REQUEST FOR INTEREST & QUALIFICATIONS

RICE STREET CROSSING REDEVELOPMENT PROJECT

SW Quadrant Interstate 694 and Rice Street

PROPOSALS DUE: 4:30 pm - September 9, 2022

Send to: Tom Simonson
Community Development Director
City of Shoreview
4600 Victoria Street North
Shoreview, MN 55126
tsimonson@shoreviewmn.gov

EXECUTIVE SUMMARY

The City of Shoreview ("City") is seeking proposals from qualified developers to purchase and redevelop the city-owned 10.99-acre parcel at 3377 Rice Street.

The highly visible property is located conveniently off the exit at Rice Street and Interstate 694, providing an excellent opportunity for quality corporate office, business park, commercial, residential or mixed-use development.

Interested developers should respond to this RFIQ with proposals displaying their creativity in delivering a first-rate development project. Additional information and requirements for the submittal can be found later in this RFIQ.

RESPONSES ARE DUE NO LATER THAN 4:30 PM, FRIDAY, SEPTEMBER 9, 2022

One (1) digital copy should be submitted via email to the contact listed below with the subject line to read: *Rice Street Crossing RFIQ Submittal*

Tom Simonson
Community Development Director
City of Shoreview
4600 Victoria Street North
Shoreview, MN 55126
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PROJECT SUMMARY

The redevelopment of this property provides a unique opportunity for a qualified developer to partner with the City of Shoreview to create a major new development that will best complement our vibrant community. The ideal development will add interest to the area for community and stakeholders, value to real estate, and provide opportunity for economic growth for the City.

The City is seeking a development partner that best identifies a concept and vision that meets our expectations of developing a high quality project that reflects the values and meets the needs of the community. The City is open to a variety of potential uses that include creative design elements, architectural character, and takes advantage of this high profile gateway location. The developer will need to demonstrate they possess the experience, resources and financial ability to complete

the project in a timely manner, and that the proposed uses can be supported in the market.

The vision for the property's development is still emerging and the City will look at developer proposals and prioritize them according to overall quality and value to the community, job creation potential, market demand, housing goals, and highest economic and financial benefit to the City. As the property is currently zoned urban underdeveloped, a rezoning will be necessary. All land use changes will require Planning Commission and City Council approval.

Potential uses for the site are:

- Business Park
- Corporate Office
- Retail/Commercial
- Multifamily Housing

Though the City is not currently requesting financial information from the interested developers, it should be noted that the City will be seeking sell the property to successful developer for a fair market value, which will be determined by the final use of the property. The successful developer should be prepared to demonstrate success in securing financing and developing similar types of projects prior to finalizing any agreement with the City.

Site Information.

Parcel Address	3377 Rice Street, Shoreview
Parcel ID Number	363023140044 and 363023410002
Parcel Size	10.99 acres
Land Designation	Mixed Use
Underlying Zoning District	Urban Underdeveloped
Site Condition	Vacant
Environmental Conditions	Refer to the Available Project Information section of this RFIQ

PROPOSAL REQUIREMENTS

The City is seeking proposals that show the intended use of the property are best suited to add interest and economic growth the community. In addition, the following elements should be incorporated:

- Adherence to the 2040 Comprehensive Plan, as applicable. (https://www.shoreviewmn.gov/government/departments/community-development/comprehensive-plan)
- Environmentally sustainable construction practices.

SITE PLANNING

The 2040 Comprehensive Plan categorizes the future property use as Mixed-Use, which covers a wide variety of land uses including horizontally or vertically mixed residential, commercial, office, and or business park uses. The ideal residential zoning density is 20 to 45 units per acre. The selected developer should be prepared to meet all zoning code requirements and completion of the City entitlement process. Refer to the Additional Site Information section of this RFIQ for additional requirements.

SUBMISSION REQUIREMENTS

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Applicant Information

1. Applicant name; contact person and title; business address; phone and email.
2. Brief description of applicant, include summary of development experience, staffing and financial capacity, construction, operational and management experience.
3. Contact information for key members of the development team. Also attach a brief description of the development team's experience and a list of relevant developments.
4. Briefly describe recent projects similar in scope that the applicant has successfully completed.
5. Provide the names of municipalities and contact information where the applicant has completed similar developments in the past five years.
6. Has any member of the development team defaulted on a development or construction related agreement in the last seven years? If so, please describe the situation and how it was resolved.
7. Describe all financial interests of the applicant (or related entities) in other Shoreview based businesses or properties.

Development Description

8. Development summary including design elements used in previous developments that would be incorporated here, unit size, parking requirements, general exterior and interior building materials, amenities, and landscaping.

9. General project timeline including design, construction, and completion windows.

Financial Information

10. The City will be seeking fair market value for the property based on the development type that is proposed. Financial information is not required in this RFIQ; however, the selected developer should be prepared to provide detailed financial information shortly after the selection has been made.

ADDITIONAL APPLICATION MATERIALS

A. A summary narrative of the concept proposal and description of your understanding of the project and its expectations.

B. Concept site plan – including placement of buildings, parking infrastructure, interior traffic circulation, and site amenities.

C. Conceptual image rendering examples of the building(s) with written description of conceptual architectural treatment and exterior materials.

EVALUATION

The City will consider each proposal to evaluate development value, and the team's overall ability to accomplish the City's planning concept goals. Weighted criteria will be aimed at determining the best overall value to the City, including overall vision for the use of the land, approach to environmental remediation, and developer and team experience. The preferred candidates will be invited to meet with the City to discuss their proposal.

SELECTION PROCESS

1. Staff review of submittals and recommendations of preferred proposals
2. Developer interviews/presentations with economic development authority
3. Follow-up to questions/issues raised by EDA and any additional information
4. EDA and City Council selection of developer

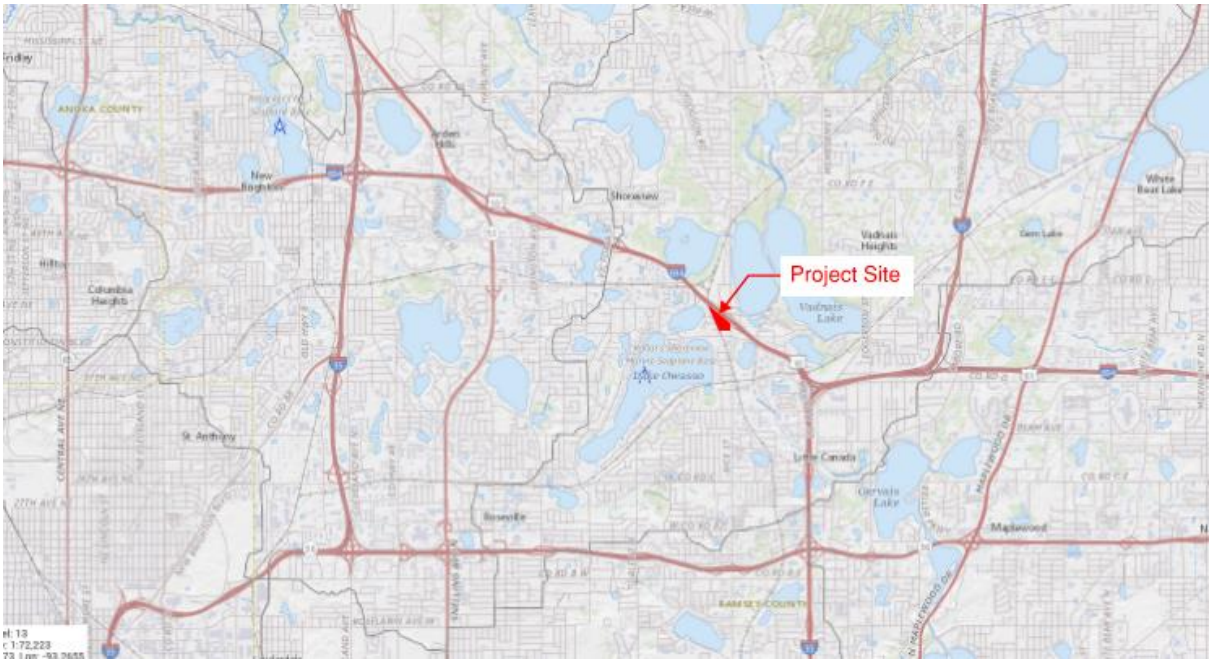
ADDENDUM

ADDITIONAL PROJECT INFORMATION

SITE HISTORY AND CITY OWNERSHIP

Background

Overview. The Rice Street Crossing redevelopment project site is located at the southwest quadrant of the interchange of Interstate 694 and Rice Street in Ramsey County and is the confluence of three communities: Little Canada, Shoreview and Vadnais Heights. The area is undergoing a transformation with the completed reconstruction and redesign of the bridge/interchange that has significantly improved safety, access, and traffic flow through this major corridor. All three cities have undertaken planning and/or implementation of redevelopment around the interchange that is replacing obsolete or blighted commercial properties with higher density housing and newer retail services. For example, the City of Shoreview helped facilitate the redevelopment of an older commercial strip center and adjacent substandard homes to higher end multifamily housing called the McMillan Apartment along with luxury townhomes and the popular Oliver's restaurant. The city-owned Rice Street Crossing site affords another unique opportunity for Shoreview to partner with a selected developer to continue with the transformation of the interchange with a high quality redevelopment that meets our objectives and best serves the community.



History. The subject property served as the suburban operations center for Ramsey County Public Works for many years, and also for a time included a vehicle impound lot and the Ramsey County Sheriff's patrol station. The County moved all of their operations to new facilities in Arden Hills, and demolished all of the buildings and did some environmental cleanup of the subject property. During this same time period, MnDOT was planning for major expansion improvements along the I-694 corridor, including the reconstruction of the bridge and interchange ramps at Rice Street to relieve commuter congestion especially during peak hours. When the reconstruction plans for the existing diamond interchange were rejected by the Federal Department of Transportation due to traffic projections, the interchange design was revised to partial cloverleaf design to accommodate future traffic volumes. A new loop cloverleaf ramp would be planned for the southwest interchange, thereby requiring the preservation of the County site for the anticipated future improvements.

To facilitate the planned interchange improvements and support Ramsey County's move to a new location, the City received funding through the Metropolitan Council's Right of Way Acquisition Loan Fund (RALF) program to acquire the County maintenance property. The City agreed to take ownership and hold the property until the land was needed for the interchange improvements, at which time the property would be transferred to MnDOT. The City anticipated little, if any, remnant land would be available for redevelopment once the loop cloverleaf ramp was constructed.

However, due to many years of funding delays for the Rice Street bridge/interchange improvements, new traffic modeling studies were performed that projected less traffic volumes than originally estimated. With more modest future traffic projections, along with modern interchange design innovations, it was concluded that traditional partial cloverleaf ramps were no longer necessary. The new design that was ultimately constructed included a smaller center bridge for Rice Street, two new flyover bridges for exit/entrance ramps, and used a series of three roundabouts to slow down vehicles and keep traffic moving continuously in all directions. It also directs all traffic entering and existing I-694 to one roundabout, which enables vehicles to get on and off the interstate more quickly. The project has successfully reduced congestion issues on the freeway and improved safety for drivers, pedestrians and bicyclists.

RALF Reimbursement. With much less right-of-way needed from the former County Maintenance property a result of the modified interchange design that was completed, the City now has over 10-acres of land available for sale and development. Pursuant to the original agreement with the Metropolitan Council when the City acquired the property, any proceeds the City receives from the sale of the land must be reimbursed to the RALF program. Once the RFIQ process has been completed and a developer selected, an appraisal will be required to establish a fair market value as basis for the sale price of the land. There is no obligation on the part of the City or purchaser to make the RALF loan whole from the original acquisition cost so long as it is demonstrated a fair market price is determined.

SITE SURVEY

A topographic survey of the subject property was prepared and attached for reference. The survey includes all known site utilities, elevations shown at one-foot contour intervals, and all available property information (easements, boundary, Right-of-Way). A licensed copy of the survey can be provided in electronic format to the selected development team. The successful development team should be prepared to provide supplemental survey to fill in any missing information that may be necessary for the completion of design and construction.

ENVIRONMENTAL SUMMARY

Braun Intertec completed a Phase I ESA of the property (the Site) in January 2021, the results of which are presented in the report entitled: *Phase I Environmental Site Assessment, Rice Street Crossing, 3377 Rice Street, Shoreview, Minnesota,* dated January 28, 2021, prepared by Braun Intertec (2020 Phase I ESA). The 2020 Phase I ESA identified the following recognized environmental condition (REC) in connection with the Site:

- Historical operations at the Site by Ramsey County prior to the City of Shoreview's acquisition resulted in multiple petroleum and non-petroleum releases to soil and groundwater. Various investigations were previously conducted between 1989 and 2009 to define the extent and magnitude of those releases and some soil cleanup was conducted. The Minnesota Pollution Control Agency (MPCA) issued file closures related to the two petroleum releases (MPCA #LS0000940 and #LS0016429) on November 21, 1991, June 8, 2006, and August 17, 2006. The MPCA issued a No Association Determination (NAD) letter to the City of Shoreview for non-petroleum contamination at the Site dated May 31, 2006. In addition, the MPCA Voluntary Investigation and Cleanup (VIC) Program issued a No Further Action (NFA) letter dated February 9, 2018 for lead in soil at the Site. Although the MPCA closed the petroleum releases and issued both NAD and NFA letters for the Site, the available information indicates that residual petroleum and non-petroleum related soil and groundwater contamination is likely present which could affect future redevelopment of the Site, and there is also a potential for soil vapor impacts. This potential for residual soil, groundwater and soil vapor impacts that could affected future redevelopment of the Site is considered a REC.

Braun Intertec subsequently completed environmental investigation at the Site to evaluate the REC identified by the 2020 Phase I ESA. The investigation results are presented in the following reports:

- *Site Investigation Report, Rice Street Crossing, 3377 Rice Street, Shoreview,* Minnesota, MPCA Site ID: BF0001087, dated June 30, 2021, prepared by Braun Intertec (2021 Site Investigation).
- *Additional Site Investigation Report, Rice Street Crossing, 3377 Rice Street, Shoreview,* Minnesota, MPCA Site ID: BF0001087, dated December 29, 2021, prepared by Braun Intertec (2021 Additional Site Investigation).

Reference should be made to the 2020 Phase I ESA, 2021 Site Investigation and 2021 Additional Site Investigation report for a full description of the Site history and regulatory framework, and existing environmental conditions with respect to soil, groundwater, and soil vapor. The findings presented in these reports identify areas of know soil and groundwater contamination, as well as soil vapor impacts which will need to be considered and addressed as part of purchase and successful site redevelopment.

Based on the investigation results to date, the following are the anticipated environmental considerations with respect to Site redevelopment:

- *Fill Soil*. Apparent fill soil is present from the ground surface to depths of 1 to 7 feet below ground surface (bgs) in the central and south portions of the Site. The fill soil generally consisted of silty sand or poorly graded sand with silt. Debris consisting of concrete fragments and bituminous was observed in one test pit location (TP-08), from the ground surface to approximately 7 feet bgs. There is likely fill soil of varying composition (and potentially debris-containing) at Site locations where previous buildings/structures and other improvements were historically located. Per the 2012 MPCA

Unregulated Fill Guidance[1], debris-containing fill soil cannot be used as unregulated fill and must be managed at a permitted landfill.

- *Shallow Petroleum Contaminated Soil*. The 2021 investigations have defined an area of shallow petroleum contaminated soil on the central and north-central portion of the Site. In addition, residual petroleum contaminated soil from previously investigated spills/releases is present at depth on the southern portion of the Site in an area historically used for vehicle fueling. Petroleum contaminated soil which is encountered and requires removal as part of development-related excavation activities will require off-site disposal at a permitted landfill.
- *Groundwater Depth and Quality*. Groundwater was encountered during the 2021 Site Investigation at depths ranging from 38.9 to 39.1 feet bgs. Laboratory analysis identified low concentrations of petroleum-related VOCs (below established criteria) as well as elevated diesel range organics (DRO) and gasoline range organics (GRO) in groundwater samples collected on the southern portion of the Site in the vicinity of the closed petroleum releases. Due to the depth, it is unlikely that groundwater will be encountered during redevelopment activities.
- *Potential for Vapor Intrusion*. Depending on the locations and intended use (i.e., commercial or residential), future buildings/structures in the central and southern portions of the Site in the areas with elevated soil vapor benzene concentrations will require active vapor mitigation systems to address the potential vapor intrusion risk in accordance with current MPCA vapor guidance[2].
- *MPCA Voluntary Brownfield Program Oversight*. The Site should be enrolled in the MPCA VIC and Petroleum Brownfields Programs to obtain technical approvals and applicable liability assurances for non-petroleum and petroleum-related contamination in soil, soil vapor and groundwater at the Site to facilitate redevelopment.

[1] Best Management Practices for the Off-Site Reuse of Unregulated Fill, February 2012, c-rem1-01, MPCA (2012 MPCA Unregulated Fill Guidance).

[2] Vapor Investigation and Mitigation Decision Best Management Practices, April 2020, c-rem3-06e, MPCA.

STORMWATER SUMMARY

Stormwater mitigation systems will have an impact to the future development of the property. The successful proposal will demonstrate that stormwater management is integrated into the project planning.

Jurisdictional Requirements

The project is located within the Ramsey-Washington Metro Watershed District (RWMWD) and will be under the jurisdiction of the RWMWD, MnPCA and the City of Shoreview. The stormwater requirements for the RWMWD are the most stringent and shall control the design of the project. The design of the stormwater mitigation for the project will be subject to the requirements of RWMWD Rule C and F which are summarized in Table 1 below.

Table 1

Category	Requirement	Agency Standard
Runoff Volume	Stormwater runoff shall be retained onsite in the amount equivalent to 1.1 inches of runoff over the new and reconstructed impervious surfaces of the development.	RWMWD Rule C.3.(a)
Water Quality	Developments shall incorporate effective non-point source pollution reduction BMP's to achieve 90% TSS removal on an annual basis.	RWMWD Rule C.3.(d)
Rate Control	Runoff rates shall not exceed existing runoff rates for the 2-, 10- and 100-year rainfalls.	RWMWD Rule C.3.(b)
Erosion and Sediment Control	Erosion and sediment control measures shall be consistent with the best management practices, and shall be sufficient to retain sediment onsite as demonstrated in the Minnesota Stormwater Manual	RWMWD Rule F.3

Existing Site Condition

Based on initial geotechnical investigations of the property, the soil characteristics are ideal for infiltration. The native soils are primarily parley graded sands with silt, which likely have an infiltration capacity of 0.45 in/hr or better. The development team will be responsible for procuring geotechnical services to confirm the preliminary findings. Contaminated soils and groundwater underlying the subject property may limit the available area for infiltration; refer to the environmental investigations included in this RFP for additional information on site contamination.

Design Considerations

The infiltration capacity of the native soils make infiltration the ideal solution for the future development. Infiltration BMP's may be located above or below grade depending on the available space allowable by the project design. Based on an infiltration capacity of 0.45 in/her, which will need to be confirmed by the developer, the project should plan for roughly 2,700 sq/ft of pond area per acre of new or reconstructed impervious surfaces.

In addition, or as a substation to the infiltration systems, rainwater harvesting for irrigation is a sustainable stormwater best management practice that provides great stormwater mitigation and long-term cost savings for irrigation.

WETLAND SUMMARY

A routine level 1 wetland delineation was conducted for this site in March 2021 using readily available Offsite mapping resources. Examination of soil survey data, topography, aerial imagery and national Wetlands inventory mapping was used to determine the potential presence of wetland areas and approximate boundaries.

At the time of the offsite investigation, two potential wet areas were discovered and marked on the adjacent (is this a term?) survey; both located in low depressional areas where remnant vegetation is present.

This routine level 1 wetland delineation method has been deemed appropriate for the site as there is Sufficient offsite information available and particular development activities have not yet been Determined for the parcel. Should development activities occur within the next 3-5 years near the Potential wet areas, then a level 2, onsite wetland delineation should occur to further determine if Wetlands are present, to collect field data and mark out physical boundaries. Refer to the attached summary report for additional information.