

# Request for Proposals (RFP) for the Sale of City Owned Real Estate

#### **General Instructions**

Responses submitted must provide complete information as indicated in this request. Please submit eight (8) print copies or one electronic copy by 4:00 p.m. on September 29, 2023 to:

City of Hutchinson Attn: Matt Jaunich 111 Hassan Street SE Hutchinson, MN 55350-2522

Questions and inquiries regarding this request should be directed to:

Matt Jaunich City Administrator 111 Hassan Street SE Hutchinson, MN 55350-2522 (320) 234-4241 Email to: mjaunich@hutchinsonmn.gov

DO NOT call members of the Hutchinson City Council with questions about this RFP. All inquiries should be directed to the designated staff member.

The City will not reimburse any expenses incurred by Respondent(s) including, but not limited to, expenses associated with the preparation and submission of the response and attendance at meetings.

The City reserves the right to reject any and all responses and to request additional information from any and all individuals/companies.

#### **SCHEDULE** (subject to change):

July 31, 2023 – RFP available to interested parties September 29, 2023 – All proposals are due by 4:00 p.m. October, 2023 – Evaluations and negotiations on proposals (City may want to meet with Individuals/Companies) October 24, 2023 – Council direction to negotiate a Sale(s) of the Real Estate – Council Meeting November 14, 2023 – Council consideration of a Purchase Agreement – Council Meeting December, 2023 – Closing on Properties

# **PURPOSE OF RFP**

The Hutchinson City Council is accepting formal written proposals for the sale of the City-owned properties located at 44 Washington Avenue West (former Emergency Operations Center), 10 Franklin Street SW (former Police Station), and 28 Franklin Street SW (parking lot south of Police Station) in Hutchinson, MN 55350.

The City Council seeks an offer to buy these properties including information on the interested party and their planned use. This information will help the City Council to evaluate any potential purchase offer more completely. It is the City Council's desire to provide for a transfer of the ownership on these properties for the betterment of the City and community and their consideration of each proposal will not solely be based on the sale price.

# **BACKROUND ON PROPERTIES**

The City is looking to sell these properties due to the construction of a new Police Station and the no longer use of these properties for City operations. All properties are located in downtown Hutchinson and are currently zoned C-3 (Central Commercial). Allowed uses within this district include, but are not limited to, that of trade and service-type businesses, retail stores, cultural facilities, offices, restaurants, theaters and the like. Questions on specific uses, both allowed and conditional, can be directed to the City's Building/Planning and Zoning Director, Dan Jochum at djochum@hutchinsonmn.gov.

Information on Hutchinson's Downtown and its future "Vision Plan" can be found here: rptimaginehutch.pdf (hutchinsonmn.gov)

44 Washington Avenue West (former Emergency Operations Center) - Site #1

County PID #: 23-050-0660 Building Square Footage: Ground Floor – 3,520; Gross Building – 5,290 Lot Size: 44 x 80

The building is a one-story, steel-frame building with brick veneer and stucco exterior. It is a storefront/downtown office type building. The building has three separate mezzanine areas, which are currently used for storage and office space. The north portion of the building is set up as an emergency operations/call center, with a large, tiered open area flanked by restrooms, offices and storage. The south portion of the building is used as office space. The property has no on-site parking. The mezzanines are only accessible via a staircase.

10 Franklin Street SW (former Police Station) - Site #2

County PID #: 23-050-0720 Building Square Footage: Ground Floor – 9,511; Gross Building – 14,078 Lot Size: 132 x 132

The building is a one-story, wood-frame office building with a full basement, an attached heated, twostall garage, and one detached, unheated one-stall garage. The structure has a brick veneer and stucco exterior and asphalt shingled roof. As the previous police station, the building has greater security measures than is typical for an office/storefront-type building. The site also includes about 15 on-site parking stalls and a generator.

Please note that the generator on the site of 10 Franklin Street SW also provides backup power to the building at 44 Washington Avenue West. Both buildings are also connected by fiber. The City will have a conversation with the buyers of the two sites on whether or not there is a need to eliminate the connection

of power and fiber between the two buildings. Also, the six-stall garage/shop located along the alley is being kept by the City and will not be included in the sale of any of these properties.

28 Franklin Street SW (Parking Lot) - Site #3

County PID #: 23-050-0740 Building Square Footage: NA Lot Size: 66 x 132

This site is the parking lot directly south of the former police station. The current configuration allows for about 10-12 parking stalls.

# SPECIFICATIONS OF THE RFP

Responses to this Request for Proposal (RFP) should provide the City with the information needed to assess, evaluate, and select a buyer for the properties that the City Council feels will provide the best overall value to the downtown and community as a whole. Respondents to this RFP will have the option to provide a proposal for one, two, or all of three of the sites listed. The City Council may or may not agree to sell the sites individual, together, or some sort of combination of together/individually.

# SPECIFIC PROPOSAL PREPARATION INSTRUCTIONS

Proposals should be as thorough and detailed as possible so that the City may properly evaluate the capabilities of the buyer(s) who is/are interested in the sites. The individuals/companies shall submit one (1) original and seven (7) copies of their proposal or one (1) electronic copy.

<u>Please submit your proposal to purchase on the enclosed forms</u>. Please note that your proposals must include the following information:

- 1) Name and address of individual/company and project contact person, with address, telephone number, and email address.
- 2) Summarize your planned use for the property:
  - Type of business or use to be housed at the location(s)
  - Buyer's experience with the business or used planned to be located here
  - Timeline to start operations at this location providing that closing occurs in December of 2023
  - Number of expected full and part-time employees and/or users
  - State why you think this business or use will have a positive impact on Hutchinson's downtown and the community
- 3) What exterior modifications are you planning to make to the building? Please provide conceptual images of the potential changes including signage.
- 4) Provide the specific amount you are offering to purchase the property including:
  - The specific amount of earnest money you are willing to pay at time of entry into a purchase agreement
  - Credit references and/or pre-approvals sufficient to verify you have the financial resources necessary to fund the purchase and/or remodel of the building(s).

# TOURS OF THE BUILDINGS

Two options for tours of the building by interested bidders will be provided on Thursday, August 24 at 4:00 p.m. and Thursday, September 7 at 4:00 p.m. Interested parties or their representatives are encouraged to attend on either or both of these dates/times. Please email <u>mjaunich@hutchinsonmn.gov</u> to reserve your time for the tour and provide the names of all attendees and the organization you represent. Other tours will be available by appointment only.

# **EVALUATION CRITERIA**

Proposals will be judged according to the following criteria:

- Positive impact/fit on Hutchinson's downtown and the community
- Number of jobs created or maintained
- Purchase price
- Buyer's experience with the proposed use

# PUBLIC RECORD

Proposals received will become the property of the City. All responses are subject to public disclosure under Minnesota's Government Data Practices Act. Any information provided to the City will be disclosed to the public in accordance with Minnesota's Government Data Practices Act.

#### **RFP ADDENDA**

The City may determine it is necessary to revise any part of this RFP. Revisions will be made by written addenda and it is the respondent's responsibility to understand and comply with any addenda to this RFP. Addenda's may be posted on the City's website, <u>www.hutchinsonmn.gov</u>, or respondents will be notified of any in advance of the RFP deadline.

#### MISCELLANEOUS

Deadline for receipt of the proposals by the City Administrator's office is 4:00 p.m. on September 29, 2023. Proposals must be submitted in writing using the contact information on the following pages of this document.

All qualified submissions received by the deadline will be analyzed by the City according to the criteria outlined in this RFP. Failure to comply with the provisions of the RFP may cause a proposal not to be considered.

The properties will be sold "as is". It is the responsibility of the proposed buyer to understand the zoning ramifications of any new use to the sites. Purchase of the sites does not guarantee automatic rezoning and buyers should understand those needs when submitting their proposal. It is the desire of the City to complete the sale of the properties (including closing) by the end of 2023. However, there is no rush by the City to meet this timeline.

The City reserves the right to reject any and all proposals for any reason, and to waive any informality or minor defects in the proposals received. The City Council shall be the sole judge of the proposals, and the resulting negotiated purchase agreement that is in its best interest of the City, and its decision shall be final.



# FORMER POLICE STATION/EOC BUILDING/PARKING LOT PURCHASE PROPOSAL FORM

Please accept the following information as my formal written proposal for the purchase of City-owned property.

Legal Name of	company/individ	ual submitting Proj	posal:	 
Address:				 
Contact #:				 
Email:				 
Name and title of	of person submitt	ing the form:		 

Property you are submitting a proposal on (can select more than one):

	44 Washington Ave. West	10 Franklin Street SW	28 Franklin Street SW	All 3
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Provide a summary of your planned use for the property (additional sheets may be attached if needed):

- Type of business
- Buyer's experience with the business or planned use
- Timeline to start operations (based on closing in December of 2023)
- Number of expected full and part-time employees and/or users
- Information on why you think this business or use will have a positive impact on Hutchinson's downtown and the community

Identify any proposed exterior modifications you plan to make to the building(s) (conceptual images should be attached separately to the submission form):

Property Purchase Offer Amount: \$\_\_\_\_\_

Earnest Money Amount: \$\_\_\_\_\_

Have you attached credit references sufficient to verify you have the financial resources necessary to fund the purchase and/or remodel of the building? \_\_\_\_\_ Yes \_\_\_\_\_ No\* \*Failure to do so may eliminate your proposal from consideration

Signature of person authorized to submit proposal on behalf of the company/individual named above:

Signature

Date

All written proposals must be received by the City Administrator's office by no later than 4:00 p.m. on September 29, 2023.

For additional information regarding this RFP, please contact:

Matt Jaunich City Administrator 111 Hassan Street SE Hutchinson, MN 55350-2522 (320) 234-4241 Email to: mjaunich@hutchinsonmn.gov