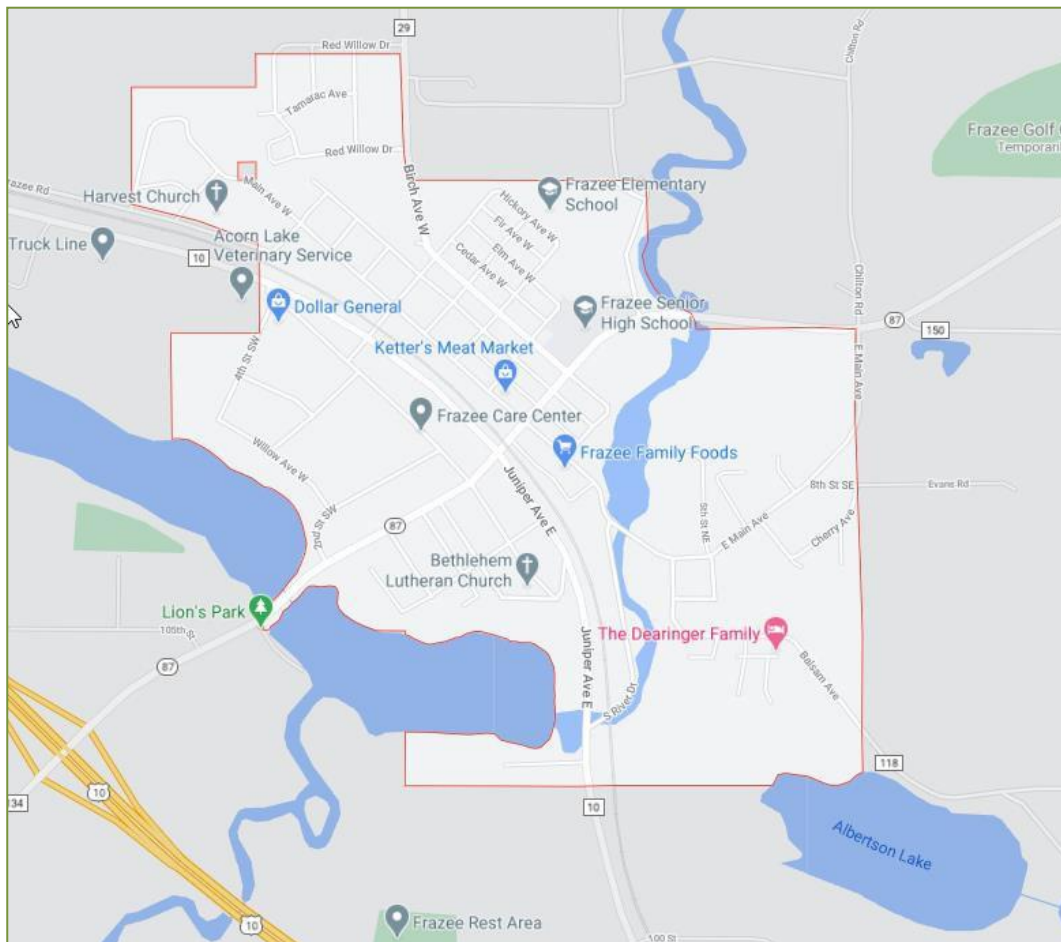




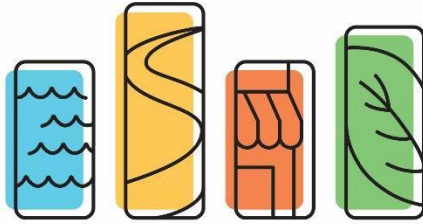
Request for Proposals for Multi-Family Housing Development on City-Owned Land

The City of Frazee, Minnesota offers the best of Minnesota living. Located right off Highway 10 and in the heart of Minnesota's lake country, Frazee is more than just a "stop", it's a "destination". Boasting a great community, in a location surrounded by beauty and opportunities, with plenty of fun recreational activities in the area, competitive home pricing and more, it's time to "Come Home" to Frazee!



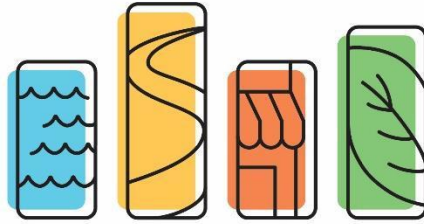
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City Of Frazee MINNESOTA

Introduction

The City of Frazee is requesting proposals for a housing developer with experience in multi-family development in rural communities, coupled with professional management capacity or in partnership with a professional management firm.

The site owned by the city is 4.05 acres and is located next to Dollar General and near other multifamily and senior living. The location is well suited for rental housing and should be well received by prospective tenants and businesses.

The City of Frazee in collaboration with the Frazee Economic Development Authority (EDA) and Minnesota Housing Partnership has invested in a housing study, conducted by Community Partners Research in 2019.

The housing study recommends “The research for this Study indicates potential rental housing demand for approximately 40 to 50 total units over the next five years. This housing could serve the area’s workforce housing needs, by attracting renter households that currently are employed within the immediate region. It could also serve the growing population of empty-nester and senior households, age 55 and older.”

The City of Frazee prides itself as a bedroom community for individuals and families who choose to live in Frazee and work in nearby Detroit Lakes and Perham.

About Frazee

The community was originally named Detroit and later Third Crossing before adopting its name of Frazee. With Becker County not formally organized until 1871, it was the earliest settlement in the area. The city was officially incorporated on January 6, 1891. It was

named after R. L. Frazee, owner of a sawmill.

As of the census of 2010, there were 1,350 people, 540 households, and 325 families residing in the city. The racial makeup of the city was 88.1% White, 1.6% African American, 5.1% Native American, 0.6% Asian, 0.2% from other races, Hispanic or Latino of any race were 2.4% of the population. and 4.4% from two or more races.

The median age in the city was 36.7 years. 25.9% of residents were under the age of 18; 8.1% were between the ages of 18 and 24; 24.2% were from 25 to 44; 23.5% were from 45 to 64; and 18.5% were 65 years of age or older. The gender makeup of the city was 45.4% male and 54.6% female.

The three largest employers in Frazee are Frazee-Vergas Public Schools (160 employees), Frazee Care Center (160), and Daggett Truck Line (102). Daggett Truck Line has been operating for 80 years out of Frazee, carrying refrigerated and dry freight throughout the United States and southern Canada. The company transports frozen foods, snack foods, pet food, produce and manufactured goods from Minnesota to most major cities in the Midwest and throughout the United States. These trucks return with processed foods or raw materials for local manufacturers.

Major roads are U.S. Route 10, a four-lane divided highway connecting Minneapolis-Saint Paul to the east and Fargo-Moorhead to the west; and Minnesota State Highway 87, a two-lane secondary road running east from the city.

Frazee is located on the Northern Pacific Railway's former main line, while today Amtrak's Empire Builder runs through town in each direction in the early morning hours; its closest station shop is Detroit Lakes, just ten miles away.



Market Feasibility Study

In 2019, the City of Frazee and the Frazee Economic Development Authority (EDA) engaged Community Partners Research to conduct a housing, market feasibility study for Frazee's area housing supply and demand, completing an analysis of the area, conducting interviews with local housing professionals and implementing in-depth research on the local economy & demographics, Community Partners Research concluded that there is a strong market for rental units. A copy of this study is available upon request.

Property Assessed Clean Energy (PACE)

The City participates in the PACE program which is a renewable energy financing program for commercial and industrial property owners to take out loans for the installation or upgrade of energy efficient equipment. This program is administered by Becker County.

Financial Incentives

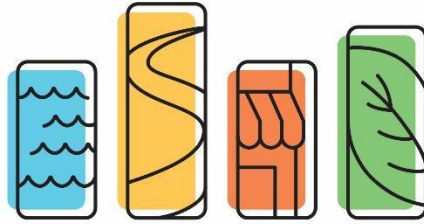
The City is able to provide the following financial incentives to assist with the development of this project.

Water Access Charge (WAC), Sewer Access Charge (SAC) Reductions & Land Subsidies

The City has offered WAC and SAC reductions and land subsidies to housing developers creating housing that:

- Is affordable to households at 60% of the Area Median Income and lower;
- Is intended for seniors or those 55+;
- Is moderate to higher density, multi-family housing.

Additional incentives as discussed between developer and City Council.



Project Proposals

The City of Frazee is soliciting responses to this Request for Proposal (RFP) for the design, financing, construction of housing on the City owned site located next to Dollar General with frontage on Maple Avenue in Frazee. The Frazee City Council will select the development team and enter into a Development Agreement.

After a development team is selected, there will be an additional due diligence period. Ultimately, the selected development team, (“Developer”) and the City shall enter into a development agreement providing for the development of the project pursuant to a development site plan, schedule and financing plan.

This RFP does not expressly require any other specification, so as to allow maximum creative latitude to the development teams. The City expects competent, efficient management to operate and market the housing development.

Objectives of the Site

Ideally, the project would consist of either twin homes or fourplexes, off-street parking, full appliance package, individual climate-controlled heating with air conditioning, hardwood laminate flooring in kitchen and entry or throughout, in-unit washer and dryer, wired for high-speed internet, trash/recycling facilities, extra storage space, and security. Energy efficiency is also a priority to the City of Frazee.

The site is zoned Multi-Family Housing. Utilities are available off of 4th Street SW and Maple Avenue W, (See Figure 3). The City of Frazee envisions the development of the site, as described in this RFP, as a necessary and

critical step in the continued growth of Frazee. City ordinances and setback requirements are available on the city website www.frazeecity.com.

Proposal Process

Objective for the Site

The City of Frazee and the Frazee Economic Development Authority are looking for an experienced rural housing developer for the 4.05 acre site in the City of Frazee. The site is located adjacent to Dollar General (see figure 1) and is owned by the City of Frazee.

RFP Process

Submit specific proposal outline responses to each section outlined below, along with a vision and qualifications to Stephanie Poegel, City Administrator at City Hall. Proposals will be reviewed and presentations arranged for a short list of finalists.

Design and Architecture

Design Approval:

Design approval by the City of Frazee City Council and the Frazee Planning Commission.

Statement of Qualifications:

Please submit a statement of qualifications and portfolio samples for a project of this nature.

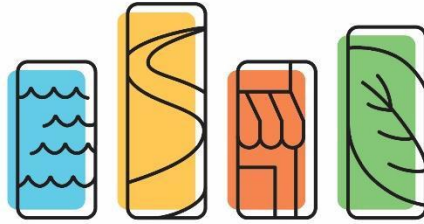
Construction & Architect:

Please provide the names of the proposed developer, architect and any and all contractors that you intend to work with on this project.

Site Plan

Development Size:

Provide a site plan showing units and unit counts, number of bedrooms and bathrooms, square footage of each room by type and approximate square footage.



City Of
Frazee
MINNESOTA

Architecture & Site:

Please provide as much information as possible about proposed plans including site map, floor plans, parking plan, landscape & lighting plan, amenities and exterior and interior renderings.

Business Plan

Rates and Occupancy:

Please provide information related to your business plan for the development including expected average rent rate and occupancy.

Property Management:

Please provide information about the proposed property management company.

Financial Qualifications:

Please include financial qualifications for the developer.

Schedule:

Please include information on proposed timing.

Capital Structure and Financing:

Please include information concerning the proposed capital structure, including amount of cash equity contribution, and information concerning construction and permanent financing for the proposed project.

Term and Conditions

General Terms and Conditions:

Nothing contained herein shall be binding upon either party unless and until an agreement containing such terms and conditions has been further negotiated, mutually agreed upon and have been fully executed and exchanged by and between both parties. The City reserves the right to reject all proposals.

Confidentiality

The parties hereto expressly agree that there shall be no press release or other publicity originated by the parties hereto, or any representatives thereof, concerning the subject without prior consent of both parties.

Submittal:

Should you decide to respond to this inquiry, please do so in writing (either electronically or in paper format) and provide your response to each section in the order in which they are presented herein. Responses will be taken until a Development Agreement is executed. *If you have questions regarding the RFP, please contact:*

City of Frazee
Stephanie Poegel, City Administrator
Cityadmin@frazeecity.com
Office: 218-334-4991
222 Main Avenue West
Frazee, MN 56544

Figure 1 Project Site Location

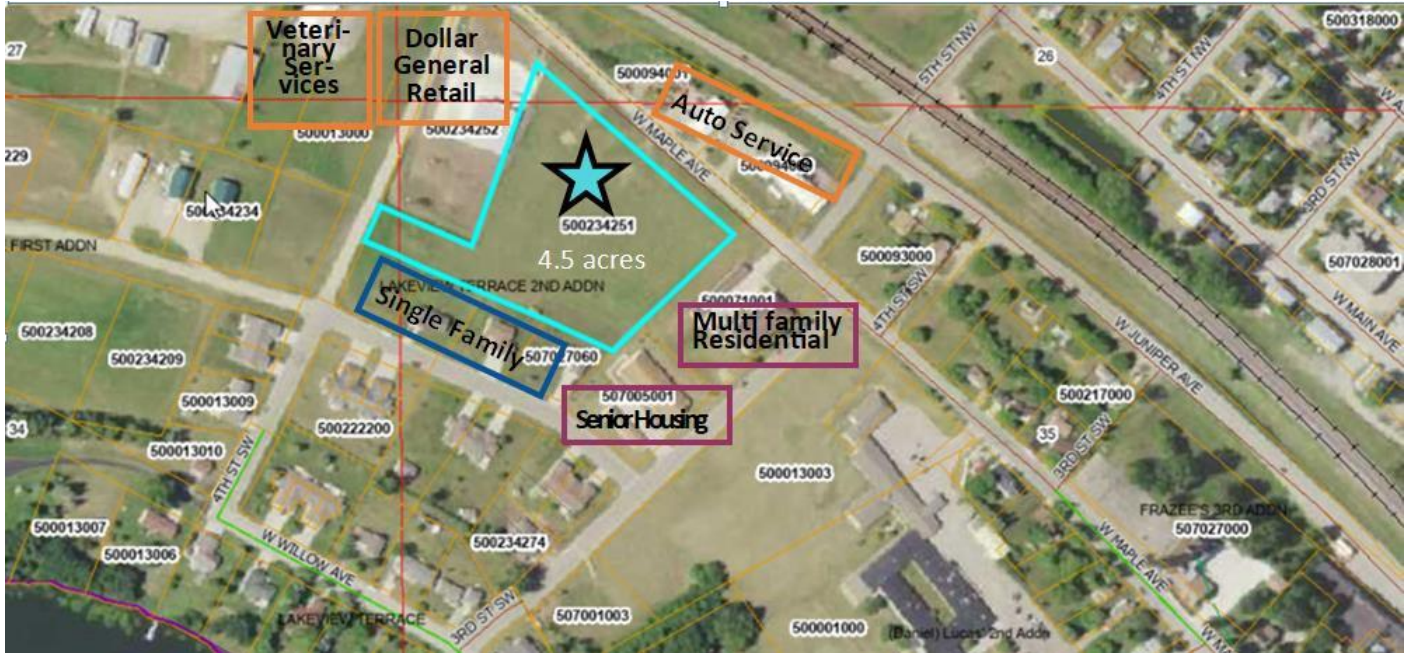


Figure 2: Enlarged view of the site



Figure 3: Utility access for both water and sewer

