



**Request
for Proposal**

for

Building Development Services

**City of Chisholm –
Mixed-Use Facility**

June 11, 2021

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1. Overview

1.1 Intent

This is a Request for Proposal (RFP) by City of Chisholm for:

Building Development Services

City of Chisholm, Essentia Health, St. Louis County– Mixed-Use Facility

The intent of this RFP process is to identify real estate development firms capable of successfully owning, leasing, financing, planning, designing, constructing, and managing a 4,000 – 7,000 sf mixed-use office building with primary care tenants along with potential additional tenants. Primary tenants will include Essentia Health and St. Louis County and/or one of its primary partner agencies. The primary tenants are projecting the need for a minimum of 3,000 square feet. The city is requesting the developer to identify and propose additional tenants that will complement the services provided by the primary tenants. Such tenants could include complementary health services or food service businesses.

1.2 City of Chisholm

Chisholm is situated near the center of Minnesota, Mesabi Iron Range, located about two hundred miles north of Saint Paul and Minneapolis and about one hundred miles south of the Canadian Border. Chisholm is easily accessible via both Trunk Highways 169 and 73.

Chisholm has a mix of industry, including Delta airlines as one of the major employers with a Delta Call Center located adjacent to the potential building site. Hibbing Taconite employs 700 seven miles from the City of Chisholm. Other industry includes long term care facilities, manufacturing companies, secondary supply companies to the mining industry, and educational facilities.

Chisholm has much to offer: Chisholm Iron Trail Campground; Redhead Mountain Bike Park; disk golf course; many parks including a skate park; bocce ball court; tennis/volleyball/basketball courts; Field of Dreams Baseball field in honor of Doc "Moonlight" Graham; baseball/softball/football fields; curling club; hockey/skating facilities; walking/biking trail around Longyear Lake with fishing docks and a boat landing.

Chisholm also includes: a historic main street; Iron Range Veterans Memorial; MN Museum of Mining; Minnesota Discovery Center; and each summer the St. Louis County Fair. Many lakes, woods, snowmobile trails, ATV trails, cross country skiing trails, hiking trails, and golf courses are all within a half hour drive in the area. The City of Chisholm is surrounded by 320,000 acres of the Superior National Forests, 500 lakes and rivers, and the backdrop of three major watersheds and the continental divide along with many scenic opportunities for exploration.

1.3 Project Background, Goals and Objectives

There is a current need to provide health and human services in the Chisholm area. Essentia and St. Louis County have partnered to develop a concept for the provision of needed services through a shared building offering health and human services. They and/or their primary partner agencies will be the primary tenants in a mixed-use facility (“Project”) that consists of three main components: clinic, public health and/or human service offices, and possible food service offerings. The clinic will serve the City of Chisholm and surrounding communities with primary care services. The City, Essentia, and St. Louis County have been working with the Department of Iron Range Resources and Rehabilitation in regard to project support.

A proposed 2.8-acre development site has been acquired by the City of Chisholm from Delta Airlines. The site will be split into two parcels. Parcel A will be 1.6 acres and will include the clinic, county offices and other tenants. Parcel B is 1.2 acres and will have a proposed 10,000 square-foot childcare facility development. Site improvements for the 2.8 acres will be funded by the City of Chisholm to make the development parcels shovel ready for building construction. The city’s timeline for a completed facility is May 2022.

The site is zoned retail business, permitted uses include; office-financial uses, health-medical uses, retail shopping uses, accessory and special uses in business district. The setbacks to the parcel are 35 feet for the rear yard and 25 feet for the front yard.

1.4 Preliminary Project Space Estimates

Essentia Clinic	1,500 sf
Human Services Space	2,500 sf
Potential Food Service	TBD
Other	TBD

1.5 Project Financing

- Developer is expected to finance the planning, design and construction of the facility.
- City of Chisholm will be applying for grant opportunities for infrastructure and site improvements. Eligible costs include; utilities, civil sitework, parking lots, landscaping, etc. The developer is responsible for costs beyond grant funding.
- Tenants will provide capital for FF&E

1.6 Preliminary Project Schedule

July 2021	Developer selection
August 2021	Developer construction and tenant proposal review and acceptance

August 2021	Developer and tenant lease negotiations
August 2021	Proposed tenant lease approval
Fall 2021	Development agreement City of Chisholm
Fall 2021	Construction design/plan finalize
Fall 2021	Construction begins
May 2022	Facility open.

1.7 Project Team

The selected Developer and its team will be expected to work collaboratively with Essentia Health, St. Louis County and its team in delivering the project. Currently, but subject to change, the project team consists of the following:

City of Chisholm RFP Coordinator	Stephanie Skraba
Essentia Health RFP Coordinator / Project Officer	Tammy Kritzer
St. Louis County RFP Coordinator	Brian Fritsinger
Iron Range Resources & Rehabilitation RFP Coordinator	Chris Ismil
Range Mental Health	Janis Allen
Developer	TBD
Architect for Shell	
Construction Contractor	

2 Invitation to Submit Proposals

2.1 Invitation

Vendors are invited to submit proposals to provide the following services:

2.2 Schedule for Selection Process –

June 11, 2021	Distribution of RFP to Vendors
June 16, 2021	Site Visit and RFP Q&A
July 1, 2021	Proposals Due
July 7, 2021	Selection of Short-listed candidates
July 19, 2021	Interviews with Short-listed candidates
July 28, 2021	Recommendation for developer to Chisholm City Council

2.3 Responses and Due Date

2.3.1 Deliver one (1) e-mail of Proposals in PDF format to the address below:

Stephanie Skraba, City of Chisholm
 sskraba@ci.chisholm.mn.us

2.3.2 City of Chisholm must receive Proposals along with associated documentation

no later than 5:00 pm on the day date specified in Section 2.2. No extensions will be allowed and any submittals received after the stated date and time will be returned to the vendor.

- 2.3.3 Proposals must be submitted electronically to the email address specified in Section 2.3.1 with the subject line: [FIRM NAME] Proposals for Mixed-Use Facility Development.

2.4 Questions, Changes and Clarifications to RFP

- 2.4.1 While every effort has been made to provide the necessary degree of information to enable bid submission, it is recognized that clarification, interpretation, or other additional details regarding this Request for Proposals (RFP) may be requested. All such questions and requests for clarifications are to be submitted to:

Stephanie Skraba, sskraba@ci.chisholm.mn.us

- 2.4.2 All communications regarding this RFP must be submitted via email. Responses to questions will be made in writing and will be distributed to all vendors.
- 2.4.3 Contacts made to other employees of City of Chisholm or related entities in respect of this RFP will constitute a breach of this communication directive and may result in your firm's elimination from the selection process.

2.5 Proposals Response Format

- 2.5.1 Proposals should be submitted in 8-1/2"x11" format.
- 2.5.2 All vendors must respond to **all** questions/requests for information **in the same order as listed in this RFP**. Responses include a table of contents clearly outlining section names and page numbers. If support materials are required, include them as appendices, clearly indicating what they refer to.
- 2.5.3 Font size no smaller than 10 point
- 2.5.4 Maximum 20 pages (excluding cover letter, front and back covers & blank dividers)

2.6 Requests for additional information

Following a review and evaluation of the submitted Proposals, City of Chisholm may request firms to submit additional supporting information. Vendors should be prepared to answer detailed questions regarding their proposals during the interview process.

2.7 Determination Basis

- 2.7.1 The City of Chisholm has determined that the RFP Responses in Section 3 will be used to evaluate the responses from all vendors.
- 2.7.2 City of Chisholm shall have the right to accept or reject in whole or in part any or all Proposals for any reason.

2.7.3 The City of Chisholm reserves the right to select vendors for Project purposes on any basis it deems is in its best interest, or to reject any or all vendors. The city may make such investigation of vendors, as it deems necessary to assure the vendor's ability to perform the required service.

2.8 RFP Cancellation

The City of Chisholm reserves the right to cancel this RFP or not make any decisions based upon it.

3 RFP Responses

The Proposals are to include the following sections in the order indicated below:

3.1 Letter of Transmittal

A letter of transmittal is to be submitted by each vendor signed by an authorized representative of Vendor. Provide a statement of accuracy of information of your Proposals.

3.2 Table of Contents

3.3 Vendor Information

3.3.1 Company name and address

3.3.2 Vendor Representative

Provide name and email address of the vendor representative who should receive correspondence during the review process.

3.3.3 Conflicts of Interests/Open litigation

State any known or potential conflicts of interest, disclosure of judgement, defaulted projects, or noncompliance.

3.4 Firm Experience

Provide a listing of similar projects that the office proposing services requested by this RFP has completed over the past 5 years; at least three of the projects must be complete and in operation. Include a description of your firm's role on each project. References are requested for at least three of the projects listed (include contact name, phone number and email address).

3.5 Project Team

3.5.1 Describe how your firm would staff and structure your proposed team. Include the delegation of responsibility, assignment of authority, and interaction points with City of Chisholm's team, your vendors, third-party tenants, governmental entities, financiers, and other.

3.6 Project Approach

- 3.6.1 Demonstrate your understanding of the project requirements and describe your approach to each phase of the project.
- 3.6.2 Describe your approach to providing construction services in similar projects. Include examples of similar projects completed.
- 3.6.3 Describe your approach to planning, rent pricing including expected developer investment return, financing, determining lease terms and conditions, rent structure, Project schedule, and facility management.
- 3.6.4 Describe your approach for attracting additional tenants for the proposed development
- 3.6.5 Describe your approach for controlling costs during all phases of the project and for delivering the project on-schedule and within budget
- 3.6.6 Indicate what your firm perceives are the primary challenges in delivering this Project. Describe how your team will address these challenges and mitigate the impact when they arise.
- 3.6.7 Provide examples of your creativity and flexibility in working with tenants in similar projects.
- 3.6.8 Union labor preferred, provide examples of use of union labor on past projects
- 3.6.9 Schedule of development and construction and opening of proposed facility.
To include:
 - 1. Predevelopment process
 - i. A&E
 - ii. Construction estimates
 - iii. Tenant lease agreement
 - iv. Permitting process and approvals
 - 2. Construction process and timeline
 - i. Proposed facility construction start date
 - ii. Substantial completion
 - iii. Tenant occupancy

3.7 Distinguishing Characteristics

Define those qualities that, in your opinion, make your firm uniquely qualified to provide the requested services on this Project.

4 Selection Process

In making its selection, the City will consider the following criteria and whether it is primary or secondary importance. The order of the criteria does not imply priority, nor are they necessarily weighted equally

4.5 Selection Criteria

- 4.5.1 Qualifications and technical competence in the required field of planning or design. This is demonstrated by experience of the proposed team on similar projects (primary)
- 4.5.2 Availability of appropriate personnel and capacity to accomplish the work within the required constraints. This is demonstrated by the organization and work plan of the project team and commitment of the firm(s) to assign and support the team members proposes (secondary)
- 4.5.3 Leadership, integration and cohesiveness of the proposed team. This is demonstrated by the team dynamics, previous experience of the team working together and by the leadership style shown in the interview. (primary)
- 4.5.4 Past performance of the team on projects for others. (secondary)
- 4.5.5 Unique qualifications of the proposed team. This is demonstrated by qualifications of the proposed team that set it apart from the other teams. (primary)
- 4.5.6 Approach/methodology of the proposed team. This is demonstrated by the proposed team's discussion in the proposal and in the interview. (primary)
- 4.5.7 Union labor preferred; provide past project with use of union labor. (secondar)

Preliminary plan