

**REQUEST FOR PROPOSAL (RFP)**  
**Purchase, Lease, or Development of Property for**  
**A New Municipal Liquor Store**  
**By the City of Northfield**  
September 24, 2008

**Introduction**

Northfield is a city of approximately 20,000 persons located 45 miles south of Minneapolis and Saint Paul. The City's central downtown is built on the banks of the Cannon River and Northfield is the home to two private colleges, Carleton and Saint Olaf. The City currently operates a municipal liquor store located at 116 5<sup>th</sup> Street. The City is interested in the development of a new municipal liquor store that will accommodate larger and more efficient space for inventory, provide improved access and additional on site parking. The Northfield City Council has undertaken a process of researching and selecting a new liquor store site location. The Council has identified the goals and criteria important in selecting a new location. The request for proposal is the next important step in that process.

**RFP Criteria/Development Goals**

The City of Northfield is seeking proposals for the purchase or lease of property for a new municipal liquor store location. The location must meet identified council goals of:

- Controlling the sale of alcohol,
- Providing a convenient location for residents,
- Provide an economic stimulus to the Central Business District,
- Provide revenue to supplement tax and fee revenue.

All property proposals related to the development of a new liquor store proposals will be reviewed, analyzed, and ultimately selected on the basis of how well a proposal accomplishes the stated City Council goals.

**Proposal Format**

All submissions must follow the format outlined herein. Proposals must identify the type of proposal, based on the following five proposal types:

1. Land Sale
2. Build-To-Suit – Sale
3. Build-To-Suit – Lease
4. Existing Building Sale
5. Existing Building Lease

Failure to identify the proposal type according to the list identified above may result in a proposal being eliminated from further consideration.

## **Proposal Evaluation**

To be considered a qualified proposal, proponents must demonstrate capability in the performance of the proposal by:

- Showing proof of ownership of land proposed as the site for the liquor store, or
- Showing proof of ownership and examples of projects which have been developed by the proponent which are similar to the liquor store being proposed for construction, or
- Showing proof of ownership of an existing building that is proposed to be offered as the site for the liquor either for sale or for lease

All qualified proposals received by the deadline will be evaluated by the City of Northfield. The factors on which property or development proposals will be judged are:

### **Minimum Requirements**

- Lot area and dimensions that will allow for a 7,000 sq. ft. ground floor liquor store footprint.
- Lot area, dimensions, and location that allow for 25 surface parking spaces that meet or exceed the minimum parking space dimensional requirements as defined in the Northfield City Code and are shared or dedicated for the use of the liquor store. Shared parking spaces must be guaranteed by an appropriate agreement between the parties who own or share the spaces.
- Lot area and dimensions that allow for a dedicated loading dock/delivery area.
- Property location on or within one quarter mile of State Trunk Highway 3 or State Trunk Highway 19, and so situated in the sole discretion of the city to be in plain view of drive-by traffic.
- A site location that provides easy access for pedestrians, bicyclists, and motorized vehicles.
- A site location that does not require customer to drive through residential neighborhoods as a sole means to arrive at the proposed liquor store site.
- Retail commercial businesses are present on some of the adjacent properties.
- Property is located in an area which is currently or proposed to be zoned C1 or C2 in the City of Northfield zoning code or located in a area zoned C3 within one quarter mile of an area zoned C1 or C2.
- No irresolvable environmental issues on the property, and identify any environmental issues and the manner of resolving them.
- Property location in the sole discretion of the city has easy access to all needed utilities.

Proposals not meeting the minimum requirement may be eliminated from further consideration.

### **Competitive Requirements**

Proposals that will be most attractive to the City will include all or some of the following components:

- Preference will be given to sites that have the potential to maximize cash flow and business operations to increase supplemental tax and fee revenues to the City as determined in the sole discretion of the City.
- Preference will be given to sites with lot dimensions that allow for a 10,000 sq. ft. building footprint, plus 25 dedicated parking spaces that the meet the design dimensions of the City and that allow for 2 separate loading dock delivery areas.
- Preference will be given to a site that accommodates and addresses various modes of transportation for the customer base.

- In the sole discretion of the City, preference will be given to those proposals which the developer has a background of successfully completing similar types of projects.
- Preference will be given to sites where the sale price offered to the city or the, lease/purchase terms offered to the city, or lease terms offered to the city provide favorable cash flow and life cycle costs as determined in the sole discretion of the City.
- Preference will be given to sites that are highly visible, attract drive by traffic, have site access not obstructed by other buildings, grades, or natural barriers.
- Preference will be given to sites located near other complimentary businesses, other retail operations on adjacent property, and a grocery store located within ¼ mile.
- Preference will be given to sites that do not require extensive grading or fill and does not require demolition.
- Preference will be given to proposals where the proposed liquor store building will incorporate LEED design standards and construction practices into the construction of the building and site improvements which may include, but are not limited to, a geothermal heating and cooling system, or the use of solar energy.
- Preference will be given to the site that incorporates identified Best Management Practices in the design and management of stormwater facilities use.

**Proposal Deadline: November 5, 2008 5:00 pm**

**Proposal submission**

Proponents must submit one unbound copy, and seven bound copies of all their proposals materials. Proposals must be on standard 8 ½" by 11" paper. All supporting documentation must be on paper no larger than 11" by 17". Proposals and supporting documentation must be submitted in a sealed envelope labeled "Northfield Municipal Liquor Store Proposal." Telefaxed proposals will not be accepted. Responders may choose to provide additional sets if and when invited to do so for presentation purposes. Submissions will not be returned.

**Good Faith Deposits**

All proposals must include a "good faith" deposit of \$1,000 in the form of a cashiers check or certified check made payable to:  
 City of Northfield

Good Faith Deposits submitted by proponents not selected, as the preferred developer will be returned to the applicable proponent after the City Council makes the selection of the preferred developer.

The good faith deposit of the preferred developer will remain in the possession of the City until the Development Contract between the City and the preferred developer is approved by the City Council and signed by the mayor and city clerk and by the developer.

Proposals shall be delivered to the City of Northfield on or before: November 5, 2008 5:00 pm

To:

Office of the City Clerk  
 City of Northfield  
 801 Washington Street  
 Northfield, Minnesota 55057-2598

Proposals received after the deadline will not be accepted. It is neither the City of Northfield's responsibility nor practice to acknowledge receipt of any proposal. It is the responder's responsibility to assure that a proposal is received in a timely manner.

## RFP Inquiries

The City of Northfield will conduct a pre-submission conference. This conference is scheduled for October 22, 2008, 4:00 PM. The conference will be held in the City Council Chambers located at the Northfield City Hall, 801 Washington. The pre-submission conference is to be used as a time for questions to be posed from potential proponents and answers to be provided by City staff and others. The City, as a means to maintain fairness in the proposal process, will not honor questions asked by potential proponents after the date of the pre-submission conference.

Prospective responders may only direct questions to the department contact person prior to the pre-submission conference. Questions will only be accepted in writing. The questions will be answered at the pre-submission conference. The department contact person is:

Mr. Joel Walinski  
Interim City Administrator  
City of Northfield  
801 Washington Street  
Northfield, Minnesota 55057-2598

## Proposal Contents

Proposals must include the following:

1. A **cover page** that includes the following proponent identification information:
  - a. If an individual:
    - i. Name, address, and phone number.
  - b. If a corporation:
    - i. Name, address, phone number of corporation.
    - ii. Articles of Incorporation filed with Minnesota Secretary of State.
    - iii. Names, addresses, and phone numbers of all officers capable of binding the corporation.
  - c. If a Partnership:
    - i. Names, addresses phone numbers of all partnership members.
    - ii. Partnership agreement.
    - iii. Name, address, and phone number of the partner or partners who can bind the partnership.
2. Property Ownership Information:
  - a. Address and legal description of property proposed to be the site of the liquor store.
  - b. A copy of the Deed, purchase contract, contract for deed or similar instrument indicating that the ownership of the subject property is in the name of the individual, corporation or partnership submitting the proposal for the liquor store.
3. A land sale only proposal must include the following items in the proposal: 1, 2, 4.a., 4.d., 4.e. (if property includes an existing building), 7, 9, 10, 12, 13. Item 14 pertains to all proposals submitted.
4. A narrative description (narrative, preliminary schematic plan and elevations) of the proposed project including:
  - a. Proposal type (per Proposal Format).

- b. Description of the demonstrated experience that the proponent has in building structures for sale, lease, or lease to sell with special emphasis on experience in providing facilities for a local unit of government similar to a liquor store.
  - c. Names and addresses of three references that can speak to the developer's experience in developing generally similar projects, i.e. mid size (5,000 –25,000 sq. ft.) retail commercial development and building projects.
  - d. Description related to the competitive requirements listed in this RFP and why the proposed site and approach to providing the liquor store to the City meets or exceeds the competitive requirements.
  - e. A description of the size of building.
  - f. A description of the specific square footage of the proposed liquor store space being proposed devoted to store retail display space, inventory storage, inventory cooling space, employee office and other employee needs.
5. A Site Plan drawing prepared at a scale of not more than 1" = 10' nor less than 1" = 60' illustrating the following:
- a. building location
  - b. building dimensions
  - c. parking lot location
  - d. parking space dimensions
  - e. parking drive aisle dimensions
  - f. loading areas with dimensions
  - g. site landscaping by type and location
  - h. site lighting
  - i. stormwater management design improvements
  - j. location, dimensions of site ingress and egress
6. A schematic Building plan prepared at a scale of 1/16" = 1' illustrating the following:
- a. Building elevations of all sides of the proposed building
  - b. Material detail on the Building exterior on all sides
  - c. Building entrances and building glazing
  - d. Loading area
  - e. Signage areas
  - f. Building roofing detail
7. An **identification of the entities** that will be involved, a description of the responsibilities of each entity with respect to the development of the liquor store.
8. A **proposed timeframe** for the project including:
- a. Date of Development Agreement approval by City Council.
  - b. Commencement Date of Construction.
  - c. Completion date of Construction.
  - d. Date of transfer of property ownership to the City or date of lease agreement with the City.
9. An executed "Consent for Release of Response Data" form (Exhibit A). Proposals that do not include an executed "Consent for Release Response Data" form shall be considered incomplete which will be grounds for rejection of the entire proposal.
10. An executed "Affidavit of Non-Collusion" form (Exhibit B). Proposals that do not include an executed "Affidavit of Non-Collusion" form shall be considered incomplete which will be grounds for rejection of the entire proposal.

11. Property owner/lessor/developer must submit proof of available financing which indicates the ability to obtain the necessary financing to complete the project.
12. Any other information that would help the City staff understand and evaluate the proposed project including but not limited to any geotechnical reviews of site, environmental analysis, land surveys, etc.
13. Property owner/lessor/developer must submit a signed Letter of Intent and/or Terms of Proposal under which the property can be conveyed to the city. The Letter of Intent and/or Terms of Proposal must include the sale price or lease/purchase terms or lease terms offered to the city.
14. By submitting a proposal, the responder agrees that the responder will not, during the term of a contract with the City arising out of this RFP, contract with or represent any other party in a way which creates a conflict of interest between the other party and the City. If the responder is uncertain whether a conflict of interest exists, the responder may contact the department contact person named above to request an interpretation.

## **Evaluation Ranking Criteria**

### **Northfield Municipal Liquor Store Site Criteria/Development Goals**

1. An evaluation of how well the proposed location accomplishes the City Council goals listed as follows:
  - a. Control the sale of alcohol;
  - b. Provide a convenient location for residents to purchase beer, wine, and spirits;
  - c. Provide an economic stimulus to the Central Business District;
  - d. Provide revenue to supplement tax and fee revenue.
2. The degree to which the proposal meets or exceeds the minimum requirements specified in the RFP.
3. The degree to which the proposal fulfills the competitive requirements listed in the RFP.
4. Property and/or building size, neighboring uses, historical significance, utilities on site, environmental issues, parking, pedestrian and vehicle access, freight access, disability access requirements, security and visibility will all be reviewed.
5. Analysis of the business plan and financial model based on the selected location. Various locations and the purchase and/or lease costs will have effects on the cash flow assumptions and financial viability of the liquor store operations. The cash flow analysis will be completed using the RFP's submitted.
6. The experience, financial, and organizational capability of the property owner/lessor/developer.
7. The extent to which the proposed project is in compliance with the City of Northfield zoning code (currently or proposed), city council municipal liquor store criteria, the comprehensive plan, and other relevant planning documents for the area.
8. The extent to which the project can move forward on a timetable acceptable to the City of Northfield.
9. The long-term financial feasibility of the project.
10. The public benefit that would be provided by the project.
11. Overall quality of the submission.
12. Review of previous experience with property owner/lessor/developer.

The City of Northfield may, in its sole discretion, extend or reduce the criteria upon which it bases its final decisions regarding selection of the site.

**Review/Selection Process**

City staff will review proposals received by the due date. Some or all of the responders may be requested to present their proposals to City staff. The review process will be completed on or about November 19, 2008.

The City staff will then make a recommendation as to the proposal (if any) that best meets the evaluation criteria. This recommendation will then be forwarded to the Northfield City Council for action.

If the City Council selects a proposal, negotiations will proceed as soon as possible.

Once terms have been negotiated and any further analysis completed, City staff will return to the City Council for a public hearing and consideration of approval of the project.

**Real Estate Consulting Fees**

The City of Northfield has retained Donnelly Development to provide real estate services throughout the municipal liquor store development process. Accordingly, please provide for a seller paid fee equal to 3% of the purchase price of the land and/or a \$4.00 per square foot fee on a lease of 10 years. For lease proposals greater or less than a 10-year term, please adjust on a prorated basis.

**The City of Northfield reserves the right to accept or reject any and all proposals or parts of proposals, to negotiate modifications of proposals submitted, and to negotiate specific work elements with an owner/lessor/developer into a project of lesser or greater magnitude than described in the proposal.**

**Timing**

The following is an estimated timeline:

Posting of RFP:	September 24, 2008
Pre-submission Conference	October 22, 2008
Submission deadline for proposals:	November 5, 2008
Review/evaluation of proposals by City Staff:	On or about November 19, 2008
Recommendations to City Council by City Staff On selected proposal:	On or about December 1, 2008
Final action by City Council:	On or about December 8, 2008

**Exhibits:**

- A. Form of Consent for Release of Response Data
- B. Affidavit of Non-Collusion

**REQUEST FOR PROPOSAL (RFP)**  
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**By the City of Northfield**  
**Exhibit A**

FORM OF CONSENT FOR RELEASE OF RESPONSE DATA

\_\_\_\_\_, 2008

City of Northfield  
City Administrator  
801 Washington Street  
Northfield, MN 55057

Re: Request for Proposal: Purchase or Lease of Property for a New Municipal Liquor Store  
Consent for Release of Response of Data

\_\_\_\_\_, on behalf of \_\_\_\_\_,  
hereby consents to the release of its development proposal in response to the  
\_\_\_\_\_ Request for Proposals and waives any claims it  
may have under Minnesota Statutes Section 13.08 against the City of Northfield for making  
such information public. The foregoing consent and waiver does not extend to financial  
statements submitted under separate confidential cover. Such information provided under  
separate cover may be public data, but will be treated by the City consistent with Minnesota  
Statutes Chapter 13.

\_\_\_\_\_

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**REQUEST FOR PROPOSAL (RFP)**  
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**Exhibit B**

AFFIDAVIT AND INFORMATION REQUIRED OF SUBMITTER

Affidavit of Non-Collusion

I hereby swear or affirm under the penalty for perjury:

1. That I am the submitter of the proposal (if the submitter of the proposal is an individual), a partner in the company submitting the proposal (if the submission of the proposal is made by a partnership), or an officer or employee of the company having authority to sign on the behalf of the company or corporation (if the submission of the proposal is made on the behalf of a corporation or other entity);
2. That the attached request for proposal has been arrived at by the submitter independently, and have been submitted without collusion with, and without any agreement, understanding, or planned common course of action with any other vendor of materials, supplies, equipment or services described in the request for proposal; designed to limit independent submission or competition;
3. That the contents of the request for proposal have not been communicated by the submitter or its employees or agents to any person not an employee or agent of the submitter; and
4. That I have fully informed myself regarding the accuracy of the statements made in this affidavit.

Signed \_\_\_\_\_  
Printed Name \_\_\_\_\_  
Firm Name \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Notary Public  
My Commission Expires \_\_\_\_\_

Submitter's employer identification number: \_\_\_\_\_