



CITY OF FERGUS FALLS RFP

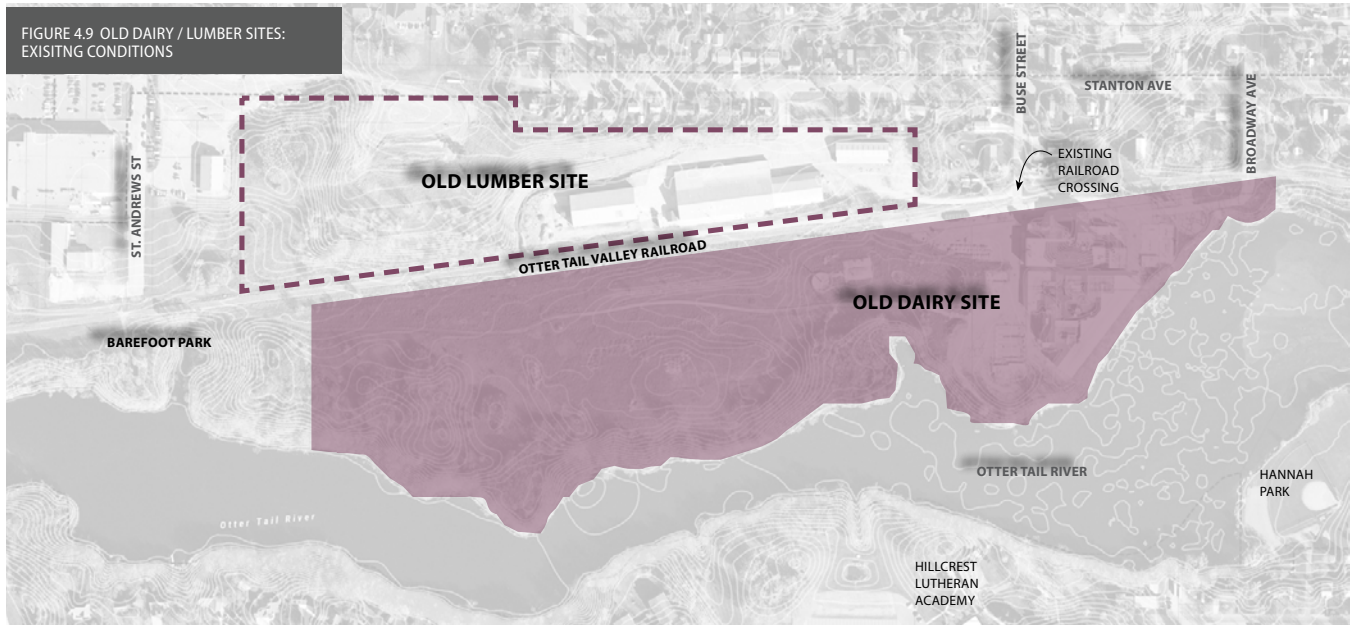
29.5-ACRE RIVERFRONT REDEVELOPMENT SITE

in Fergus Falls, MN

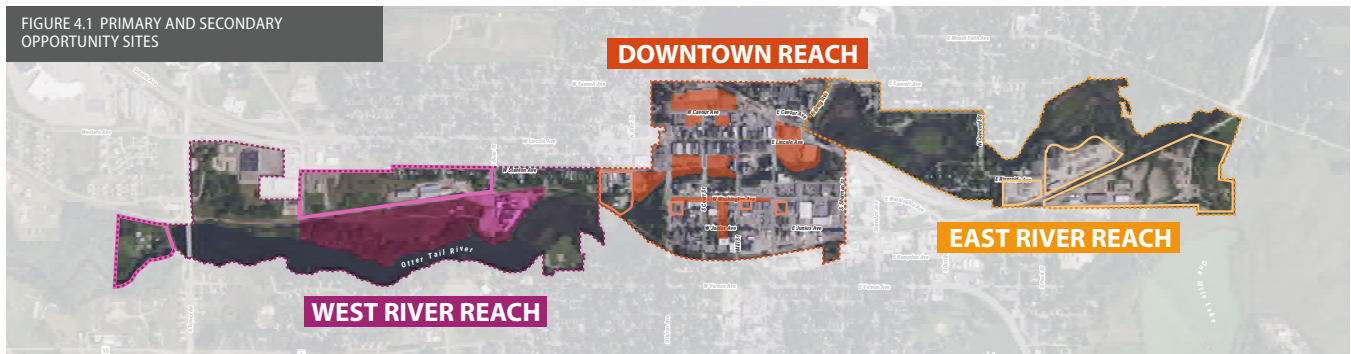




The City of Fergus Falls is looking for a development partner to plan, develop and construct a new redevelopment project at 301 South Buse Street. The property is located along the Otter Tail River and is available primarily for residential development. It is intended that the riverfront redevelopment site will be adjacent to a future regional trail and public access site to the river. Private access to the river will be allowed through the property. The site is a short 1/2 mile distance to historic downtown Fergus Falls.



The property is located at 301 South Buse Street in Fergus Falls, MN (parcel ID 71003500004004). It was the site of a dairy processing plant which closed in 2002. The 29.5 acre site is available for future development which can include a mix of residential and commercial. The City is open to retaining a portion of the site for public access to the river and installation of a trail. The developer may also acquire all of the site, although an easement for public trail purposes must be included in the site design. The City will consider development in phases so long as there is a plan for the entire site. Multiple builders are welcome in order to provide a diversity of housing styles and price points on the property.



COMMUNITY AND SITE INFORMATION

Fergus Falls, MN is located in Otter Tail County in west central Minnesota. It is the largest city in the county and the county seat. As of the 2020 census the population of Fergus Falls was 14,119. This represents a 7.5% population increase since the 2010 census.

Fergus Falls is a community committed to investing in its future. The public library completed a \$9.3 million renovation and expansion in 2019. Most recently the city has enhanced the area along the Otter Tail River near downtown by installing a new public park with amenities such as a new community gathering structure, anticipated splash pad, seating and improved river access. This new public area will be less than 1 mile from the project site.



SITE - 301 S. BUSE ST.

ECONOMIC INFORMATION

Employment in Fergus Falls is generally consistent with the employment base of Otter Tail County. This is not surprising given Fergus Falls serves as the regional center for public services and is the County seat. Industries with the most jobs at the county level are health care and social assistance (31.3%) followed by manufacturing (10.66%) and retail trade (9.9%) according to November 2022 date from esri Business Analysis.

The two major employers in Fergus Falls are Lake Region Health Care (1,100 total employees) and Otter Tail Power (425 employees). The remaining larger employers in the city are primarily government-related, consisting

of Minnesota State Community and Technical College-Fergus Falls, Otter Tail County government offices, and ISD 544. Along with the above services, the City maintains a solid manufacturing employment base and continues to work toward economic sustainability by diversification of employment opportunities and working with schools and the community to link workers with businesses. The City has seen growth in the technology section with companies identifying as either Information or Technology (NAICS code) account for a total of 6.2% of the community employment. Business continues to grow as Amazon recently announced future construction of a distribution center in the Fergus Falls area.

SITE CONTEXT

The dairy site is bounded by the Otter Tail River to the south and east, railroad tracks to the north (Otter Tail Valley Railroad/Genesee & Wyoming), and a city-owned park to the west which is primarily passive green space.

Across the river to the south, the riverbank is lined with mature trees. The area on this side of the river across from the site consists of a residential neighborhood, a private school campus, and a city park with baseball field, playground, and boat launch. To the north of the railroad tracks adjacent to the site is a former lumber yard and home supply store as well as a residential neighborhood.

The site is currently accessed via Buse Street. Buse Street intersects with Lincoln Avenue approximately two blocks from the project site. Lincoln Avenue is one of Fergus Falls' major cross-town roads. Traveling to the west along Lincoln Avenue, it is approximately a 3-minute drive to the commercial area adjacent to I-94 (Fleet Farm, ALDI, Home Depot, Wal-Mart, etc) from the site. Traveling to the east along Lincoln Avenue, it is approximately a 2-minute drive to Fergus Falls' historic downtown from the site. Existing and planned pedestrian facilities make downtown easily accessible even without a vehicle.

The adjacent railroad is not frequently used. Approximately 3-4 trains cross per month January – September with around 5 trains per month during harvest (October – December). The City's preferred access option is to move the railroad crossing from Buse Street to Broadway and make Broadway the primary access point for the site. The change has been initiated but as yet, there has been no final resolution. The City is interested in working with the developer during site development to achieve this access change to better accommodate the anticipated traffic once the site is redeveloped.

ZONING

The site is zoned R-4, Multiple-Family Residence District which allows residential development from one-family detached dwellings to multiple dwellings and apartment buildings.

CURRENT INFRASTRUCTURE & UTILITIES

Utilities: The City of Fergus Falls provides municipal water, sewer, and storm water. The site is serviced by these utilities. Depending on the location and intensity of development, extension of water mains, sanitary sewers, storm sewers, and storm water retention may be required in addition to installation of laterals. A map of known water, sanitary, and storm water infrastructure is attached.

The City of Fergus Falls is in the service region of Great Plains Natural Gas for natural gas and Otter Tail Power Company for electricity.

Roads: There are no existing roads or dedicated public right of way on the site.

Potential Future Access: The City owns land adjacent to St. Andrews Street which could become a second at-grade railroad track crossing in this area. Such a crossing could provide a second road access point on the west side of the site. Approval for this access point is not guaranteed. The City is open to working with the developer to adequately plan a subdivision layout and right of way dedication which would allow the future development to connect to this potential road extension. A map outlining city-owned parcels surrounding the railroad is attached.

COMMUNITY PLANNING DOCUMENTS

The Fergus Falls City Council adopted the Downtown & Riverfront Master Plan in December 2017. The former dairy site was identified as an "opportunity site" for redevelopment. The pages related to the dairy site area are attached to this RFP (Chapter 4, pages 15-18). The entire plan can be viewed online at: <https://www.ci.fergus-falls.mn.us/home/showdocument?id=2217>.

The City of Fergus Falls currently does not have a community wide comprehensive plan. A strategic plan is currently being undertaken, highlighting the community's desire for additional residential development.

REMEDATION - COMPLETED PHASE 1 PARK AND TRAIL DEVELOPMENT REQUIREMENTS OF PHASE 2 FOR FUTURE RESIDENTIAL DEVELOPMENT

COMPLETED PHASE 1 REMEDIATION

Environmental remediation occurred under the Minnesota Pollution Control Agency's Voluntary Investigation & Cleanup (VIC) and Petroleum Brownfields Program. In preparation for a Response Action Plan/Construction Contingency Plan, a Phase I and Phase II Environmental Site Assessment were completed by Braun Intertec Corporation, both dated January 4, 2018. The RAP/CCP, also prepared by Braun Intertec Corporation, was approved by MPCA on November 26, 2018.

The redevelopment outlined in the RAP/CCP consisted of Phase 1 (Park and Trail Development) and Phase 2 (Future Residential Development). Highlights of environmental remediation completed as part of Phase 1 are the following:

- All buildings and their subgrade features have been removed. Hazardous and regulated materials were identified and abated
- All identified above ground and underground storage tanks have been removed and the surrounding soils removed and backfilled
- All identified fly ash and petroleum impacted soil removed
- Shoreland/slope restoration and stabilization. Stabilization was completed.
- Placement of backfill which meets MPCA unregulated fill criteria
- No environmental restrictive covenant was required.

REQUIRED PHASE 2 REMEDIATION

Developer would be responsible for the following Phase 2 actions:

- Additional soil vapor testing to determine intrusion risk
- Excavate, segregate, and dispose of any additional debris-impacted soil discovered below the 4' soil cap completed in Phase 1. There are particular areas of the site where this is required
- Environmental monitoring during construction-related excavation to assess for contamination
- Placement of backfill as needed to achieve final required MPCA development grades

Materials including the ESAs and Response Action Plan are available on the City's website at:

<https://www.ci.fergus-falls.mn.us/government/boards-commissions/fergus-falls-port-authority/former-dairy-site>

REDEVELOPMENT GUIDELINES (USES/ DESIGN/ CITY INCENTIVES)

USES

The introduction of housing on the site is a primary focus of this RFP. The community planning process in the Downtown & Riverfront Master Plan identified the site as an opportunity for housing. This vision has been reaffirmed with elected and appointed officials through surveys of the Fergus Falls Port Authority and Planning Commission. The current strategic plan also recognizes community support for more residential opportunities within the community.

The Port Authority is not specifying the type(s) of housing or number of dwelling units. A developer has flexibility in the type of housing included in a proposal. The Port Authority is not requiring set-asides for income restrictions, age, etc.

The following are not requirements but are areas of interest to the Port Authority. Not including these components in a proposal will not disqualify a proposal.

- Including a mix of housing tenure in the project (rental and ownership opportunities)
- Including a mix of housing types such as single family and multiple family dwellings
- Including public amenities or greenspace (in addition to the City-owned riverfront area)

A mixed-use component is not a requirement. However, should a developer be interested, the Fergus Falls zoning code does allow for mixed use. The R-4 zone permits the use of a Planned Unit Development (PUD). This would allow commercial space to occupy 15% of the land of a project not occupied by streets or alleys.

Regardless of the type(s) of housing included, project understanding should state how the potential project meets the community's housing goals. A Housing Assessment for Otter Tail County was adopted in December 2021 and can be found here:

[Microsoft Word - FINAL - Comprehensive Housing Needs Analysis for Otter Tail County \(ottertailcountymn.us\)](#)

DESIGN

The City of Fergus Falls does not have formal design requirements or voluntary design guidelines. However, design is an important component of the redevelopment site. The Letter of Interest submittal should address the developer's vision for the site and project design. The developer should include a similar project and provide an example of the building(s) design and exterior materials that could be applicable to this redevelopment project. While railroad traffic is infrequent, the Port Authority is interested in design features which reduce noise from the railroad.

CITY INCENTIVES

The City has invested significantly in the acquisition and environmental cleanup of the site. Projects that meet City housing and development goals will be considered for, but not necessarily granted, additional public investment such as tax abatement or tax increment financing. The City will work with the developer to identify alternative funding sources, including grants, to aid in reducing development and site costs.

SUBMITTAL REQUIREMENTS

SELECTION PROCESS & TIMELINE

The selection process may consist of two steps:

1. **Submission of Letter of Interest**
2. **Selection committee interviews** (dependent upon step 1)

In response to the RFP the developer should submit a Letter of Interest to the City of Fergus Falls which addresses the following information:

- **Project Understanding:** What is the developer's vision for the site and the proposed project design and how it aligns with the RFP.
- **Key Personnel:** Who are all the partners in the project and the project manager.
- **Past Experience:** Please provide 1 or 2 similar projects you have worked on that would be consistent with the dairy site proposal. Include information relating to prior project design and exterior materials.
- **Project Schedule:** Provide a generalized project schedule for planning and development of the site.

The Port Authority reserves the right to reject any and all responses to this request for proposals. The Port Authority is not responsible for costs associated with responding to this RFP.

All received Letters of Intent will be evaluated by a selection committee comprised of the City Staff and Port Authority members.

RESPONSIBILITY OF DEVELOPER

The developer will be responsible for all aspects and costs of development including but not limited to project financing, project team and project management, regulatory approvals such as permitting, rezoning, subdivision, construction, marketing sale of dwelling units or buildings as applicable, etc.

RESPONSIBILITY OF PORT AUTHORITY

The Port Authority will convey ownership of the site once the developer has secured all project financing, regulatory approvals, and entered into a purchase agreement and developer's agreement with the Port Authority for the site. The Port Authority and City of Fergus Falls will partner with the developer to assist in identifying and receiving grants, loans, and outside funding to assist in defraying the costs of project development.

Once a proposal has been recommended and selected, the developer would secure all required financing and any regulatory approvals (e.g. zoning, subdivisions). The developer and the Port Authority will also negotiate a Developer's Agreement for the site. Once the developer has secured all financing and approvals and the terms of the Developer's Agreement are mutually agreeable, the final step is a public hearing for the sale of the land. This last step is required by state statute (M.S. 469.065, Subd.2). The public hearing and vote on the sale may take place at the same meeting.

SUBMISSION INSTRUCTIONS

Electronic submissions of proposals is required. Electronic submissions must be received by 4:00pm Central time on March 3, 2023. Please combine all information into one PDF and forward the document to Klara Beck, Community Development Manager, at Klara.Beck@ci.fergus-falls.mn.us. If you experience any issues or have questions, please contact Klara Beck at Klara.Beck@ci.fergus-falls.mn.us.

SELECTION TIMELINE

- RFP Distribution: February 1, 2023
- Letter of Intent Due: March 3, 2023
- Selection of Development Team Anticipated within 30 days of Submission

ATTACHED MATERIALS

Aerial maps:

- Site - 301 S. Buse St. (Former Dairy)
- Former Dairy Development - Area Context
- Potential Future Railroad Crossing

Utilities:

- Sanitary Sewer System
- Storm Sewer Infrastructure
- Water Infrastructure
- Property Easements

Downtown Riverfront Plan Excerpt

Employment Overview: Fergus Falls

PORT AUTHORITY PROPERTY



Parcel Number 71003500004004
17.85 Acres - R-4 Zoning

Parcel Number 71003500004015
11.67 Acres - R-4 Zoning

Legend
 Port Authority Properties

Scale 1"=100.00'
9/29/22



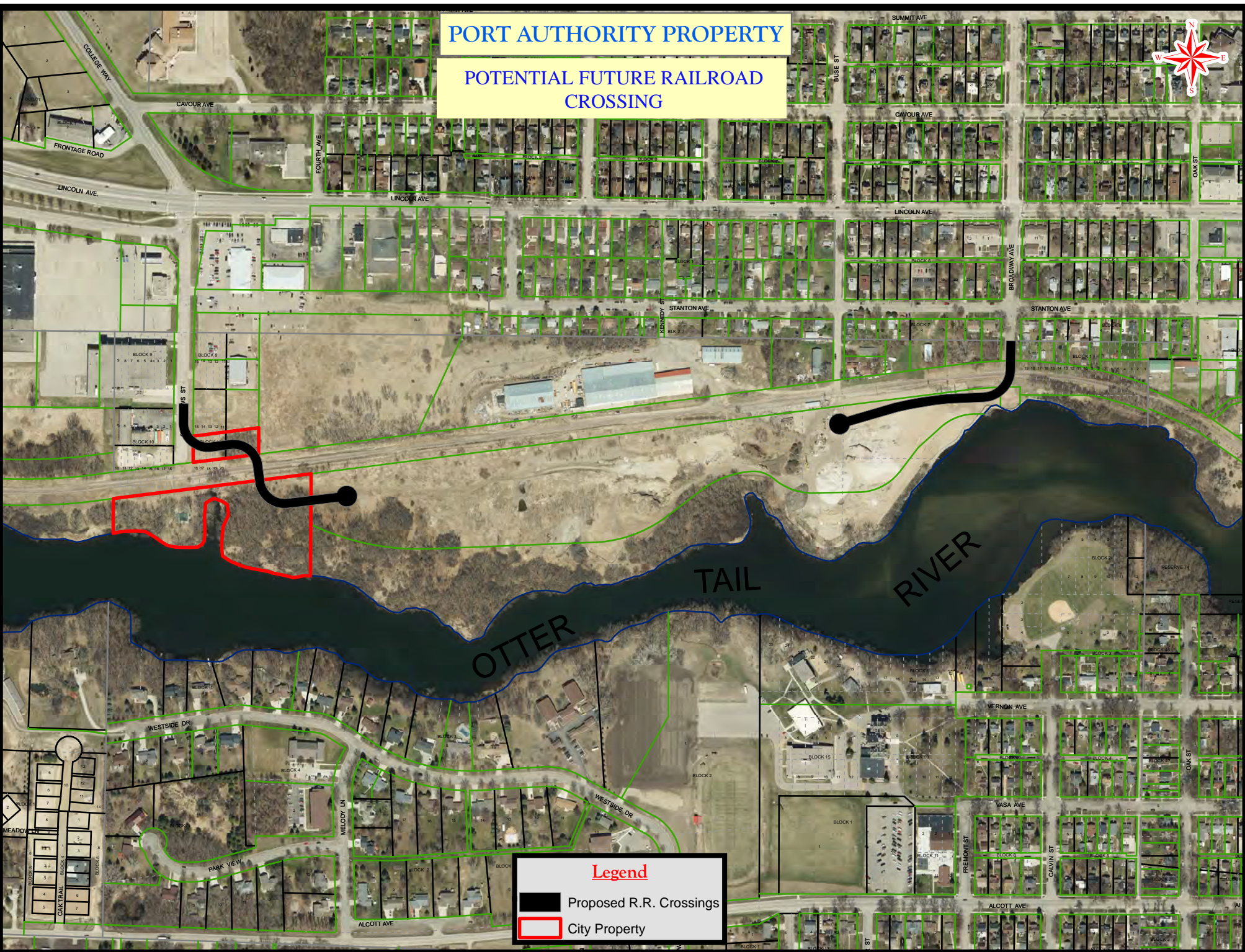
**PORT AUTHORITY PROPERTY
301 BUSE ST SOUTH
(Former Dairy Property)**



Legend
 29.52 Acres

PORT AUTHORITY PROPERTY

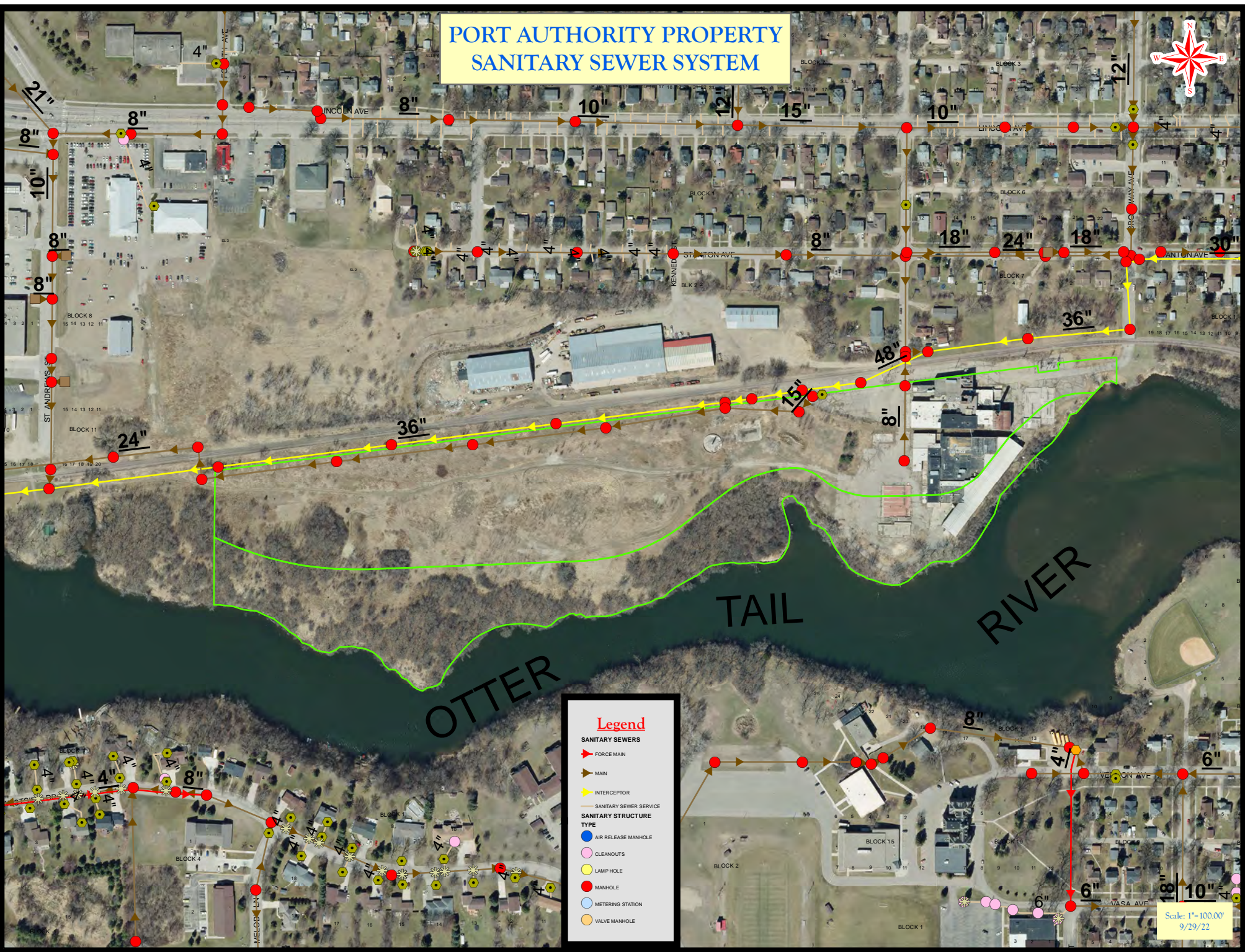
POTENTIAL FUTURE RAILROAD CROSSING



Legend

- Proposed R.R. Crossings
- City Property

PORT AUTHORITY PROPERTY SANITARY SEWER SYSTEM



Legend

SANITARY SEWERS

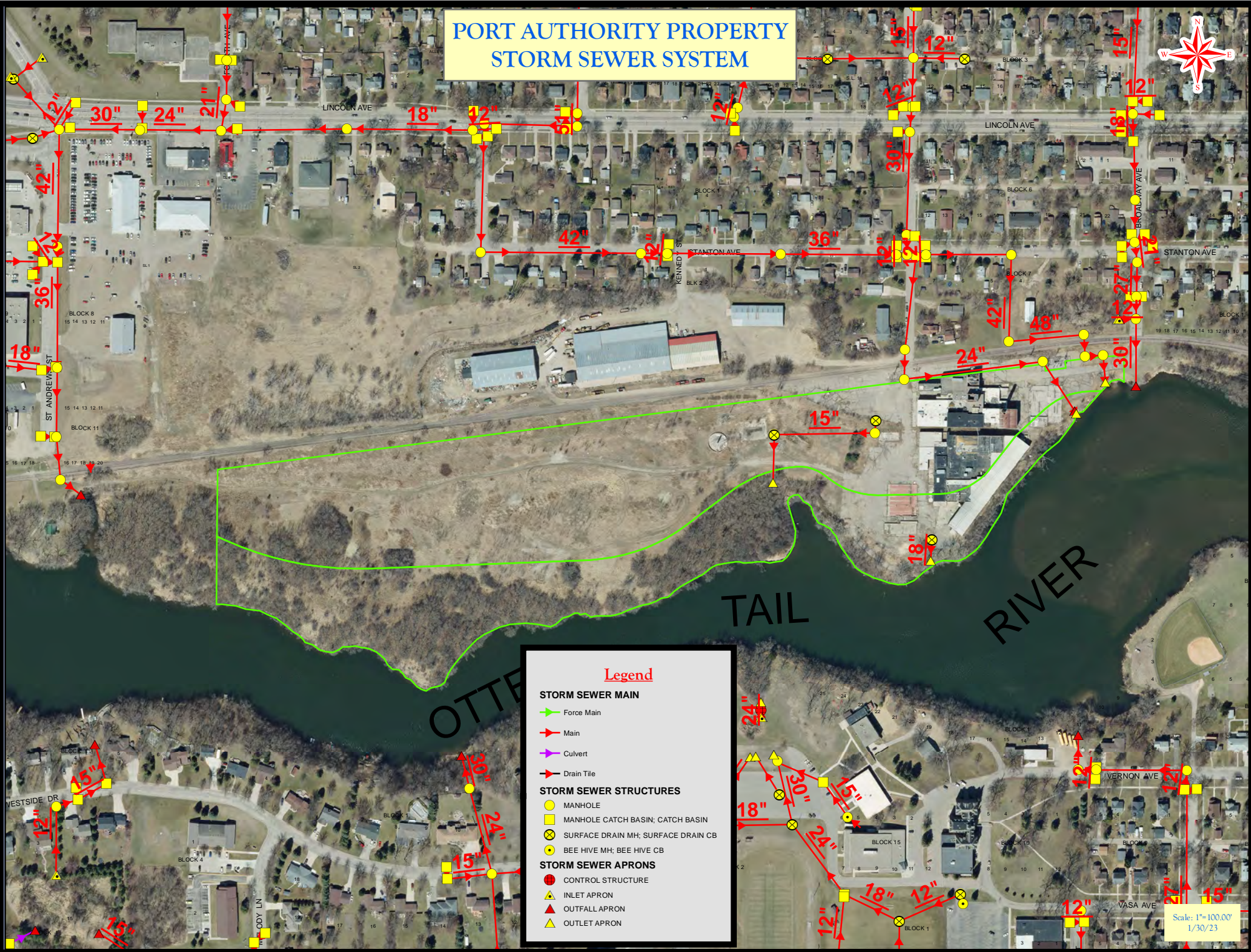
- ▶ FORCE MAIN
- ▶ MAIN
- ▶ INTERCEPTOR
- ▶ SANITARY SEWER SERVICE

SANITARY STRUCTURE TYPE

- AIR RELEASE MANHOLE
- CLEANOUTS
- LAMP HOLE
- MANHOLE
- METERING STATION
- VALVE MANHOLE

Scale: 1"=100.00'
9/29/22

PORT AUTHORITY PROPERTY STORM SEWER SYSTEM



Legend

STORM SEWER MAIN

- Force Main
- Main
- Culvert
- Drain Tile

STORM SEWER STRUCTURES

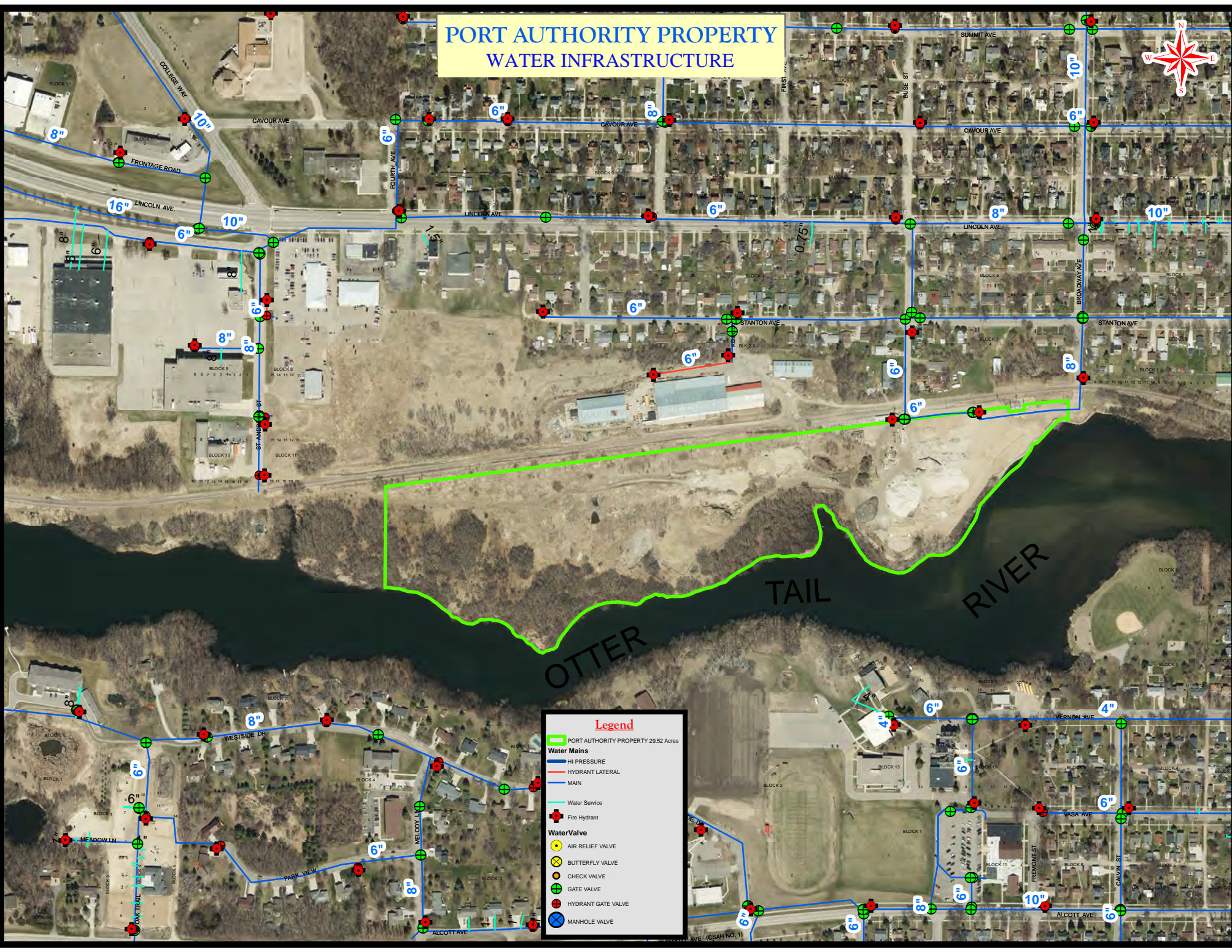
- MANHOLE
- MANHOLE CATCH BASIN; CATCH BASIN
- ⊗ SURFACE DRAIN MH; SURFACE DRAIN CB
- ⊙ BEE HIVE MH; BEE HIVE CB

STORM SEWER APRONS

- CONTROL STRUCTURE
- ▲ INLET APRON
- ▲ OUTFALL APRON
- ▲ OUTLET APRON

Scale: 1"=100.00'
1/30/23

PORT AUTHORITY PROPERTY WATER INFRASTRUCTURE



Legend

PORT AUTHORITY PROPERTY 29.52 Acres

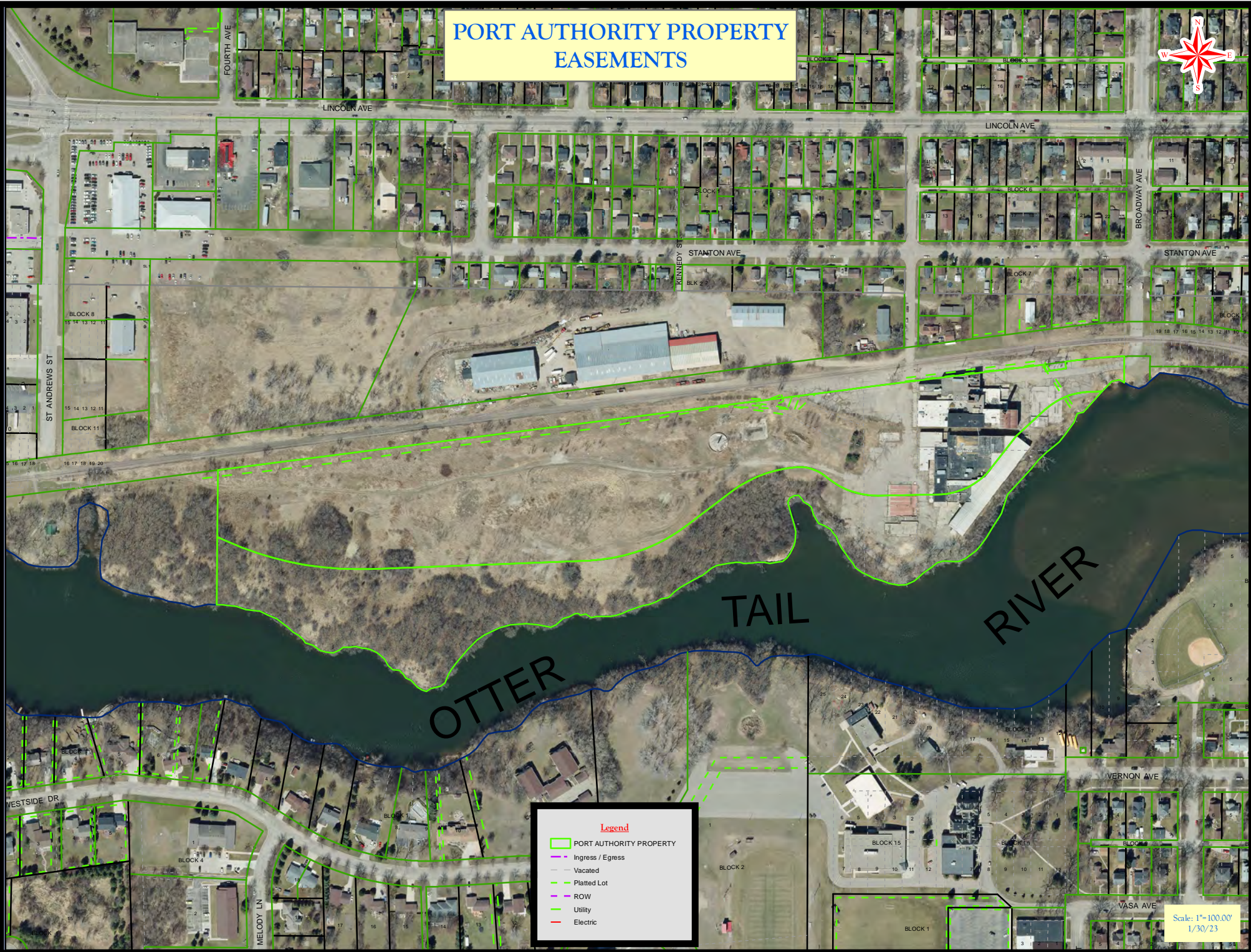
Water Mains

- HI-PRESSURE
- HYDRANT LATERAL
- MAIN
- Water Service

Water Valve

- AIR RELIEF VALVE
- BUTTERFLY VALVE
- CHECK VALVE
- GATE VALVE
- HYDRANT GATE VALVE
- MANHOLE VALVE

PORT AUTHORITY PROPERTY EASEMENTS



Legend

- PORT AUTHORITY PROPERTY
- Ingress / Egress
- Vacated
- Platted Lot
- ROW
- Utility
- Electric

Scale: 1"=100.00'
1/30/23

OLD DAIRY / LUMBER SITES

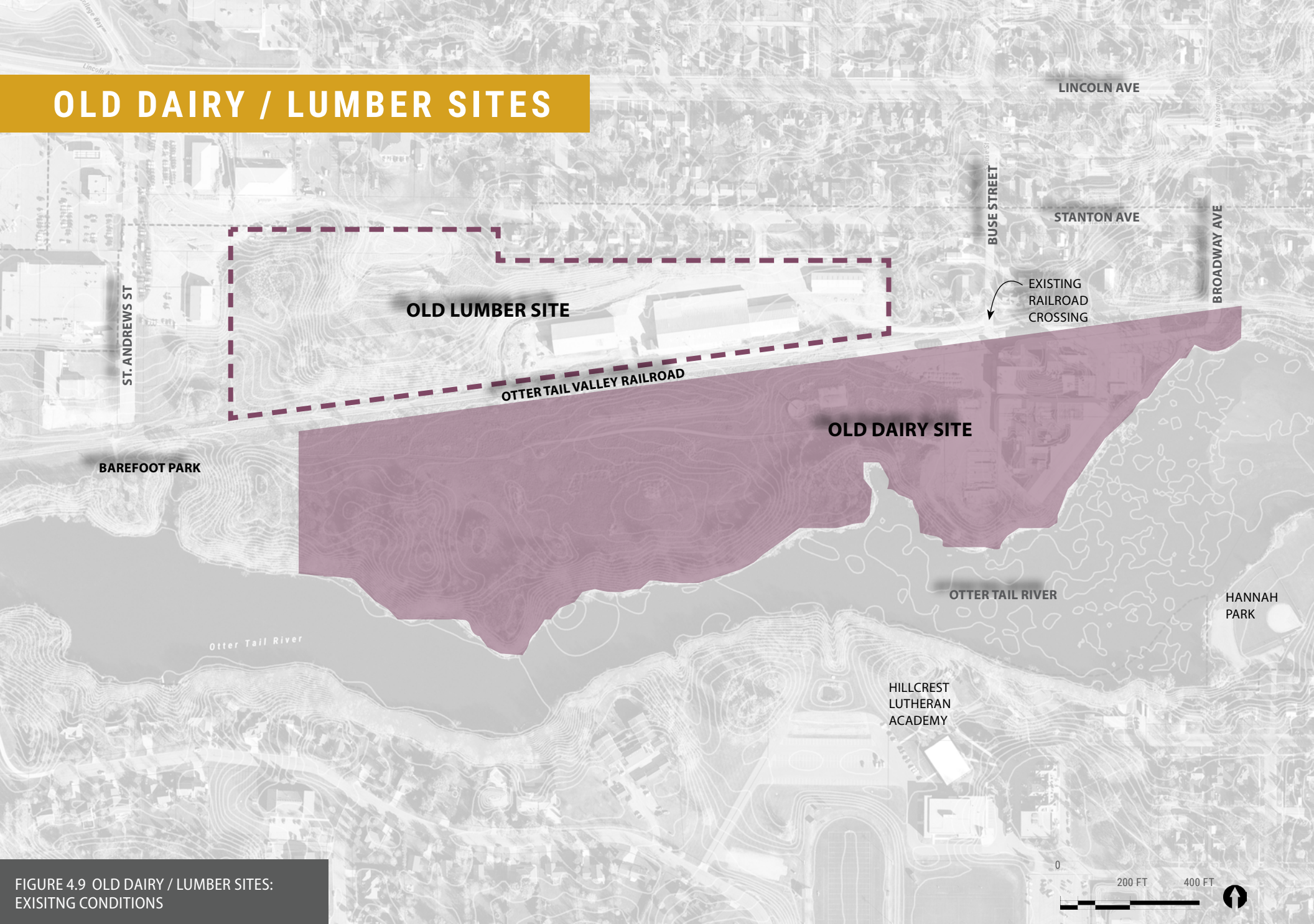


FIGURE 4.9 OLD DAIRY / LUMBER SITES:
EXISTING CONDITIONS

OLD DAIRY / LUMBER SITES

The vacant dairy site, located along the north side of the Otter Tail River in the West River Reach, provides an excellent redevelopment opportunity and the chance to create unique riverfront park spaces and trails as well as add new riverfront housing options near downtown. Getting vehicular access to the site is critical, since all access will require crossing the rail line. The redevelopment concept looks at shifting the existing rail crossing from Buse Street to Broadway. It also envisions an additional rail crossing near St. Andrews Street.

EXISTING CONDITIONS

- » Site is located between the river and the rail line
- » Operating rail line although use is infrequent
- » 29-acre privately-owned land consisting of five parcels; single property owner
- » Old dairy buildings, concrete foundations, and fuel storage tanks remaining on the site will require removal and soil cleanup activities
- » Barefoot Park is a 4-acre city park on the west end of the site with an open air picnic shelter and unpaved trail connection down to the river; no vehicular or trail access to the park
- » Otter Tail Power Co. property adjoins the park on its west side
- » Views of river, historic school campus and park across the river, and green space



Photos of existing West River Reach

OLD DAIRY / LUMBER SITES



FIGURE 4.10 WEST RIVER REACH: SITE CONCEPT

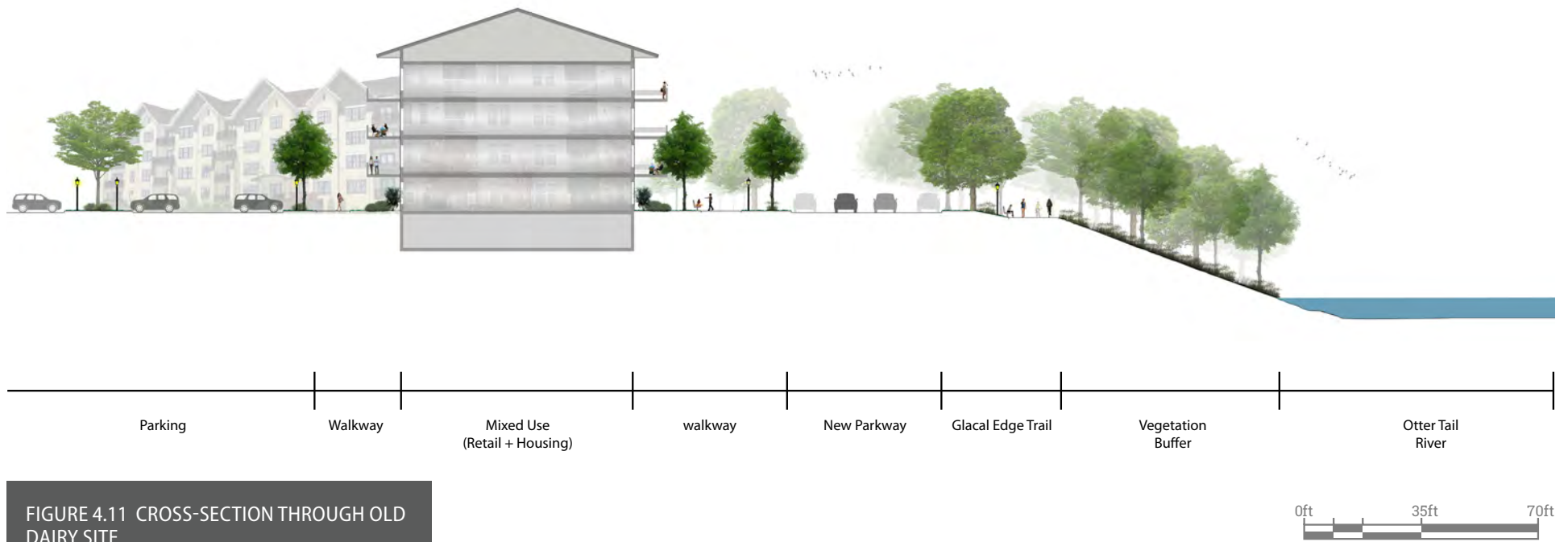


FIGURE 4.11 CROSS-SECTION THROUGH OLD DAIRY SITE

WEST RIVER PARKWAY CONCEPT

- » Public green space along the entire riverfront with river access opportunities
 - Boat access near Broadway
 - Shoreline/pier fishing
- » New multi-use regional trail along the river – Glacial Edge Trail
- » New park space on both ends of the old dairy site – new park near Broadway, improved Barefoot Park near St. Andrews Street
- » Shift the existing railroad crossing from Buse to Broadway
- » Obtain approval for rail crossing near St. Andrews Street for western access to West River Reach, which is anticipated to be difficult and may require closing an existing rail crossing elsewhere
- » New roadway along the river designed as a landscaped parkway accessible from Broadway and St. Andrews Street
- » Extension of Stanton Ave west to St. Andrews Street to create a West River Reach loop
- » New housing options with river views – apartments, condominiums, townhouses



Precedent images of river-oriented development



POTENTIAL FUTURE TRAIL

- » The plan recommends a future trail/greenway between the Old Dairy site and the Lumber Yard site if and when the existing rail line is ever abandoned.

Employment Overview

Fergus Falls City, MN
Geography: Place



INCOME

\$56,983
Median Household Income

\$34,802
Per Capita Income

\$117,634
Median Net Worth

BUSINESS

859
Total Businesses

12,123
Total Employees

COMMUTERS

14%
Spend 7+ hours commuting to and from work per week

77.0%
Drive Alone to Work

EDUCATION

6%
No High School Diploma

38%
Some College

24%
High School Diploma

29%
Bachelor's/Grad/Prof Degree

KEY FACTS

14,015
Population

6,159
Households

44.0
Median Age

\$47,512
Median Disposable Income

EMPLOYMENT

58.2%
White Collar

16.7%
Services

25.2%
Blue Collar

1.0%
Unemployment Rate



This infographic contains data provided by Esri, Esri-Data Axle, Esri-MRI-Simmons, ACS. The vintage of the data is 2022, 2027, 2016-2020.