

# 1570 WHITE BEAR AVENUE

## **Request for Offers for Purchase and Development**

Release date: October 5, 2022

Deadline for submission of complete responses: December 5, 2022 at 4:00 p.m.

Project website: stpaul.gov/1570WhiteBearAve



#### 1570 WHITE BEAR AVENUE

#### A development opportunity on Saint Paul's East Side

The Saint Paul Housing and Redevelopment Authority (HRA) is soliciting offers for the purchase and redevelopment of 1570 White Bear Avenue, a 2.18-acre, vacant parcel on a major commercial corridor with good transit access in the Greater East Side area of Saint Paul (see <a href="Attachment C">Attachment C</a>. A drone video is posted at <a href="stpaul.gov/1570WhiteBearAve">stpaul.gov/1570WhiteBearAve</a>).

The site offers proximity and access to parks and natural amenities (including the Hayden Heights Recreation Center, the Hayden Heights Library and the Furness Parkway Trail), the commercial districts along White Bear Avenue and the upcoming development of the former Hillcrest Golf Course site, now known as "The Heights", which proposes to bring 1,000 jobs, more than 1,000 housing units (including options affordable to low- and moderate-income households) and the development of new parkland to the neighborhood.

The Greater East Side (District 2) Community Council (see Attachment G for Neighborhood Profile) is eager to support redevelopment of this section of the White Bear Avenue. The neighborhood vision for the area is for a mix of uses, including housing for all ages, incomes, family types and



household sizes. Commercial and mixed-use proposals will be considered, with a priority for offers that include affordable housing, multiple bedroom units, an active, ground-floor use, job creation, elements that promote environmental sustainability and space for community use. A plan for development of the full parcel is highly encouraged.

The 2040 Comprehensive Plan supports higher density development in the area to take advantage of proximity to nearby commercial and residential development, as well as the transit and amenities found along and near the White Bear Avenue corridor. The City may be amenable to rezoning the site depending on the merits of the project proposal and consistency with the 2040 Comprehensive Plan. Project massing, height, scale, and design must transition appropriately to surrounding development. The 2040 Comprehensive Plan can be found at <a href="stpaul.gov/2040plan">stpaul.gov/2040plan</a>. Greater East Side District and White Bear Avenue Small Area Plans are included as <a href="https://example.com/Attachment F.">Attachment F.</a>

The East Side is home to a growing, diverse community that has long been waiting for development at the former Hafner's site. This project will invigorate and revitalize our Greater East Side neighborhoods and business corridor along White Bear Avenue East. Neighbors can't wait to see the proposals that come through the RFP process and to be a part of shaping the future progress of the East Side of Saint Paul.

- Nelsie Yang, Ward 6 City Councilmember



### INSTRUCTIONS FOR SUBMITTING AN OFFER

All required materials must be emailed to Daniel Bayers (<u>dan.bayers@ci.stpaul.mn.us</u>) by 4 p.m. on Monday, December 5, 2022. A complete submission will include:

- HRA General Application (see <u>Attachment H</u>)
- · Proposal narrative, including mix of uses
- Conceptual site plan
- Offer price
- Development timeline
- Preliminary Sources and Uses budget, including total development cost
- Experience and qualifications of developer, including development team bios
- Brief community engagement plan

Please note that email attachments over 20 MB cannot be received. Applicants may choose to submit their application materials by providing a link to files hosted on a cloud storage service (i.e Dropbox, Google Drive, etc.). Please contact Daniel Bayers with any questions or concerns about the submission process or to confirm receipt.

The sale will fall under the requirements of the Disposition of HRA Owned Real Estate Policy (see <u>Attachment E</u>), including Vendor Outreach Program and Affirmative Action. Other compliance programs may also apply. A copy of this policy is available at <u>stpaul.gov/HRA</u>. Additional conditions also apply (see <u>Attachment I</u>).

A request for offers on this property will be on the City's website, early notification system (ENS) and on the property via a sign. Notification will also be provided to the District Council.

The property will be listed from October 5, 2022 to December 5, 2022, at a minimum. PED staff expects to begin reviewing offers approximately two weeks after the deadline.

### PROPERTY DETAILS

Property address: 1570 White Bear Avenue N (Lot 1 Block 8 of Hillcrest Center Plat 2)

**PIN:** 23-29-22-22-0124 (see <u>Attachment B</u>)

**Lot size:** Approx. 271 x 360 feet, total area of approximately 84,850 square feet (2.18 acres)

**Current use:** Vacant. Last used as a bowling alley and convention center.

**Current zoning:** B2 - Community Business District. This zoning allows a range of commercial and mixed residential/commercial uses, including most retail and office types, institutional uses, reception halls, and restaurants. Mixed residential/commercial uses may not exceed 50% residential on the first floor and may be all residential above in this zoning district.

**Soil condition:** An underground storage tank leak occurred during the property's former use as a gas station, resulting in contaminated soils and groundwater in the southwest quarter of the site. The MPCA issued a closed status in 1995. Recent recommendations following a Phase I and Phase II Environmental Site Assessment (2021) are to enlist the site in the MPCA's Petroleum Brownfields Program and/or the Voluntary Investigation and Cleanup Program, and to draft a Response Action Plan once a development plan is prepared. More information regarding environmental considerations can be found in Attachment D.

#### REVIEW OF OFFERS

Upon review of offers, PED staff may forward a recommendation to the HRA Board of Commissioners to award tentative developer status to a specific proposer. The designation of "tentative developer status" means that the HRA has tentatively approved of the developer and the proposed project and will not negotiate with any other entity for the property while the developer diligently pursues the completion of all conditions required by the HRA Board in award of the designation. Typical conditions may include design plans for the project; completion of a market study; environmental investigations; evidence of financing; and negotiation of a development/purchase agreement with PED staff, subject to HRA Board approval.

The HRA is under no obligation to sell the property. The HRA reserves the right to reject any and all offers to purchase. An application fee will be due, as outlined in the attached disposition policy, upon awarding of tentative developer status.

A final development/purchase agreement for the property must be approved by the HRA Board after a public hearing. The time to closing in the Development Agreement would typically not exceed one year. The HRA would then transfer property to the selected developer by Quit Claim Deed, in "as is" condition, under the terms of the Development Agreement.

### SELECTION CRITERIA AND TIMELINE

Within approximately two weeks of the response deadline, the HRA staff will begin reviewing offers that have been received and may contact proposers as needed for additional information.

Staff will evaluate proposals using the following criteria:

- 1. Proposed uses; commercial space including the type and number of jobs; types and number of housing units
- 2. Projected property tax revenue produced
- 3. Offer price
- 4. Experience and qualifications of developer
- 5. Financial feasibility of the proposed project
- 6. Compatibility with Saint Paul's 2040 Comprehensive Plan, Greater East Side District Plan and Vision, and White Bear Avenue Small Area Plan (see <u>Attachment F</u>)

The Greater East Side neighborhood is excited about the potential and opportunities for development the site formerly known as "Hafner's" holds. Located on our "Main Street" (White Bear Avenue), development on this site is key to the revitalization of the area.

- Lisa Theis, Executive Director of the Greater East Side Community Council



