

REQUEST FOR PROPOSAL

RICE COUNTY, MINNESOTA HOUSING DEVELOPMENT

PROPOSALS DUE NO LATER THAN:

June 29, 2022

Time: 4:00 p.m.

REQUEST FOR PROPOSALS

RICE COUNTY, MINNESOTA HOUSING DEVELOPMENT

The Rice County Housing and Redevelopment Authority (HRA) is soliciting proposals for a developer of single-family homes for sale in Faribault, MN. The goal of this project is to create a mixed-income neighborhood that would include at least 6 homes that will be affordable to modest income, first time homebuyer families. In partnership with Rice County and Three Rivers Community Action, Inc. the selected housing developer/builder will join a planning team that will assemble a funding package that includes an application to Minnesota Housing Finance Agency (MHFA) in July 2022 for down payment assistance and value gap financing, as well as County/City local resources. This project will play a key role in meeting the needs of families in the Faribault workforce that are seeking homeownership opportunities that they can afford.

County Profile

Rice County (“County”) is located in Southern Minnesota just 50 miles south of the Minneapolis and St. Paul metropolitan area. The County encompasses an area of 516 square miles and contains 7 cities and 14 townships. According to the 2010 Census, the two largest cities in Rice County are Faribault with a population of 23,352, and Northfield with a population of 20,007. Rice County has a total population of 67,097, which is the State's 13th most populous county. Rice County was organized on March 5, 1853, and is governed by the general laws of the State of Minnesota. The cities of Faribault and Northfield comprise slightly less than half of the County's total taxable value.

Scope of Work

The successful project will create the following:

- Provide affordable housing opportunities for persons and large families up to 115% area median income
- Encourage the most efficient use of the location
- Establish a quality of sustainable design that will set a standard for future development in the area and integrates well with the current surroundings
- Create a project that contributes to the goal of workforce housing community
- Implement innovative solutions/alternatives to address and reduce construction costs and on-going maintenance for homebuyers

Zoning and Land Use: The site is currently zoned as Low Density Residential. Could potentially be re-zoned to Medium Density Residential if needed.

Utilities/Planned Roadway and Infrastructure Improvements: The site is served by municipal water, sanitary sewer and storm sewer. Electricity and gas are provided by Xcel

Energy.

Developer will be responsible for the partial construction of a street on Outlot B, from entry on Ames Trail through their development site.

Potential Development Design Guidelines

Affordable four-bedroom units for large families. Style can be row homes, twin homes, or detached homes. In conjunction with the local design requirements - [Unified Development Ordinance](#).

All units must meet visitability unit design required under [Minnesota Statute Section 462A: 34](#) and comply with [2022 Minnesota Overlay to the 2020 Enterprise Green Communities Criteria](#). At least one unit must meet [Universal Design Standards](#).

Assistance

Rice County could donate up to 1.5 acres on the westerly side of attached Outlot B. Actual size will depend on determined need. Tools that could be deployed to ensure affordability may include fee waivers and TIF district to be negotiated with selected developer and the City.

Three Rivers Community Action, Inc.'s [Housing Development Division](#) is made up of experienced professionals that ensure each housing project created meets the unique needs of low-income families and individuals. Since the late 1990's, Three Rivers has created hundreds of affordable housing units in Minnesota in collaboration with the local community, private partners, and local government. The organization has extensive experience in cultivating partnerships with state, federal and local funders, creating innovative housing projects and developing strong long-term relationships with local cities, counties/townships, and community leaders. Under single-family homes Three Rivers has developed 101 new homes and rehabbed 375. Three Rivers' also has operated an Affordability Gap down payment assistance program partly funded by MHFA's Impact Fund since 2008. Three Rivers' has assisted over 250 homebuyers in SE Minnesota through this program.

Three Rivers will apply to MHFA's [Community Development Impact Fund 2022 Single Family Request for Proposal](#) for Value Gap and Affordability Gap assistance for the project. Three Rivers will work with selected Developer to estimate construction cost and set price point for homes for the project's Impact Fund application.

Development Team Capability

- Experience with affordable homeownership housing development projects of similar size and complexity
- Ability to finance projects of similar size and complexity
- Experience with public/private real estate development projects
- Experience of Key Project Team Members

Program and Preliminary Design

- Extent to which the proposal addresses the goals and objectives of this RFP
- The level of investment in the project.

Proposal Requirements

The proposal must contain the information provided below. The County reserves the right to seek clarification of responses and waive minor irregularities and informalities.

Developer Information

- Developer name and contact information, including e-mail addresses
- The name of the individual who will have primary responsibility for this project
- Ownership (corporation, LLC, partnership etc.), name of owners/officers, number of years in business under this name, scope of business (development, property management, consulting services etc.), and location of primary office and subsidiary offices.
- List projects, similar in size and scope, completed within the past 5 years, including location, approximate size, cost (land, hard costs and soft costs), overview of project financing, including any public involvement, and the name of the individual who managed the project
- Photo of each project referenced above
- Any litigation with which your company/organization has been involved over the past five years, including issues and outcomes

Development Team

Identify and provide brief resumes for key members of the development team including the project manager, the architect, consultants, sub consultants, financial partners, and lenders, if known.

Project Cost/Financing

Provide a preliminary estimate of construction costs and any other development costs (financing,

marketing, etc.). Provide an estimate for the market value of the completed project's units and reasoning behind your estimate and identify the project's Value Gap need. Ideally purchase price of each unit will come in under MHFA's Start Up acquisition cost limit currently set at \$349,500. Explain how interim costs will be financed.

Do you plan on securing in-kind contributions (volunteer labor, donated materials) for this project?

What kind of cost containment measures will you take to reduce the total development cost?

Development Program and Design

Provide a narrative describing what you may see as unique challenges for this development, along with the approximate size of the project expressed in square feet, number of homes, affordability of homes, and any innovative construction methods (modular, cross-laminated lumber, etc) used.

Proposers must include supplemental collateral materials including architectural plans/specs that demonstrate their vision for the project.

Schedule

Provide a preliminary timeline identifying key milestone dates in the development process.

Sale

Provide your plan to sell single-family units to families with incomes at or below 115% area median income. Target buyers are diverse households and households at less than 80% of area median income.

Bankruptcy/Litigation

Please indicate whether you, a parent corporation or any subsidiary or affiliated entity has defaulted on a loan or other financial obligation or filed for bankruptcy or had an involuntary bankruptcy, within the past five years. Please indicate whether you, a parent corporation or any subsidiary or affiliated entity are party to any criminal or civil litigation that could potentially impact your financial capability to undertake a project.

Evaluation of the proposals will include the factors specified below:

Relevant Developer and Project Team Experience	25 Pts.
General Quality and Responsiveness of the Proposal	25 Pts.
Affordability of Housing Units	25 Pts.
Project Design & Feasibility	25 Pts
Total	100 Pts.

Selection Process

Proposals will be reviewed by an Evaluation Committee. They may establish an interview short list. Based on the quality of the proposal and the interview, the Committee will recommend a developer for the site. The recommendation will be submitted to the Rice County Commissioner Board. The County will be asked to enter into an exclusive negotiation, option or similar agreement with the developer for a specified period of time. During this time period, the County will negotiate the terms for any necessary Agreements for the project. Agreements will be presented to the County Commissioners for final approvals

Process

The development of Outlot B will be overseen by Rice County. The primary contact for the study will be: Joy Watson, Director of Housing, 320 3rd St NW, Faribault MN, 55021; telephone 507-333-3782; email jwatson@co.rice.mn.us

Timeline for Study Process

- | | |
|--|-------------------|
| ● HRA Publishes RFP | June 15, 2022 |
| ● Responses due from contractor/developers | June 29, 2022 |
| ● HRA Meets and selection made | July 5, 2022 |
| ● Submit MHFA Application | July 8, 2022 |
| ● MHFA Board meets to approve selections | December 15, 2022 |

Timeline dates are tentative and can be changed to accommodate schedules.

In addition to publishing this RFP through local print media sources, the HRA reserves the right to submit electronic and/or hard copies of this RFP through direct solicitation of proposals from qualified firms so as to ensure that a sufficient number of qualified proposals may be received for consideration of acceptance by the HRA.

Proposal Contents

1. The complete submission in response to this RFP must be delivered to the HRA as both an electronic Word and PDF files. Email to jwatson@co.rice.mn.us
2. **Proposals must be received at the HRA office on or before 4:00 p.m. on June 29th, 2022.**
3. A complete submission must include:
 - Narrative response to RFP
 - Brief statement of qualifications, including summary of key personnel who would be assigned to the project
 - Information for the firm's primary contact including phone number and email address
 - List of references for similar projects (minimum of three references)
 - Certificate of professional liability or other required/requested insurance coverage
 - Architectural Plans/Specs
4. Rice County HRA reserves the right to accept or reject any or all proposals, to waive any defects or to advertise for new proposals where the acceptance, rejections, waiving or advertising of such would be in the County's best interest. The HRA reserves the right not to award contracts to the lowest and most responsive offeror, and may reject all Proposals

without cause and require new proposals.

5. Only sealed, hard copy proposals received by the HRA will be accepted; proposals submitted by telephone, telegram, facsimile machines or e-mail are not acceptable. Proposals received in advance of the due date will be kept secure and unopened. No proposal received after the due date and time will be considered and will be returned unopened.

General Requirements

1. The issuance of this RFP constitutes an invitation to submit proposals. It is not considered a request for bids or as an offer to contract, but only as a means by which the HRA can facilitate the acquisition of information related to the purchase of services. Any proposal submitted constitutes a suggestion to negotiate and not to bid.
2. All costs of the proposal preparation and submittal shall be borne by the organization submitting a response.
3. The HRA reserves the right to reject any or all responses and/or issue another RFP for this proposed service. The contents of all proposal will be managed pursuant to Minn. Stat. §13.591 subd. 4 and will be nonpublic information until completion of the evaluation process.
4. Rice County HRA reserves the right to amend this RFP at any time.
5. Each proposer must be compliant with all applicable federal, state and local laws and regulations.
6. The contents of the proposal of the successful bidder may become contractual obligations, if a contract ensues. Failure of the provider to accept these obligations will result in rejection of the proposal.
7. All proposals, once submitted, and any and all associated documents, data, files, information, become the property of the HRA. They will not be returned to the proposer. By submitting a proposal, the proposer agrees that HRA may copy the proposal for purposes of facilitating the evaluation or to respond to requests for public information. The Proposer consents to such copying by submitting a proposal and warrants that such copying will not violate the rights of any third party, including copyrights.
8. The Proposer affirms that to the best of their knowledge, this proposal does not present a conflict of interest with any party or entity, with may be affected by the terms of any future contract
9. Interviews and demonstrations may be scheduled with Proposers to determine the most appropriate Proposer to whom the contract should be awarded and to enter into negotiations with Proposer in order to arrive at a contract the County deems in its best interest.

10. By submitting a proposal, the Proposer certifies that it is the only party interested in its proposal, and that its proposal is made and submitted without fraud or collusion with any other person, firm or corporation. Rice County HRA reserves the right to disqualify any proposal, before or after opening, upon evidence of collusion with intent to defraud, or other illegal practices upon the part of the Proposer, or for noncompliance with the requirements of the Request for Proposals.

Minnesota Government Data Practices Act

1. Pursuant to Minnesota Government Data Practices Act, Minn. Stat. § 13.591, the names of all entities that submitted a timely Proposal to the HRA will become public once the Proposals have been opened. All other information contained in the Proposals remains private until the HRA has executed a contract with the selected Proposer. After a contract has been executed, all information in all of the Proposals is public, except “trade secret” information as defined at Minn. Stat. § 13.37, and as specifically identified to the HRA as “trade secret” or “confidential business information” by the Proposer.
2. Requests for release of information held by the HRA are subject to the provisions of the Minnesota Government Data Practices Act. Minn. Stat. Ch. 13. Proposers are encouraged to familiarize themselves with these provisions before submitting a proposal.
3. All information submitted by a Proposer eventually will be treated as public information by the HRA unless the Proposer properly requests in its Proposal, and the HRA agrees, that information be treated as private or confidential. A Proposer making such a request must include the name, address and telephone number of the individual authorized by the Proposer to answer inquiries by the HRA concerning the request. The HRA reserves the right to make the final determination of whether the data identified in such a request is private or confidential within the meaning of the Minnesota Government Data Practices Act. A Proposer’s failure to request private or confidential treatment of information pursuant to this Section will be deemed by the HRA as a waiver by the Proposer of any private or confidential treatment of information included in the proposal.
4. The HRA may discontinue its negotiations after commencing negotiations with a finalist, if progress is unsatisfactory, and commence discussions with another Proposer. The HRA may rescind the award of any proposal within one week thereof or at its next regularly scheduled Board meeting, whichever is later, when the public interest will best be served by such action.
5. Following the acceptance of a proposal, the HRA reserves the right to further negotiate the terms and conditions of the work requirements and the form of the contractual agreement with the firm chosen to provide the services as requested in this RFP.

Contact Information

1. Proposals must be received at the HRA office on or before 4:00 p.m. on June 29, 2022.

2. Proposals made in responses to this RFP must be submitted to:
Joy Watson
Director of Housing
Rice County HRA
320 NW 3rd Street
Faribault, MN 55021
jwatson@co.rice.mn.us

3. Rice County HRA is an Equal Opportunity Employer and Equal Housing Opportunity Provider