

**REQUEST FOR PROPOSALS (RFP)
FOR
THE PURCHASE OF REAL PROPERTY OWNED BY THE CITY OF LAKE ELMO
MARCH 8, 2023**

**THE PROPERTY IS COMMONLY
KNOWN AS:
FORMER 3M LAND on IDEAL AVE, LAKE ELMO,
MN**

All proposals and other communications must be addressed and returned to:

**City of Lake Elmo
Attn: City Administrator
3800 Laverne Ave N
Lake Elmo, MN 55042**

**PROPOSALS MUST BE RECEIVED NO LATER THAN 3:00 PM LOCAL TIME
ON THURSDAY, APRIL 13, 2023**

REQUEST FOR PROPOSALS

FOR
CITY OF LAKE ELMO

I. PURPOSE OF THE REQUEST FOR PROPOSALS

The City of Lake Elmo, Lake Elmo, Minnesota (the “City”) will accept proposals for the purchase of parcels of City owned property known as the former 3M land. There are two purchase options, Option One and Option Two.

Option One

The property is located east of Ideal Ave and South of CSAH 14, a portion of Tax Parcel ID 16.029.21.24.0002 . The property for sale is approximately 75 acres with 55 acres being south of CSAH 14 and north of the railroad tracks and 20 acres being south of the railroad tracks.

Option Two

The Option Two includes all of the property described in Option One above and the additional property located east of Ideal Avenue and North of CSAH 14, PID 16.029.21.24.0002 and **PID** 16.029.21.23.0003, minus 4 acres for Public Works.

Responses to this Request for Proposals (“RFP”) must state which options the respondent is proposing for (i.e., Option One or Option Two or if the respondent is willing to be considered for both options). Proposals must be in writing.

II. PROPERTY INFORMATION

The property that is a part of Option One is approximately 75 acres and is bisected by the Union Pacific Railroad line. The respondent will be required to apply to the City for a rezoning of the Property so that it is consistent with the Business Park guiding in the 2040 Comprehensive Plan during the development process. The respondent will be responsible for seeking any land use or other governmental approvals necessary for its intended use of the Property at its own expense. Municipal water is currently available to the site. Municipal sanitary sewer lines have been brought to the site and are expected to be operational in the Summer of 2023 through a partnership with the City of Oakdale. A future land use map is attached as Exhibit 5.

Option Two includes all of Option One property and the property approximately 100 acres north of CSAH 14, which is guided for Business Park, Commercial, Low Density Residential and Park. The City Council adopted an AUAR in April 2022 (copy attached as Exhibit 4) and the Metropolitan Council approved the new guidance in January 2023. The residential portion of the property cannot be developed until 2027 per an agreement between the City of Lake Elmo and City of Oakdale. The additional property that is part of Option Two cannot be developed independently of the Option One Property due to the location of municipal sewer at Ideal Ave and 31st St, which would need to be extended north to serve property on the north side of CSAH 14. Similar to Option One, the respondent will be responsible for applying for a rezoning during the development process as well as any land use or other governmental approvals necessary for its intended use, including but not limited to, all approvals and dedications required by the City’s zoning and subdivision regulations.

All of the property is currently vacant and has been agricultural for many years. The property was last actively farmed in 2021. A Phase 1 Environmental Assessment was completed in May 2019. A copy is included as Exhibit 3.

A listing of the permitted and conditional uses for properties that are zoned as Business Park in the City is attached to this Request for Proposals as Exhibit 2. Contact the Lake Elmo Planning Department for uses in other districts under Option Two.

III. CONDITIONS GOVERNING THE SALE OF THE PROPERTY

A. Offer

All respondents must complete and submit the Offer to Purchase form (attached as Exhibit 1) to the City indicating the amount being offered for the Property. The offer must not be subject to any type of financing contingency. All offers submitted to the City in response to this RFP shall remain valid for 90 days from the submittal deadline set forth in this RFP. This time period may be extended by mutual agreement of the City and any of the proposer(s). The Property is being sold by the City "AS IS."

B. Purchase Price

The minimum purchase price for the Property is \$125,000 per acre. The purchase price must be paid in full to the City either by wire transfer or by certified check at closing.

C. Closing Fees and Costs

The successful respondent will be solely responsible for paying all closing fees and costs, including, but not limited to, a survey, if desired by respondent, any tests desired by respondent, title commitment fees, title search and examination fees, any title insurance premiums or the cost of any endorsements, closing fees charged by the closing company, any brokers' fees or commissions, respondent's attorneys' fees, the state deed tax, the cost of recording the deed, and any escrow fees. The City will be responsible for the cost of making title to the Property marketable and the City's attorneys' fees.

D. Commission

The City agrees and acknowledges that it has not engaged the services of any agent or broker for the sale of the Property. In the event that the successful respondent has engaged an agent or broker, the respondent will be solely responsible for the payment of said agent or broker, and said fees must not be deducted from the purchase price.

E. Earnest Money Deposit

Within five business days after all parties signing a purchase agreement, the successful respondent will be required to deposit 10 percent of the purchase price, as earnest money, with a title company who will hold the earnest money in escrow. The earnest money will be applied to the purchase price and will be refundable except in the event of a breach of the purchase agreement by the respondent.

F. Proposal Submission

To be considered, a sealed written proposal must be submitted by the respondent to the City either by mail or by personal delivery no later than 3:00 p.m. on Thursday, April 13, 2023. No proposals submitted by electronic mail or facsimile will be accepted. The outside of the envelope must be marked "PURCHASE OF REAL PROPERTY RFP" and delivered to:

City of Lake Elmo
Attn: City Administrator
3800 Laverne Ave N
Lake Elmo, MN 55042

All submissions are subject to the Minnesota Data Practices Act, Minnesota Statutes Chapter 13. Pursuant to Minnesota Statutes Section 13.591, subdivision 3 (b), data submitted in response to a request for proposals by a government entity are private or nonpublic until the time and date specified in the solicitation that proposals are due, at which time the name of the responder becomes public. All other data in a responder's proposal are private or nonpublic data until completion of the evaluation process. "Completion of the evaluation process" means that the City has completed negotiating the purchase agreement with the selected respondent. After the City has completed the evaluation process, all remaining data submitted by all responders are public with the exception of trade secret data as defined in Minnesota Statutes Section 13.37. If all proposals are rejected prior to completion of the evaluation process, all data, other than the names of the responders, remain private or nonpublic until a resolicitation of the request for proposals results in the completion of the evaluation process or a determination is made to abandon the sale. If a resolicitation of proposals does not occur within one year of the proposal opening date, the remaining data become public.

H. Provision of Contact Information

Those interested in submitting a proposal are encouraged to provide contact information to Kristina Handt, City Administrator at: khandt@lakelemo.org. This will allow the City to contact interested parties in the event that there are any addenda or changes to this RFP. Individuals who do not submit contact information to the City shall be solely responsible for independently verifying if any addenda or other changes have been issued for this RFP by contacting the City in writing prior to the submission deadline.

I. Selection

The City will select the proposal that is in the best interests of the City and will support the best use of the Property in the City's sole discretion. The sale of the Property is subject to the approval of a purchase agreement between the successful respondent and the City Council. The City reserves the right to negotiate with respondents and to reject any and all offers.

J. Schedule

March 8, 2023	Request for Proposals Issued
April 13, 2023, 3:00 p.m.	Proposals due
May 2023(estimate)	Economic Development Authority Review of Proposals and Recommendation to the City Council
June 6 or 20, 2023(estimate)	City Council Selection

K. Questions

All questions or requests for clarification should be submitted in writing via email to khandt@lakeelmo.org. The City shall not be responsible for the delay in the transmission of any request for clarification or other communication. The City will make all questions and answers available to all interested parties.

L. Conflict of Interest

Any respondent who has a conflict of interest or potential conflict of interest shall disclose the same in its offer. The City will review any potential conflicts of interest in its evaluation of the proposals.

IV. SUBMISSION REQUIREMENTS

A. Required Content

At a minimum, the following information must be included in all proposals:

1. Cover Letter

The respondent must submit a cover letter committing the respondent to purchasing the Property on the terms and conditions set forth in this RFP and providing information regarding the respondent's intended use of the Property.

2. Offer to Purchase

The respondent must complete the Offer to Purchase Property form as is with no changes or alterations (attached as Exhibit 1).

In addition to purchase price, all proposals must include information related to:

- a. How the property is intended to be developed?
- b. When does the respondent intend to develop the property?
- c. How much will the proposed development increase the taxable value of the property?
- d. How many jobs (both permanent and construction jobs) will be created by the

proposed development? What are the anticipated wages/salaries of those jobs?

V. EVALUATION CRITERIA

The City reserves the right to contact some or all of the respondents to clarify non-material aspects of their offers. In evaluating the proposals, the City's selection will be based upon those factors deemed necessary to promote the best interests and welfare of the City, the neighborhood, and the community, including, but not limited to, the best use of the Property, change in tax valuation, and quantity/quality of jobs created.

VI. REJECTION OF PROPOSALS

A. Selection does not Guarantee a Purchase Agreement

This RFP shall not create any legal obligation of the City to evaluate any proposal that is submitted or to enter into any purchase agreement with a respondent who submits a proposal except on terms and conditions that the City deems, in its sole and absolute discretion, to be satisfactory and desirable. All proposals should contain an affirmative statement regarding whether there is any "conflict of interest" with the City, its elected and appointed officials, and the respondent.

The City reserves the right to reject any and all proposals received and the right to waive non-material formalities and technicalities according to the best interests of the City. The City reserves the right to select a respondent or multiple respondents for the purchase of the Property. The City is not obligated to select the proposal with the highest offering price, as it is considering other factors that are outlined in this RFP in addition to price.

By submitting a proposal, the Respondent acknowledges its understanding of the requirements of this RFP and agrees to be bound to the same when negotiating the purchase agreement, if its proposal is selected by the City.

B. No Liability for Expenses or Costs

The City is not responsible for expenses or costs incurred by respondents in connection with this RFP process and submitting a proposal. This includes, but is not limited to, costs associated with preparing the proposal and of participating in any site visits, oral presentations, or negotiations.

VII. SELECTION

A. Completion

The Respondent's proposal must be complete in order to be considered by the City for selection. Proposals will be reviewed by the City Administrator for completeness in addressing the five criteria listed in the submission requirements set forth in Section IV (A)(1) of this RFP and Exhibit 1.

The Lake Elmo Economic Development Authority will review all complete proposals and make a recommendation to the City Council as to which proposal should be selected.

B. Purchase Agreement

The selected proposer will be required to enter into a purchase agreement with the City for the purchase of the Property. The purchase agreement is subject to the approval of the City Council.

EXHIBIT 1: OFFER TO PURCHASE REAL PROPERTY

SUBMITTAL: To ensure proper identification and handling, submit your offer in a sealed envelope. This Offer must be submitted by 3:00 p.m. on Thursday, April 13, 2023 to:

City of Lake Elmo
Attn: City Administrator
3800 Laverne Ave N.
Lake Elmo, MN 55042

Timely delivery of the offer is the sole responsibility of the Respondent. The offer must be submitted by personal delivery or mail. Late offers will not be accepted. All offers shall remain valid for a period of 90 days from the RFP submittal date. The time period may be extended by mutual agreement of the City and the proposer.

TO: City of Lake Elmo
Attn: City Administrator
3800 Laverne Ave N.
Lake Elmo, MN 55042

_____, herein called the “Buyer,” hereby offer and agree to purchase the Property known as the former 3M land located east of Ideal Ave and South of CSAH 14,

Check Option Proposing on:

_____ Option One, a portion of Tax Parcel ID 16.029.21.24.0002 (the “Property”) approximately 75 acres in size from the City of Lake Elmo (“City”).

_____ Option 2, *includes all of the property described in Option One* and a portion of Tax Parcel 16.029.21.24.0002 and Tax Parcel 16.029.21.23.0003, which totals approximately 176 acres from the City of Lake Elmo (“City”).

Circle One:

If proposing for Option 2 and the City decides to only consider proposals for Option One, Proposer **IS WILLING** or **IS NOT WILLING** (circle one) to be considered for Option One.

subject to the terms and conditions contained in this Offer and the City's Request for Proposals dated March 8, 2023 at the price set forth below:

\$ _____

The proposed use of the property will be: _____

How is the property intended to be developed? _____

When do you intend to develop the property? _____

How much will the proposed development increase the taxable value of the property? _____

How many jobs (both permanent and temporary construction jobs) will be created by the proposed development?

Temporary Construction Jobs: _____

Permanent Jobs: _____

Anticipated Annual Salaries/Wages of Jobs: _____

I understand that possession of the Property will be granted upon closing. Transfer of the Property will be by quit claim deed.

I also understand that closing shall be within 180 days of approval of a purchase agreement by the City Council, unless otherwise agreed to by the parties. This purchase is subject to approval by the City Council and the City reserves the right to reject any and all offers.

I am aware/not aware of any potential conflict of interest with respect to my purchase of the Property. If there is a potential conflict of interest, please state the potential conflict of interest here:

_____.

I understand and agree to the terms set forth in this offer and also in the City's Request for Proposals.

Date: _____

By: _____

Its: _____

EXHIBIT 2 – City of Lake Elmo Zoning Regulations for Business Park

Zoning District: BP Business Park/Light Manufacturing District. The purpose of the BP District is to provide areas for attractive, high quality business park development primarily for office, high quality manufacturing and assembly, and non-retail uses in developments which provide a harmonious transition to residential development and neighborhoods by: 1) Conducting all business activities and essentially all storage inside buildings; 2) Consisting of high quality and attractive buildings which blend in with the environment; 3) providing open space, quality landscaping and berming; 4) including berming and buffering of parking, loading docks and other similar functions; and 5) protecting and enhancing the natural environment; and 6) providing users with an attractive working environment that is unique in the eastern metropolitan area with immediate access to I94.

Permitted Uses:

1. Business Services
2. Business Center
3. Offices
4. Communication Services
5. Educational Services
6. Financial Institution
7. Parks and Open Areas
8. Wayside Stand

Accessory Uses:

1. Parking Facility
2. Solar Equipment
3. Other Structures typically incidental and clearly subordinate to permitted uses

Conditional Uses, Not Inclusive: (all conditional uses require a conditional use permit that must be reviewed and approved by the City Council and reviewed by the Planning Commission)

1. Colleges and Universities
2. Community Service
3. Day Care Center
4. Schools, public and private
5. Local Transit
6. Public Assembly
7. Lodging
8. Medical Facility
9. Transportation Services
10. Veterinary Services
11. Standard Restaurant
12. Fast Food Restaurant
13. General Retail Sales
14. Adult indoor recreation/entertainment
15. Indoor athletic facility
16. Light Industrial
17. Non-production industrial

18. Motor Freight and Warehousing
19. Research and Testing
20. Broadcasting and Communications
21. Wind Generator

Further information on setbacks and other regulatory requirements may be found on the City's website www.lakeelmo.org, Planning and Zoning, Municipal Code Sec. 154.550-154.555 (Article XIV) or by contacting the Planning Department at 651-747-3912.

EXHIBIT 3 – Phase 1 Environmental Assessment by Barr Engineering May 2019

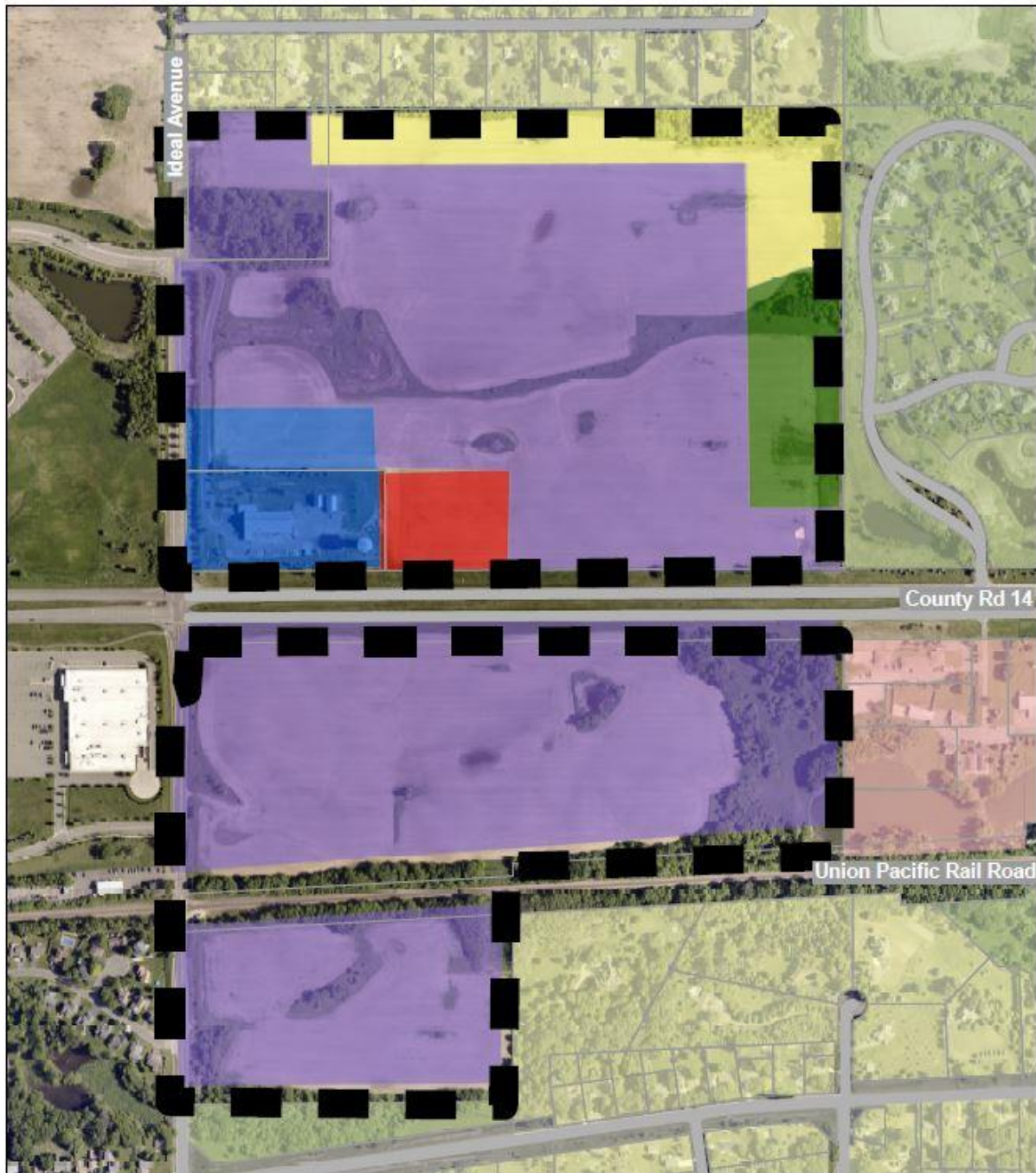
[to be added]

EXHIBIT 4 – 2022 AUAR

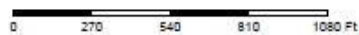
[to be added]

EXHIBIT 5-Future Land Use Map of Area

Future Land Use Map



2040 Future Land Use



Map Date: Feb 2023

