

## **City of Dayton Economic Development Authority (EDA)**

May 17, 2022- 7:30 a.m.

### **Agenda**

1. Call to Order
2. Approve Agenda
3. Approval of Minutes- April 19, 2022
4. Economic Development Strategic Plan -Discussion led by Ehlers
5. Development Update
  - a. Industrial/Commercial- current applications
6. Review Proposal for 18541 Levee Street Lot
7. Adjourn

*The mission of the EDA is to promote economic growth in the City of Dayton through the attraction of new business, retention of existing business and promotion of managed growth and redevelopment of key areas by providing resources that enable development and enhance the quality of life in Dayton.*

MINUTES OF THE APRIL 19, 2022 ECONOMIC DEVELOPMENT AUTHORITY  
MEETING  
JOINT MEETING WITH CITY COUNCIL

Chair Huttner called the April 19, 2022 EDA to order at 7:30 AM.

**Roll Call**

Present: EDA members Huttner, Bernens, Berge, Salonek, Gustafson

Absent:

Also, in attendance: Tina Goodroad, City Administrator/Development Director; Zach Doud, Finance Director, Jason Aarsvold, and Keith Dahl, Elhers

**Approval of the Agenda**

Motion to approve the agenda by Berge seconded by Salonek, all ayes. Motion Passed.

**Approval of EDA Minutes from March 15, 2022**

Motion to approve the minutes by Gustafson, seconded by Berge, all ayes; the motion passed.

**AGENDA ITEMS**

**Economic Development Strategic Plan**

Aarsvold lead the members in a strategic plan discussion. Next meeting Elhers will present goals based on discussion. Draft plan in June and adoption in July and then present to the council.

**Development Update-**

Goodroad reported that a couple larger projects including Inland and Graco will be on the May Planning Commission and City Council agendas. No new development applications have been received.

Goodroad shared that the city will be opening bids for new parks and second phase in Elsie Stephens Farm.

**Update on Levee Street Lot-**

Goodroad provided an update that one proposal was received. Staff will evaluate it for consideration at the May EDA meeting.

**ADJOURN**

Motion by Berge and seconded by Bernes to adjourn at 8:55 a.m. All ayes, the motion passed.

Respectfully submitted,

Tina Goodroad, City Administrator/Development Director

**City of Dayton, Minnesota**  
**Request for Proposals**  
**Sale by City of Real Property**  
**18541 Levee Street (21-121-22-32-0120)**  
**Proposal Submission Deadline: April 15, 2022**

**Introduction and Overview:**

The City of Dayton (the “City”) is exploring the potential sale and development of real property owned by the City located at 18541 Levee Street in the Historic Village. The property consists of a single lot that is 12,895 sq. ft. The property was acquired by the city via tax forfeit and the city is in process of reconveyance to remove the tax forfeit status (no date is set for when this property will be reconveyed).

At this time, the City is considering selling the Property to benefit Dayton taxpayers through the Property purchase price, but also the tax base proposed to be added to the Property and creation of affordable housing. The Property will not be sold for speculative purposes. Proposals will be evaluated on a number of factors, including but not limited to:

1. The purchase price offered for the Property
2. Quality of development offered in the Property proposal
3. Compliance with City Zoning Requirements (property is zoned R-O, Old Village Residential) including setbacks, driveway, building design, landscaping, etc.
4. Proposed price of new home

Please note that the property shall be used for construction of a new residential dwelling unit.

The City will accept proposals until 12:00 p.m. on April 15, 2022 (the “Due Date”). Information relevant to this Request for Proposals (the “RFP”) and potential sale will be posted on the City’s website at [www.cityofdaytonmn.com](http://www.cityofdaytonmn.com).

The City reserves the right to waive any irregularity or defect in any submission, request clarification or additional information regarding Proposals, to cancel this RFP, and to reject any and all Proposals at its sole discretion. The City shall assume no liability for expense incurred by a Bidder in replying to this RFP.

**RFP Timeline:**

- March 22, 2022 Release Date
- April 15, 2022: Proposals due by 12:00 p.m. Submit to [tgoodroad@cityofdaytonmn.com](mailto:tgoodroad@cityofdaytonmn.com)
- Anticipated that on May 17, 2022 Economic Development Authority (EDA) will review the proposal(s) and make a selection. NOTE: If the EDA decides to proceed with a Proposal, such decision shall be subject to the negotiation and execution of a mutually satisfactory Purchase and Development Agreement.

**Proposal Packages must include:**

- Proposed developer name, address, contact information and key personnel in the proposed project.
- Proposed development plan narrative outlining the proposed use of the Property, timing of development completion, demonstration of use compatibility with R-O, Old Village Residential zoning and building regulations.
- An offer of payment for the Property including all payment terms.

- A document providing evidence of Bidders’ financial capability to complete the Proposal project.
- A statement indicating how your Proposal represents the highest price and/or highest value to the City in terms of direct or indirect financial, economic, or community benefits.
- Detailed Action Plan
  - Construction cost estimate
  - Timeline; Construction must commence at within six months of signed purchase agreement.

Please review the evaluation criteria when responding. Failure to provide any of the above requested information may result in disqualification of Proposal. The City reserves the right to request additional information pertaining to the Proposal Package or any other matters related to the Request for Proposal.

**Method of Award and Selection Criteria**

Complete responses to the RFP will be evaluated by City staff and consultants and will be reviewed by the EDA and upon approval the EDA will enter into a purchase agreement.

The selection criteria will include, but not be limited to, the following:

- Completeness of the Proposal Package
- Proposal recognized the highest value to the City
- Proposal meets or exceeds standards of Planning and Zoning and Building Code
- Proposal timing is achievable and favorable.

**Terms and Conditions**

Bidders shall be responsible for their own due diligence in preparing a Proposal. No representation or warranty is made by the City with respect to the conditional of the Property, the suitability of the Property for a Bidder’s potential use or the information provided herein.

- I. Bidders shall be responsible for the accuracy of the information they provide to the City in connection with this RFP
- II. The City Council reserves the right to reject any and all Proposals, to waive any irregularities or defects in any Proposal, to issue additional RFPs, and to either substantially modify or terminate the proposed sale at any time prior to final execution of a Purchase Agreement.
- III. The City shall not be responsible for any costs incurred by a Bidder in connection with the preparation, submission or presentation of its Proposal.
- IV. Nothing contained herein shall require the City to enter into exclusive negotiations with any Bidder and the City reserves the right to amend, alter and revise its own criteria in the selection of a Bidder without notice.
- V. The City reserves the right to request clarification of information submitted in a Proposal and to request additional information from any Bidder.
- VI. The City will not accept any Proposal after the time and date specified in this RFP.
- VII. The City Council retains the sole discretion in the selection of a successful Proposal, if any.
- VIII. Upon selection of a Proposal, the City shall enter into negotiations with the successful Bidder for a Purchase and Development Agreement with terms and conditions acceptable to the City. Until the execution of the contract, the City is under no obligation to sell the Property and it reserves the right to cease negotiations at any time and retain the title to the Property. Except with respect to matters of title, the Property shall be conveyed to the party acquiring the same “AS IS” by quit claim deed.
- IX. The successful Proposal will become part of the contract file and will become a matter of public record subject to public disclosure, as will all other responses received.

**Proposal Packages must include:**

- **Proposed developer name, address, contact information and key personnel in the proposed project.**
  - Riverview Villas, LLC
  - 11850 Fountains Way, Suite 200, Maple Grove, MN 55369
  
  - Dennis Smith, Attorney and legal representative for Riverview Villas, LLC
    - 612.889.3971
    - Dennis@SmithLawMN.com
  
- **Proposed development plan narrative outlining the proposed use of the Property, timing of development completion, demonstration of use compatibility with R-O, Old Village Residential zoning and building regulations.**
  - **Plan narrative:**
    - Achieve the Council’s vision and guided land use of high-density housing along Levee Street facing the Mississippi in the form of zero-lot-line townhomes, detached townhomes, apartment complex, or several duplexes.
    - Significantly increase the City’s tax capacity over single-family home construction.
    - Per City of Dayton staff recommendation, rezone lot to GMU-3 district (Historic Village Mixed use) to allow for “Dwelling, multiple family (apartment, condominium, cooperative, townhouse) at a minimum of 8 units per acre”.
    - Build on north end of lot preserving the south end of lot to be used a future alleyway, water holding pond, or similar easement that would be complementary with the potential, future mixed use / commercial redevelopment of adjacent properties to the south along Robinson Street.
  
  - **Timing of development completion:**
    - Due to rising interest rates and extreme shortage for residential housing, the intended completion is ASAP while also factoring in the current supply chain and construction labor shortages as well as delays for high demand construction materials.
  
  - **Zoning:**
    - Per City of Dayton staff recommendation to conform with the City’s comp plan guided land use, rezone lot to GMU-3 district (Historic Village Mixed use) to allow for “Dwelling, multiple family (apartment, condominium, cooperative, townhouse) at a minimum of 8 units per acre”.
  
- **An offer of payment for the Property including all payment terms.**
  - Bid price is \$35,000.00, which is \$5,000.00 above the present day appraised fair-market value of \$30,000.00 as determined by the Hennepin County Assessor’s Office.
  
- **A document providing evidence of Bidders’ financial capability to complete the Proposal project.**
  - Please see attached letter from North Star Bank.

- **A statement indicating how your Proposal represents the highest price and/or highest value to the City in terms of direct or indirect financial, economic, or community benefits.**
  - Achieve the Council's vision and City's comp guided land use of high-density housing along Levee Street facing the Mississippi in the form of zero-lot-line townhomes, detached townhomes, apartment complex, or several duplexes.
  - Significantly increase the City's tax capacity over single-family home construction.

#### **Detailed Action Plan**

- **Construction cost estimate.**
  - One to two million.
  
- **Timeline; Construction must commence at within six months of signed purchase agreement.**
  - ASAP Due to rising interest rates and extreme shortage for residential housing while also factoring in the current supply chain and construction labor shortages as well as delays for high demand construction materials.



To whom it may concern,

North Star Bank has a long-standing relationship with the owners of Riverview Villas, LLC. Over the last ten plus years, North Star Bank has partnered with the owners on multiple real estate ventures. We have verified and are confident in our client's financial capability to complete the proposed project at 18541 Levee Street in Dayton.

Best Regards,

Brian Williams

VP Comm. Loans



Visitor Parking

Driveway

Dayton Avenue

Refuse

150'.00"

60'.00"

Levee Street

90'.00"



Driveway

Dayton Avenue

Visitor Parking

Refuse

150'.00"



60'.00"

Levee Street

90'.00"

Driveway

Dayton Avenue

Visitor Parking

Refuse

150'.00"



60'.00"

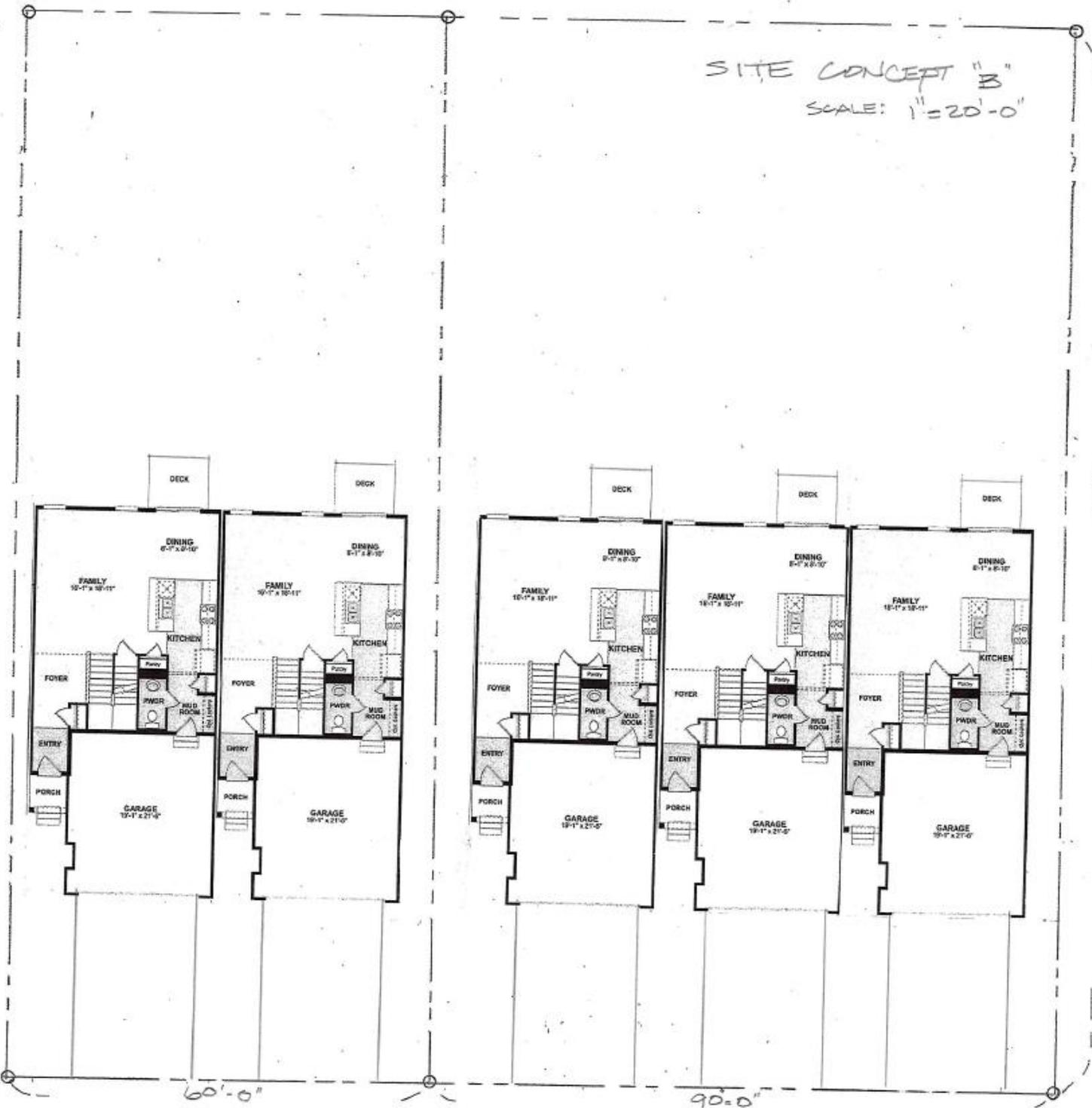
Levee Street

90'.00"

SITE CONCEPT "B"  
SCALE: 1"=20'-0"

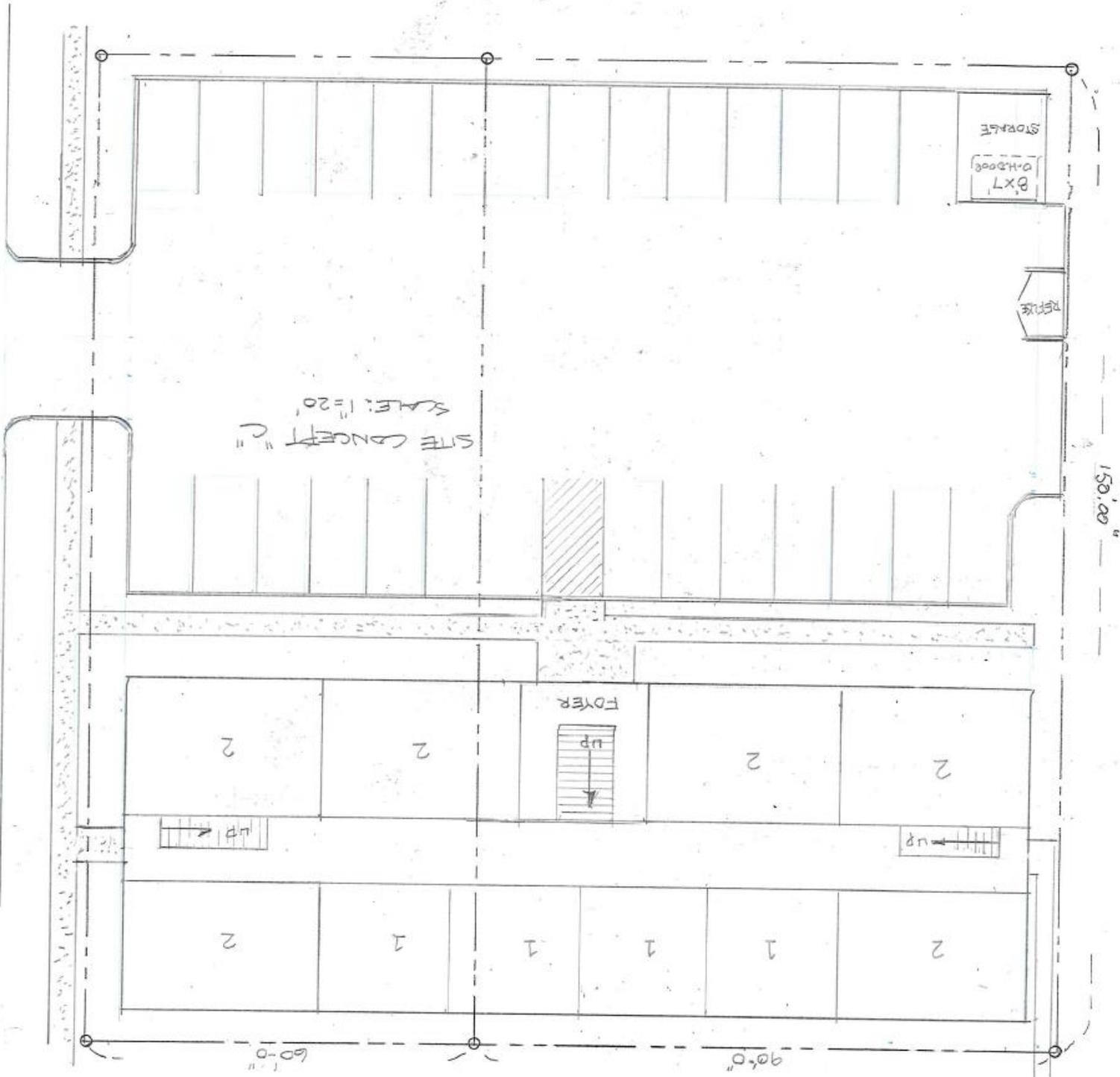
Dayton Avenue

150'-00"



Levee Street

DAYTON AVE.



SITE CONCEPT "C"  
SCALE: 1"=20'

STORAGE  
BXT  
0-15000

REPAIR

FOYER

up

2

2

2

2

2

1

1

1

1

2

60'-0"

90'-0"

150.00'

Levee Street