

**REQUEST FOR QUALIFICATIONS**  
**For a new multifamily workforce housing**  
**project funded in part by Minnesota**  
**Housings Workforce Housing Development**  
**Program**  
**City of Alexandria**

May 14, 2018

**Introduction:** The City of Alexandria is inviting statements of qualifications from experienced developers to participate in the development of a multifamily Workforce Housing project, including design, construction, finance, ownership and project management. The City of Alexandria wishes to engage a high quality organization for this endeavor that demonstrates strong experience with affordable/workforce housing development and show a collaborative approach to working with the community.

The proposed site which includes parcels 63-2393-000 and 63-2690-000 is owned by the Alexandria Housing and Redevelopment Authority (AHRA). The object of this development is to address the need for affordable workforce housing in the City of Alexandria.

The City of Alexandria encourages innovation in construction processes, materials and products which result in energy and environmental savings, sustainability and lowered operating costs. Information on the City of Alexandria can be found on its website: <http://www.ci.alexandria.mn.us/>.

**Site:** The current site is developer ready with access to infrastructure. These vacant parcels of land, owned by AHRA abuts the Central Lakes Trail and is adjacent to County Road 82 and Birch Avenue.

**Submittal Requirements:** Interested developers must submit one (1) electronic copy and seven (7) copies of the proposal with all required information. The proposal must be submitted via email and in a sealed envelope by the close of business (4:00 p.m.) on June 29, 2018 to:

Mike Weber  
Community Development  
Director  
City of Alexandria, MN  
704 Broadway, Alexandria,  
MN 56308  
[mweber@alexandriamn.city](mailto:mweber@alexandriamn.city)

Late responses will not be accepted unless waived or modified by the City of Alexandria, at their sole discretion. Additional information may be requested by the City of Alexandria.

Written questions regarding the RFQ can be forwarded to Mike Weber at [mweber@alexandriamn.city](mailto:mweber@alexandriamn.city)

**Scope of Services:** The City of Alexandria is seeking a developer who will assemble the comprehensive multidisciplinary team needed to bring this development to fruition. The key objectives include establishing an attractive workforce housing development that complements the existing neighborhood properties. Services provided by the Developer and/or its team members would include, but not be limited to, the following:

- Site plan
- Obtain all municipal approvals and permits and incurring all costs thereof
- Architecture and engineering
- Completion of required Minnesota Housing agency application materials
- Arrange financing and provide all required guarantees
- Construction
- Marketing

Services to be provided by the City of Alexandria will include the following, among other services:

- Work with the developer to obtain local City and/or County financing resources
- Provide letters of support
- Assist with financing applications, if desired

Below are key elements applicable to the development initiative.

Planning and Zoning: Parcel #63-2690-000 is currently zoned as R-3 (Medium Density Residential) and parcel #2329-000 is currently zoned B-1 (General Business).

Community Compatibility: Developer will be expected to design a building and site elements to be compatible with the scale and character of Alexandria and the community context. Careful evaluation of the neighborhood context is an important goal for the City. Building should be no higher than three stories above ground.

Tenure Type: The housing is intended to be a rental community targeted to the area workforce. Building design should include a variety of one and two bedroom units.

Building and Site Amenities: The building design should include an office, community room and detached garages. Laundry equipment may be located in the individual units or offer laundry facilities on each floor of the building.

Sustainability: The City of Alexandria places significant emphasis on sustainability and may require the project to be Enterprise Green Communities Certified, regardless of funding source. This should include site planning that responds to solar considerations, storm water retention, permeable pavement, and other environmental factors, use of green building materials, use of energy- efficient appliances, low-water use landscaping, and building design and operational factors that minimize energy usage.

**Timeline:** The tentative redevelopment schedule is as follows:

- Request for Qualifications (RFQ) issued May 18, 2018
- Proposal submissions due by 4:00 CST June 29, 2018
- City of Alexandria City Council consideration of proposals July 23, 2018

At a regular city council meeting on July 23, 2018, the City of Alexandria will select the developer and enter into an agreement for exclusive negotiations to formalize the expectations outlined in this RFQ. Once selected, the developer may begin securing financing. The developer must apply for financing. The City of Alexandria will enter into a development contract with the developer once the City of Alexandria has approved the project and prior to closing on the property. The City of Alexandria will work with the selected developer to determine the schedule for construction and occupancy.

**Financial Participation and Incentives:** In order to promote the development of this site, the City of Alexandria has held preliminary discussions with City staff to provide bond and/or tax increment financing/ Tax Abatement for this project.

- The City of Alexandria will work with and support development financing applications to the Federal Home Loan Bank’s Affordable Housing Program, Greater Minnesota Housing Fund, Minnesota Housing Finance Agency, Rural Development, etc.

The City of Alexandria does not have development resources available to private developers. The City of Alexandria will work with the developer to secure local resources, as appropriate.

- **Tax Exempt Bonds:** The City of Alexandria is authorized to issue tax-exempt and/or taxable revenue bonds for multi-family housing and facilities projects. Eligible uses of tax exempt bonds generally require a public purpose such as affordable housing or service facility that meets the essential function of a community. Typically the City of Alexandria acts as “conduit” issuer, in other words, the City of Alexandria uses its bonding authority to issue and sell the bonds wherein another entity such as a private or non-profit developer or a municipality uses the proceeds to finance a project.
- **Tax Increment Financing:** The City has the ability to establish a redevelopment or a housing TIF district for this site.

**Required Response Elements:** Please organize the proposal in the following manner.

Cover Letter

- Explain why your Organization should be chosen for this project.
- State your Organization’s understanding of the work to be completed.
- Provide a short summary of what your Organization would like to accomplish, including the number of units, type of construction and any exceptional conditions to be considered.

Narrative of Organization’s Approach

- Summarize how the Organization will approach this project if selected.
- Provide a detailed description of your project design with an overall site plan, building design and unit characteristics.
- Provide a statement of public benefits of the project (projected increase in tax base, job creation, increased vitality, any minimization of public subsidy, if any, etc.)
- Provide a preliminary financial plan for development and operation.
- Provide a preliminary management plan or template from similar developments.

- Provide overall project milestones and sample timeline.

Experience of Organization

- Describe the Organization's experience in financing affordable housing developments. Include the number of affordable developments with restricted units completed in last five years and the number and location of developments located in rural greater Minnesota communities.
- Describe design of three recent housing developments representative of the Organization. Provide information on any developments that are in rural areas first. Please provide the following for each development:
  - Interior and exterior photographs
  - Addresses and locations for property and indication if the property would be available for the selection committee to tour.
  - Financial project pro forma with information on rents, income categories, number and type of units, etc.
  - Overall budget, showing source of funds, use of funds, per unit costs, etc.
  - References from public and/or private housing and development agencies including agency, name, title, phone number and email address.
- Describe the Organization's experience in the development and marketing of housing projects. Include the number of developments completed in last five years and the number and location of developments located in rural greater Minnesota communities
- Identify any loans on which the Organization has defaulted during the last five years.
- Provide information on the nature, magnitude and current status of any claims or suits against any team members – individuals or firms – within the last three years in any matter related to professional activities.
- Provide a copy of your Organization's latest audited annual financial statement.

Development Team Information

- Describe the proposed development entity and identify the names, addresses and phone number of key representatives of each entity. Provide relevant qualifications and project specific experience for the principals of the development team. Identify person or persons with the authority to represent and make legally binding commitments on behalf of the team.
- Provide information on the proposed project architect. Indicate whether or not the developer has previously worked with the architect on these developments. Please identify which projects described above were designed by the proposed architect.
- It is anticipated that public involvement will be required for this project. Provide information on who will be primarily responsible for presenting the proposed project to the community. Indicate whether or not the developer has previously worked with this person/Organization on affordable and/or senior developments. Please identify the projects described above for which that individual(s) also served as the primary community liaison.

- Identify the individual(s) who will handle the day-to-day project management of the project. Identify the projects described above for which that individual also served as the primary project manager.
- Describe the development team’s experience in successfully developing housing on infill sites in cities like Alexandria.
- Describe the development team’s track record in the design and construction of housing projects within budget and on schedule.
- Describe experience with sustainable and green building development.
- Identify at least two contacts that have provided the developer with financing of the magnitude required for the proposed development. Provide name, title, company, address, phone numbers and email addresses.

Project Development Considerations

Although precise details on the project and financing are not expected at this time, proposals should include basic financial information and address key questions with respect to project approach. In addition to the information requested pertaining to previously developed projects, please provide the following:

- Describe how your Organization will determine funding sources to apply for and coordinate the timing of entitlements and construction with funding.
- Provide information on all types of financing proposed and the amount of each that the developer plans to utilize to construct this project, if known.
- Provide narrative regarding expected use of City funds.
- Describe the Organization’s financial contingency if any funding source should fail to provide anticipated financing.
- Describe how the developer will address a situation where there has been a substantial increase in development costs and an example of a decrease in development costs and how each was addressed.
- Provide examples of the Organization’s previous work to incorporate sustainable features.

**Selection Process:** A review team will evaluate the developer submittals. The review team may require a presentation from the most qualified applicants. References will be checked and sites may be toured. The selected developer will enter into development agreement.

**Evaluation Criteria for Qualifications:** Submittals will be evaluated based upon the following criteria, totaling 100 points.

**Capability and Depth of Expertise (30 points)**

- Depth of professional expertise of development team proposed key personnel as it relates to the redevelopment initiative

- Developer’s ability to address how the skill levels, experience, and expertise of proposed staff relate to the project
- Developer’s financial strength, ability and time to access financial resources to complete this project in a timely manner

**Project Approach (30 points)**

- Developer’s description of the tasks, activities and/or methodology that will be used to provide the required services in a timely, complete and high-quality manner
- Demonstrated ability to meet project schedules, budgets, and clearly identify milestones and resources needed to complete the redevelopment
- Project Financing Concept

**Past Performance (25 points)**

- Demonstrated experience in providing services similar to the complexity and scope of the project
- Demonstrated experience working with community stakeholders and public/private partnerships for similar projects
- Demonstrated design excellence and awards for design and/or development that also incorporates sustainability features.
- References

**Other Factors as determined by the City of Alexandria (15 points)**

- Knowledge of City of Alexandria, processes, procedures and policies as related to sustainable development and multifamily housing
- Completeness and quality of proposal materials
- Responsiveness to RFQ

**Disclaimer**

Applicants are encouraged to conduct their own due-diligence investigations of conditions that may affect the property and their plans, and not to rely solely on information contained in the RFQ.

The City of Alexandria reserves the right to amend or terminate this RFQ process and to cancel any negotiations involving this RFQ at any time. Neither the City of Alexandria nor any of its representatives is liable for any costs incurred in replying to this RFQ.

**Exhibits**

- Alexandria Housing Needs Study
- City of Alexandria Comprehensive Plan
- Plat map