

CITY CONTRACTING REQUIREMENTS

The selected developer will be required to enter into a redevelopment contract with the City that will contain standard City requirements such as insurance and indemnification and provisions to ensure redevelopment of the Property, e.g., construction and financing plan approval prior to closing, transfer and encumbrance limitations prior to completion, and reversionary rights. Other requirements vary depending upon the type of development and the source and amount of public investment, if any.

The following list is not exhaustive. Proposers unfamiliar with these standard requirements are urged to seek further information from City staff.

1. *Equal opportunity (affirmative action and nondiscrimination)*. If the project receives public financial assistance over \$50,000, the selected developer will be required to submit a written affirmative action plan to the City's Department of Civil Rights for the development project. The selected developer will be required to comply and cause its contractors to comply with applicable provisions of Chapters 139 and 141 (Title 7, Civil Rights), Minneapolis Code of Ordinances, and other applicable federal, state and local regulations, statutes and ordinances pertaining to civil rights and nondiscrimination.
2. *Prevailing Wage Policy*. If the project receives public financial assistance and, the selected developer may be required to covenant and agree that it will cause its general contractor to comply with the wage and hour standards issued by the United States Secretary of Labor pursuant to the Davis Bacon Act, 40 U.S.C. Sections 276a to 276a-5, as amended, and the Contract Work Hours and Safety Standards Act, 40 U.S.C. Sections 327-333.

The appropriate date for the wage decision shall be the earliest of (i) the date of formal bid opening for either the general contractor (if the general contractor was competitively procured) or for the subcontractor (if the general contractor was not competitively procured) provided the construction contract is awarded within 90 days; (ii) the start of construction; and (iii) the date of the construction contract where complete construction specifications are included, with such wage decision modified and updated as required by federal labor standards.

3. *Small and Underutilized Business Program*. Development projects that receive public financial assistance over \$100,000 must comply with Chapter 423 of the Minneapolis Code of Ordinances, which requires "good faith efforts" to meet goals for the use of businesses owned by women and minorities in construction and professional services. A list of certified businesses can be obtained by contacting the Small and Underutilized Business Program at 612-673-3076 or at www.mnucp.metc.state.mn.us.
4. *Apprenticeships*. If the City provides assistance to the developer as defined in the City's Registered Apprenticeship Training Program Policy, the developer must covenant and agree to cause its general contractor and any subcontractors with a construction contract over

\$50,000 to provide evidence of participation in an apprenticeship training program registered with the state.

5. *Uniform Federal Accessibility Standards.* The development must be in conformance with the Americans with Disabilities Act of 1990, and the ADA Amendments Act of 2008, the Fair Housing Act and the Uniform Federal Accessibility Standards as published on April 1, 1988. Developers must describe the accessibility design for people with disabilities of each of the code-required handicapped units, any proposed housing development (e.g., roll in showers), the mix of accessible units in the project and where they are located, and any appropriate safety features for vision- and hearing-impaired people.
6. *Soil Conditions.* Except for any City approved soil correction allowance escrow of the purchase price, the Site will be sold “as is” and it will be the developer’s responsibility to correct and pay for all costs associated with environmental or geotechnical soil problems. Any environmental reports in CPED’s possession regarding the property may be reviewed during normal business hours at the CPED offices by making arrangements with the department contact person. Any potential proposer may also reasonably conduct its own environmental testing of the property by contacting the department contact person, entering into a right of entry agreement with the City and providing the requisite insurance coverage.
7. *Affordable Housing Policy.* The City’s Affordable Housing Policy applies to any residential development (rental or ownership) with ten units or more, or a project with a residential component of 10 or more units, that receives any public financial assistance. Public financial assistance includes the receipt of City-wide resources through the normal, competitive funding processes established by the City, or the receipt of non-City resources that are either passed through the City or requires the City to be a co-applicant.
8. *Rezoning Responsibility.* It is the selected developer’s responsibility to undertake and finance any rezoning, variance and use permits necessary for approval of the proposed development.
9. *Utilities.* It is the selected developer’s responsibility to identify the locations of and provide for the installation of electricity, gas, water, sewer service and other utilities servicing the site from the public mains to the individual units.
10. *Construction Standards.* Development must meet all Minneapolis City codes, and projects will be reviewed for energy efficiency. Residential development must meet FHA minimum property standards.
11. *Hold Harmless.* The selected developer shall agree to defend, indemnify and hold the City harmless from any and all claims or lawsuits that may arise from the developer’s activities under the provisions of the redevelopment contract, that are attributable to the acts or omissions, including breach of specific contractual duties of the developer or the developer’s independent contractors, agents, employees or officers.

12. *“As Is” Sale and Reversionary Rights.* The City will convey the property “as is,” with no title warranties and subject to reversionary rights running in favor of the City. In the event that subsequent to conveyance of the Property and prior to receipt by the Developer of a Certificate of Completion, the Developer defaults in the terms of the Redevelopment Contract, the City will have certain rights to re-acquire the property. In order to facilitate the obtaining of funds necessary for construction of the Minimum Improvements, the City agrees that it will enter into a reasonable agreement of subordination of the City’s interest in the Property to the interests of the holder of such a mortgage, provided that the City determines, in its reasonable judgment, that the interests of the City under the land sale remain adequately protected.