete reconstruction of downtown City streets, The Landing senior housing, Firemen's Park redevelopment, Veterans Park redevelopment, Dunkin' and commercial center redevelopment, Formacoat redevelopment, planned new Chaska Library, County Road 61 and State Highway 41 reconstruction, planned regional trail connection with Highway 41 underpass, and planned City Square Park renovation. These projects combined represent well over \$100 million in public investment into Downtown Chaska.

Besides the many redevelopment projects that have occurred in the downtown area to strengthen the business district, the City of Chaska has also worked on several other projects to help create a sustainable downtown. The City of Chaska has worked to create large housing developments that are proximate to the downtown commercial district. Projects such as Southwest Chaska has created 625 units of high value single family residential development whose proximity and direct connections will have positive benefits for the downtown area. In the next 10 years an additional 1,200 units will be constructed in this area. Additionally, the Southwest Chaska area contains a 240-acre Business Park and with the completion of the TH 212 and Big Woods Boulevard (CR 44) interchange in 2019; the City projects 2,600 jobs associated with this Business Park will start to show up in 2022. Also, immediately north of Firemen's Park, Pulte is currently going through the entitlement process to construct an approximately 300-unit "Dell Webb" single family retirement community. Lastly, the City of Chaska continues to work to provide the necessary incentives to our existing downtown businesses to improve their storefronts and create a vibrant downtown setting. The City of Chaska recognizes the importance of our downtown area in being a great small town and is committed to continually strengthening the downtown's character.

City Square West (Block 27) Site Redevelopment Plan Goals:

The goals for preparing this site redevelopment plan are:

- 1) Prepare an implementable redevelopment plan, which is consistent with the City Council approved goals and generally consistent with the City Council approved concept site plan for City Square West;
- 2) Prepare a redevelopment plan that is consistent in context and character with Historic Downtown Chaska;
- 3) Provide for a strong connection to nearby recent developed and planned projects;
- 4) Work with CEDA and City staff to apply for and pursue external funding sources to support the redevelopment plan;
- 5) Work with CEDA and City staff in earnest to draft and enter into a Development Agreement to implement the approved redevelopment plan.
- 6) A redevelopment plan will include public amenities including a programmable plaza and publicly accessible parking.

BACKGROUND

Site Evaluations

- Phase I Environmental Site Assessment (ESA), September 2017
- ALTA/NSPS Land Title Survey, December 2017
- Preliminary Geotechnical Evaluation, January 2018

Site's Land Use Designation and Zoning District

2030 Comprehensive Plan (adopted)	Commercial
2040 Comprehensive Plan	Downtown Mixed Use
Current Zoning:	C3 - Downtown Historic Commercial
Anticipated Zoning:	PMD – Planned Multi-Use District

Comprehensive Plan Land Use Plan Guidance

This block is currently guided for Commercial land use by the City's 2030 Comprehensive Plan. However, the Downtown Master Plan approved by the City Council in 2012 recommends that the downtown blocks along Chestnut St/Hwy 41 including Block 27 (City Square West) be guided for the Downtown Mixed Use category. The Planned Land Use Map in the 2040 Comprehensive Plan designates Block 27 (City Square West) as Downtown Mixed Use.

Definition of the Downtown Mixed Use Category: Downtown lots or parcels guided for the integration of more than one land use either vertically (e.g. multi-story buildings with commercial uses at ground level and residential and/or office uses above) or horizontally as a planned development (e.g. planned mixed developments designed to integrate complementary land uses). Land uses allowed are commercial, office, residential, park, and civic. Residential density range allowed is 12 to 40 dwelling units per net residential acre including local access streets. Residential uses should generally represent 50 percent of the overall mix of uses, including ground and upper levels.

Zoning

It is anticipated that this block's properties will be rezoned to PMD – Planned Multi-Use Development as part of the site subdivision and development approval processes. The purpose of the PMD District is to provide for the development of a wide variety of complementary uses in a cohesive, rather intensely developed arrangement, but not necessarily geared predominantly to either residential, commercial, or public use. Essentially, the PMD District allows any compatible combination of uses permitted in the Zoning Ordinance's PRD, PCD, and PID Districts. Type and intensity of development is controlled by the development standards of such districts and by the Comprehensive Plan.

Relevant Plans and Studies

Chaska Downtown Master Plan

The Downtown Master Plan was completed in 2012 to establish a holistic, long-term vision and revitalization plan for Historic Downtown Chaska. In the master plan, three catalyst sites were identified as significant opportunities for visible and positive change that could catalyze new interest in and revitalization of downtown Chaska. The first two downtown catalyst sites have been successfully redeveloped and set the bar for high quality redevelopment in downtown. The

Landing, a senior housing building, was completed in 2014 on the riverfront catalyst site. The Chaska Curling and Event Center, along with a complete reconstruction of Firemen's Park, was completed in 2015. As evidenced by the Curling Center becoming the largest in the nation by membership and a designated US Curling Association training site for current and aspiring Olympians, this project is a phenomenally popular new destination in downtown. The Downtown Master Plan identifies Block 27 (City Square West) as one of three "catalyst sites" intended to spur revitalization in the downtown.

City Square West Block Redevelopment Planning & Concept Design

The City Council appointed a Project Task Force to develop a concept plan for Block 27 (City Square West) in Historic Downtown Chaska. The concept plan serves as the basis for redeveloping this block with "an identifiable concentration of desirable amenities that collectively create an economic value premium in the downtown". The task force consisted of 15 members who brought broad community representation, passion and commitment to this project. The City also hired a planning and design team to lead this project, which included planners, urban designers, architects, parking experts, public space activation experts, and a development advisor. The task force participated in six meetings with City staff and the project consultants. This group worked very effectively together, coming to a broad consensus on the objectives they wanted to accomplish with redevelopment of this block, and the programmatic structures and amenities that they felt were most important to meet these objectives. The City Square West Block Redevelopment Concept was approved by the City Council in December 2018.

Potential Public Financing Assistance

The City Square West redevelopment has been designed to be competitive for public financing and grant assistance. The City will work with the preferred developer to assemble a project finance package to include private and public sources. The financial package will support the project and include surrounding public improvements. The City is prepared to establish a redevelopment TIF district to support public improvements.

SUBMITTAL REQUIREMENTS

All RFQ respondents are required to follow the format specified below. The contents of the submittal must be clear, concise, and complete. The submittal must include the following information:

- I. **Cover Letter.** Include the developer's name and the title, contact information and signature of the prime firm's contact person for this submittal.

- II. **Developer Team.**
 - 1) Identification of the developer team including, but not limited to, description of the lead development firm and sub-consultant firms, including resumes of appropriate principals and project leads, as well as descriptions of their respective roles.;
 - 2) Description of your firm's qualifications and strategies to complete the project;
 - 3) Description of potential constraints or problems in the description of the redevelopment project that may adversely affect the project cost or progress; and

- III. **Similar Projects Experience.** Provide information regarding your team's previous experience with similar mixed-use projects as follows:

- 1) Names, locations and details of similar projects;
- 2) Names, addresses, and phone numbers of public agency references overseeing the projects;
- 3) Names of staff who worked on the sample projects; and
- 4) Final budgets for the projects including all funding sources utilized.

IV. City/Developer Partnership. Describe how the developer team will partner with CEDA, the City, Property Owners, and the Public to achieve the vision of the City Square West Block Redevelopment Concept and the Chaska Downtown Master Plan as follows:

- 1) Your vision of a successful redevelopment of this block.
- 2) What do you envision as the set of formal agreements that will be necessary to establish the roles, rights and obligations of the CEDA and the developer?
- 3) How you generally foresee the phasing of this redevelopment project occurring, including the timing to achieve full development and what significant decision points are anticipated.
- 4) Summary of your firm’s public process approach to the project.

V. Financial Ability.

- 1) Describe your intent to request public financing sources to support this project and list the sources you anticipate utilizing.
- 2) Indicate experience applying for and using tax increment financing and other government funding mechanisms such as bonds, tax credits, and grants.

SUBMITTAL SCHEDULE and INSTRUCTIONS

Estimated RFQ Schedule*

RFQ issued	February 10, 2020
Deadline for developers’ submission of questions and intent to submit their qualifications*	February 18, 2020
Responses to questions posted	February 20, 2020
Deadline for RFQ submittals	February 28, 2020
Developer interviews with Staff	Week of March 16, 2020
Qualified Developers selection by Staff	End of March 2020
Qualified Developers interview with CEDA	April 6, 2020
Preferred Developer selection by CEDA	April 20, 2020
CEDA and Preferred Developer enter into Preliminary Development Agreement	Early Summer 2020
Preferred Developer submits Preliminary Plat, Planned Multi-Use Development Plan (preliminary and final), Final Plat applications	Summer – Fall 2020
CEDA and Preferred Developer enter into Development Agreement	Fourth Quarter 2020
Construction of the development breaks ground	2021

*NOTE: The City reserves the right to extend or modify the above schedule. If such changes in the schedule occur, the City will notify developers who have informed the City of their intent to submit their qualifications.

Questions and Intent to Submit

Questions regarding this RFQ should be directed to Kevin Ringwald, Community Development Director, City of Chaska, at (952) 448-9200 or kringwald@chaskamn.com.

Developers intending to submit their qualifications to this RFQ are asked to inform the City via email so that they can be notified of any changes or clarifications to this RFQ. Email should be sent to Kevin Ringwald at kringwald@chaskamn.com.

Submittal Deadline

Interested firms are to submit one (1) set of their qualifications to the City of Chaska, no later than 4:00 p.m. CST on Friday, February 28, 2020. The RFQ should be delivered (electronically or via thumb drive) in a PDF format to Kevin Ringwald at the City of Chaska.

Late proposals will not be accepted.

SELECTION CRITERIA

Qualified Developer Evaluation (RFQ)

The RFQs will be initially screened by City staff. City Staff will hold interviews of all RFQ responders on the week of March 16, 2020. At the conclusion of those interviews City staff anticipate forwarding to the CEDA a list of Qualified Developers from which the CEDA will select a Preferred Developer to move forward with on the project.

The list of Qualified Developers will be evaluated primarily on the following criteria:

- 1) Conciseness, clarity and organization of the qualifications;
- 2) Qualifications and demonstrated expertise of the entire development team including outside consultants;
- 3) Experience of the personnel assigned with mixed use redevelopment plans that have been successfully implemented;
- 4) Knowledge and understanding of the local environment and project goals/objectives;
- 5) Demonstrated evidence of innovation and creativity;
- 6) Demonstrated success in public-private partnerships;
- 7) References or recommendations from past clients; and
- 8) Potential conflicts of the firm(s).

The Preferred Developer will be selected at the discretion of the CEDA.

CITY CONTRACTING REQUIREMENTS

Status of Property Ownership

- Acquisition - Strip Mall (anticipated closing – Summer 2020)
- Purchase Agreement – Old National Bank (anticipated – Summer 2020)
- Purchase Agreement – Post Office (anticipated – Summer 2020)

Preliminary Development Agreement

CEDA expects to enter into a Preliminary Development Agreement (PDA) with the selected Preferred Developer. The purpose of the PDA is to formalize the respective parties' rights and responsibilities relative to further defining the proposed redevelopment project consistent with

the parties' mutual objectives. Under the PDA, the parties will agree to work cooperatively towards defining the development and its components (an underground publicly accessible parking structure and a public paseo/plaza will be required components), determining the financial feasibility of the development components, the infrastructure necessary to service them, and the approvals necessary to bring them to fruition. The PDA will also involve negotiating in good faith toward a subsequent Development Agreement between the Preferred Developer and the CEDA later in 2020 and the developer's acquisition of the three properties, as well as potential acquisition of additional redevelopment properties adjacent to the City Square West Block.

CEDA and Developer Responsibilities for Responding to RFQ

The CEDA has the authority to select a Preferred Developer and to negotiate a Preliminary Development Agreement as outlined in this RFQ.

The CEDA reserves the right to accept or reject any or all developer responses, in part or total, and to waive any minor informalities, as deemed in their best interests. The CEDA reserves the right to enter into a Preliminary Development Agreement with the developer exhibiting the most relevant experience, expertise and success with redevelopment projects that is most advantageous to the CEDA. In determining the most advantageous developer response, the CEDA further reserves the right to consider matters such as, but not limited to, the developer's experience with projects similar in character and scale to the City Square West Block Redevelopment Concept, the quality of a developer's completed projects similar to this one, and the developer's business reputation and financial abilities.

This RFQ does not obligate a responding developer to enter into a relationship with the CEDA, nor does it obligate the CEDA to enter into a relationship with any entity that responds or limit the CEDA's right to enter into a relationship with any entity that does not respond to this RFQ. In its sole discretion, prior to entering into a Preliminary Development Agreement, the CEDA may discontinue negotiation with the selected developer. The CEDA also reserves the right, in its sole discretion, to cancel this RFQ at any time for any reason.

Each developer is solely responsible for all costs that it incurs to respond to this RFQ. If selected the developer is responsible for costs to engage in the process including, but not limited to, preparing a response or participating in any presentations or negotiations related to this RFQ, negotiating the Preliminary Development Agreement, property acquisition, performing due diligence related to its acquisition of the properties, and potential cleanup of site environmental conditions.

Right to Modify, Suspend and Waive

The CEDA reserves the right to:

- Modify and/or suspend any or all elements of this RFQ;
- Request additional information or clarification from any or all respondents and allow for correction of errors or omissions;
- Waive any unintentional defects as to form or content of the RFQ or any responses submitted.

Any substantial change in a requirement of the RFQ will be disseminated to all parties that have given written notice to the CEDA of an interest in preparing a qualifications response. Any and all information requested in addenda must be returned with the developer's response to be considered responsive.

Disclosure and Disclaimer

This RFQ is for information purposes only. Any action taken by the CEDA or City in response to submissions made pursuant to the RFQ, or in making any award or failing or refusing to make any award, shall be without liability or obligation on the part of the CEDA, the City or any of their officers, employees, or advisors. The RFQ is being provided by the CEDA without any warranty or representation, expressed or implied, as to its content, accuracy, or completeness. Any reliance on the information contained in the RFQ or on any communications with the CEDA's or City's officials, employees, or advisors shall be at the developer's own risk. Prospective developers should rely exclusively on their own investigations, interpretations, and analysis in connection with this matter. The RFQ is made subject to correction of errors, omissions, or withdrawal without notice.

This RFQ does not constitute an offer by the CEDA. The CEDA's determination as to the qualifications and acceptability of any party or parties submitting a response to the RFQ shall be made at the sole discretion of the CEDA. The City and CEDA are governed by the laws of the state of Minnesota and all submissions and supporting data shall be subject to disclosure as required by such law.

The CEDA and City reserve the right to accept, subject to negotiation of final terms and conditions, any response deemed in the best interest of the CEDA and City, to waive any irregularities in any submissions, to reject any and all submissions, to re-advertise for new responses, to extend the deadline for submission of developer responses, and to modify the project schedule in this document.

Neither the CEDA, the City, nor any of its officers, agents, or employees shall be responsible for the accuracy of any information provided to any developer as part of this RFQ. All respondents are encouraged to independently verify the accuracy of any information provided. The use of any information in this document in the preparation of a response to this request is at the sole risk of the responding party.

The developer will be responsible for testing, monitoring and remediation of any environmental conditions encountered. The CEDA and the City make no warranties or representation regarding environmental conditions nor will it indemnify the developer with respect to the existence of any hazardous substances on or in the vicinity of the land in question.

ADDENDUM

Relevant Studies and Information:

1. Chaska Demographic Information (Data USA) - <https://datausa.io/profile/geo/chaska-mn>
2. City Square West - Phase I Environmental Site Assessment (2017) – <https://www.chaskamn.com/DocumentCenter/View/2785/City-Square-West-Final-Phase-I-ESA>
3. City Square West - ALTA/NSPS Land Title Survey (2017) – <https://www.chaskamn.com/DocumentCenter/View/2786/City-Square-West-ALTA-Final-signed>
4. City Square West - Preliminary Geotechnical Evaluation (2018) – <https://www.chaskamn.com/DocumentCenter/View/2787/City-Square-West-Preliminary-Geotechnical-Evaluation-Report>
5. Downtown Chaska Assessment of Market & Development Potential (2010) - <https://www.chaskamn.com/DocumentCenter/View/2023/20101221---Downtown-Master-Plan---Development-Outlooks>
6. Downtown Chaska Marketing Positioning Strategy (2010) - <https://www.chaskamn.com/DocumentCenter/View/2024/20101221---Downtown-Master-Plan---Market-Positioning-Strategy>
7. Downtown Master Plan (2012) - <https://www.chaskamn.com/DocumentCenter/View/2027/20120206---Downtown-Master-Plan>
8. City Square West – Project Goals & Objectives (2018) – <http://www.chaskamn.com/DocumentCenter/View/2681/03a---Objectives---CSW-Redevelopment>
9. City Square West concept site plan – Option A (2018) – <http://www.chaskamn.com/DocumentCenter/View/2682/03b---CSW---Site-Plan-Option-A>
10. City Square West concept site plan – Option B (2018) – <http://www.chaskamn.com/DocumentCenter/View/2683/03c---CSW---Site-Plan-Option-B>
11. Virtual Tour – concept site plan (2018) - <https://www.youtube.com/watch?v=8fS6EqSoww&feature=youtu.be>
12. City Square West project page – <http://www.chaskamn.com/583/City-Square-West>