



Planning & Development Division
Planning & Economic Development Department

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Request For Proposals

Development Partner for Lester Park Area Development Site Duluth, Minnesota

Release Date: Wednesday, January 29, 2020

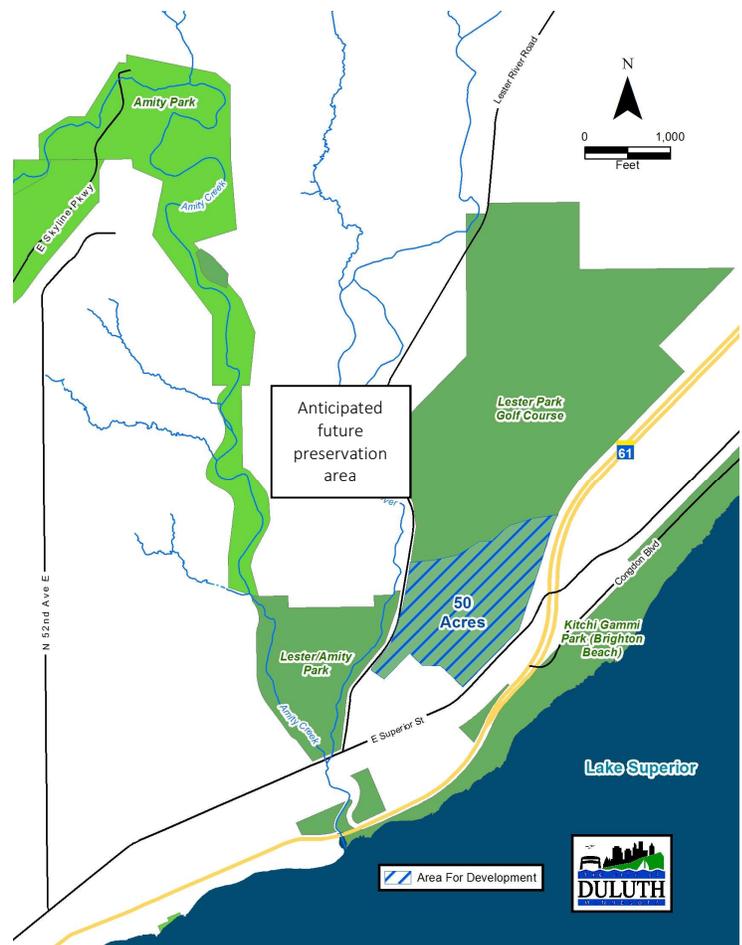
Proposals Due: Monday, March 16, 2020

Overview

The City of Duluth (the “City”) seeks proposals from qualified entities to partner in development of an approximately 50-acre portion of lower Lester Park Golf Course (“Property”). The Property is part of the current Lester Park Golf Course, a 268-acre property located at 1860 Lester River Road, Duluth, MN 55804. Located in the eastern side of the City, the Property is situated near the popular Lester Park and the beautiful Lester River. This area is known for its spectacular scenery, rich history, and impressive views of Lake Superior.

The selected entity will collaborate with the City to create a development that includes mixed-use residential development at a range of price points, potentially including affordable housing. The selection will be based on the team’s background and ability to develop the site in a way that meets the City’s goals. The City’s intent is to select one team and enter into an exclusive development partnership to create a plan and development proposal. Once the development plan is complete, the City intends to enter into a development agreement with the selected team.

Questions regarding project scope may be directed to the Planning and Economic Development Department, with contact information available on Page 7.





The Duluth Community

The fourth-largest city in Minnesota, Duluth has a population of 87,000+ and hosts over 6.7 million visitors annually. Duluth’s Metropolitan Area, the largest Metropolitan Area on the shores of Lake Superior, is home to more than 250,000 people, with 25-34 year olds being the fastest growing demographic, seeing an increase of 25% over the last 5 years. Duluth is nationally recognized as a city uniquely positioned for resilience to climate issues.



Duluthians enjoy a high quality of life in a vibrant city that boasts the best tasting water and a spectacular landscape from multiple vantage points. Enthusiasts have easy access to 11,000+ acres of greenspace, 250 miles of hiking and biking trails, inspirational arts and entertainment performances, a mix of niche and nationally recognized retailers, and diverse culinary options.

Duluth has three highly ranked college institutions, which are rated among the best in the nation for liberal arts education. They offer a medical school and top notch engineering programs. Duluth is also the home of two regional medical centers which are poised to invest a combined \$1+ billion over the next few years. The Port of Duluth-Superior is the farthest-inland freshwater seaport, connecting the heartland of the U.S. and Canada to the rest of the world. Duluth’s economic outlook is promising as aviation, education, healthcare, engineering, and information technology companies continue to grow and succeed.

DID YOU ? KNOW ?

1. Top-ranked North American port according to the Railway Industrial Clearance Association.
2. Connected via a high-capacity rail network that spans the continent
3. Internationally connected via the Great Lakes St. Lawrence Seaway System
4. Duluth International airport makes Duluth globally connected by air
5. Two hours north of Minneapolis/St. Paul via I-35

In summary, Duluth is home to abundant natural resources and recreation, robust industry clusters, top-notch educational campuses, and some of the most breathtaking natural scenery in the country – qualities that make the city an unrivaled place to live, work, and play.

Objectives

The City is seeking to work with a developer, development team, or other qualified entity whose project will complement the existing character of the city and adhere to the Governing Principles of Duluth’s

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comprehensive plan, Imagine Duluth 2035. The primary purpose of this process is to identify qualified entities that clearly have the experience, vision, and financial capability to design and complete a quality development plan consistent with the City's objectives for the Property. The City is principally interested in quality, safe residential development for persons of all income levels; this could include a mix of residential and commercial uses, with the potential for multi-family, townhouse, single-family, or a mixed-use development.

All proposals should strive, to the greatest extent possible, to meet the following objectives:

- Demonstrate expertise of the project team in facilitating site design processes, including the team's ability to communicate effectively;
- Provide an understanding of the surrounding neighborhood and the city in general, to inform site planning and design that is appropriate within this context;
- Indicate the team's ability to create a high quality and marketable product that contributes positively to the City's tax base. It is strongly preferred that any residential development consist of affordable/workforce housing which is priced appropriately for the median income Duluth household;
- Include qualifications related to energy efficiency, context-sensitive site design, low impact development, and other sustainable development practices.
- Pledge to work collaboratively with the City's workforce development department to connect local jobseekers to employment opportunities related to construction on the site.

Property Attributes

The Property is 50 acres of prime real estate, offering spectacular views of Lake Superior, off-highway access, and proximity to neighborhood amenities. Located at the gateway between the charming Lakeside/Lester Park Neighborhood and the North Shore, the Property is well situated for easy access, neighborhood conveniences, and immediate access to the exemplary greenspaces of Brighton Beach, Amity Park, and the world-renowned North Shore. The Property features a landscape that undulates steadily downward north-to-south for approximately 1/4-mile, changing nearly 100-feet in elevation (See Appendix B, Figure 1 for detailed elevation information). The Lester River Road and Minnesota Highway 61 define the Property's impressive west-to-east breadth of 3/4-mile. The Property provides the following features:

- Approximately 4,000 feet of road frontage along a mix of road types, including MN Highway 61;
- Sweeping views of Lake Superior and the surrounding natural landscape;
- Immediate adjacency to hundreds of acres of city park land/greenspace, and miles of hiking, biking, and snowmobile trails; and
- Public utilities, including water, on the southwest corner of the site leading to the current clubhouse. The remainder of the site is currently lacking utilities. However, utilities could be extended; existing water



pressure has been evaluated and is suitable for development and fire protection services up to an estimated 760-ft elevation (including building height).

Zoning & Uses

The Property is zoned MU-N – Mixed Use Neighborhood. The MU-N district is established to accommodate a mix of neighborhood serving non-residential uses and a range of residential uses, including co-housing, detached housing, attached housing, and multi-dwelling units, potentially located in efficient proximity to one another.

Non-residential uses may include small-scale retail, service, and professional offices that provide goods and services to the residents of the surrounding neighborhoods. A comprehensive table of allowable uses can be found in the City of Duluth’s Unified Development Chapter, Section 50-19.



Available Information

The following reports are available to Respondents:

- Land – Conceptual Reuse Analysis in 2013
 - Reuse analysis includes rough evaluations of 3 separate concepts:
 - Single-family, twinhome, and townhome site plan concepts
 - 1/3-acre lot, single-family home concepts
 - 5-acre lot, single-family home concepts
 - Evaluations include rough-order-of-magnitude cost estimates for streets, water, sanitary, storm pipe, utility trench rock excavation and stormwater treatment infrastructure in 2013 dollars.
- Update of Affordable and Workforce Housing Needs report by Maxfield Research in October 2019;
- City of Duluth and WPA soil borings for approximate rock profiles.



Land Sale Price

Land will be made available to the developer at a negotiated price that may be no less than the property's independently appraised market value.

Potential Assistance Provided to Developer

The City may consider the potential establishment of a Tax Increment Finance District if deemed necessary, subject to approval by the Duluth Economic Development Authority and the Duluth City Council, to support financing of the development. Requests for financial assistance will be evaluated using the City's adopted business subsidy criteria. Other financing options should and will be reviewed for applicability to this project. City staff assistance will be provided to ensure project success.



Process

The following list summarizes the expected schedule and process to be followed for this RFP:

- Request for Proposals issued – January 29, 2020
- Deadline for questions – February 28, 2020
- Final written responses/addenda issued – March 6, 2020
- Development proposals due – March 16, 2020
- Oral Presentations. During the evaluation process, the review committee may, at its discretion, request one or more firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the review committee may have on a firm's proposal. Not all firms may be asked to make such oral presentations.
- Notification of selected developer – May-June 2020

Proposal Format

Proposals should not exceed 20 pages, and should include the following:

1. **Proposal Cover Sheet** – A completed and signed Proposal Cover Sheet (Appendix A).
2. **Development Narrative** – A written summary explaining how the development team would collaborate with the City on a development for the site that meets the five goals listed on page 3 of this document.
3. **Financial Capacity** – Provide a narrative explaining proposers' qualifying development background experience demonstrating sufficient competency and financial resources to complete the land transaction and project development.

4. Statement of Qualifications – Include descriptions of relevant example projects completed within the past 5 years that are comparable in scope to the project. Include references of previous clients/projects.
5. Resumes – Please submit a one-page resume for each proposed team member, highlighting their experience in development design and execution.



Evaluation Criteria

The City will evaluate the Development Proposals based on the following criteria:

- Developer/development team responsiveness to this RFP and demonstrated understanding of the City's goals and objectives for the subject site;
- Recognition of the uniqueness of opportunity for development within the city of Duluth;
- Financial capability, including resources available as equity for the project and strength of financial commitments;
- Ability to finance a future development, including demonstrated ability to procure financing and complete projects on schedule and within budgetary assumptions;
- The quality of the proposed site layout, urban design, and architectural quality in other developments completed by the team;
- Qualifications and experience of the Proposer and team with projects of similar scale and magnitude;
- Experience of personnel identified for this project;
- Past performance of the developer/development team as verified by references of previous clients/projects;
- Demonstrated success in embracing and implementing the highest standards of sustainability and environmental sensitivity;
- Past successes in dealing with elected officials, municipal boards and commissions, community advisory committees, and neighborhood residents;
- History of legal actions and disputes;
- Organizational and managerial capacity to handle a project of this size, including workload and product/project overlap.
- Willingness to adopt the City's community benefits programs as part of project construction.

The City encourages and welcomes bids from women and minority owned businesses.

The City of Duluth reserves the right, at its sole discretion, to reject any or all submittals when, in its opinion, it is determined to be in the public interest to do so; to waive minor irregularities and informalities of a submittal; to cancel, revise, or extend this solicitation; and to select the proposal it deems is in the best interests of the City, even if it is not the highest purchase price nor provides the greatest financial benefit to the City. The City reserves the right to request clarification of information submitted and to request additional information from any proposer.

This Request for Proposals does not obligate the City of Duluth to pay any costs incurred by any respondent in the submission of qualifications and/or proposals or in making necessary studies or designs for the preparation of any proposal, or for procuring or contracting for the services to be furnished under this Request for Proposals.

Any proposal accepted by the City shall be subject to approval by the Duluth City Council.

Questions concerning this RFP should be directed to Adam Fulton, Deputy Director of Planning & Economic Development at 218-730-5580 or at afulton@duluthmn.gov. Summary responses to all questions received will be provided to all proposers who submit an Intent to Propose letter.

The City of Duluth appreciates your consideration of this Request for Proposals and welcomes all responsible Respondents.



APPENDIX A - PROPOSAL COVER SHEET

**CITY OF DULUTH
LESTER PARK AREA DEVELOPMENT SITE**

Required Attachments:

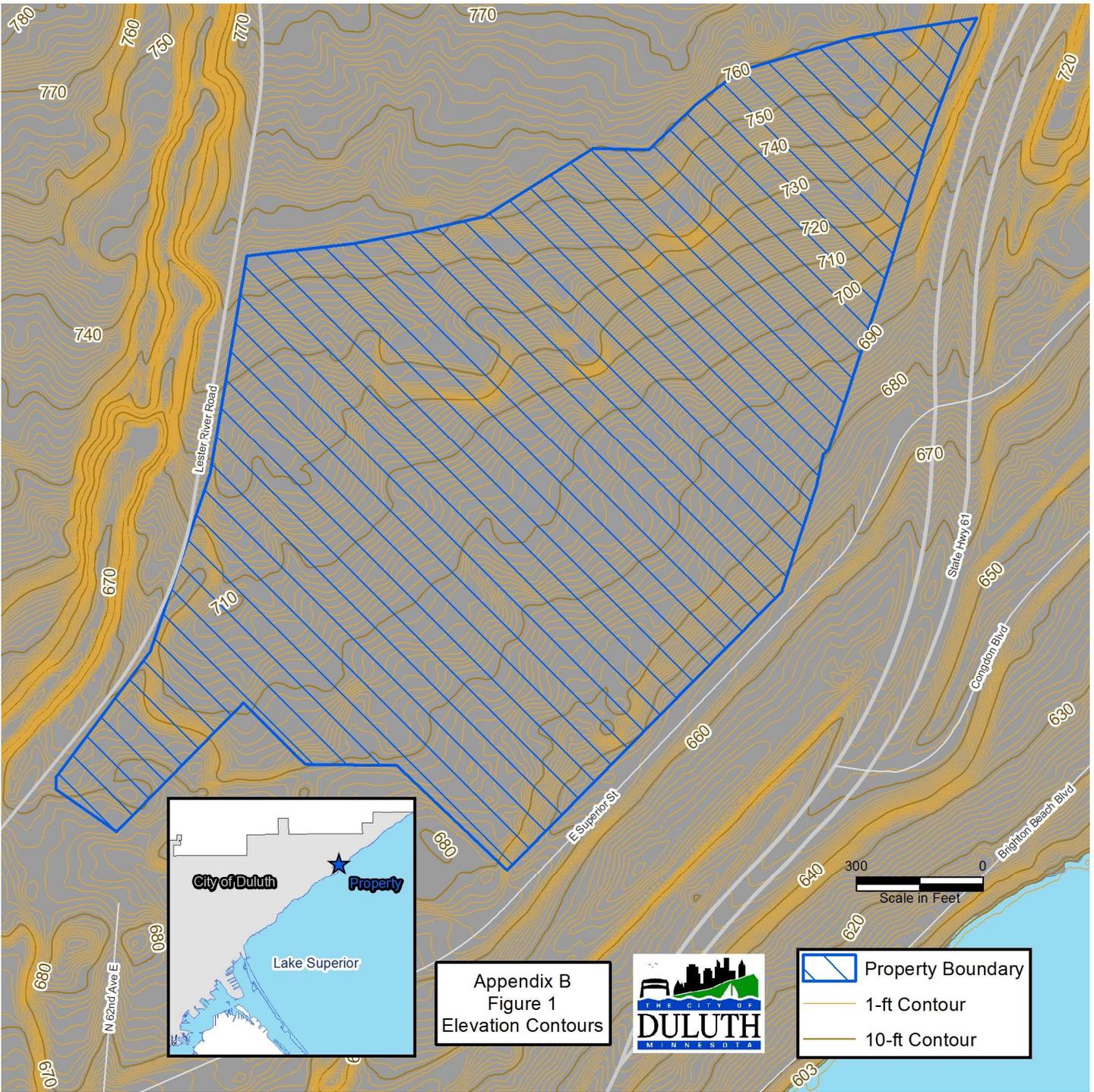
- Proposal Cover Sheet
- All items listed in the "Proposal Format" section of this RFP

Proposer Information:	
Company Name	
Mailing Address	
Website	
Principal Contact Person	
Contact Person's Phone Number	
Contact Person's E-Mail Address	

<i>Signature</i>	
Signature of authorized official. Signatory consents and agrees to adhere to the terms outlined in this proposal:	
Printed Name	
Title	

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM MAY RESULT IN THE REJECTION OF THE PROPOSAL

The Signatory hereby represents upon all of the penalties of law for the purpose of inducing the City of Duluth to review a proposal for development, that all documentation herein and attached are true and that all work herein described, if selected, will proceed in accordance with the Ordinances of the City of Duluth and the laws of the State of Minnesota. Signatory also understands that all documents provided to the City may be considered public data, per Minnesota Government Data Practices Act.



Appendix B
Figure 1
Elevation Contours



- Property Boundary
- 1-ft Contour
- 10-ft Contour