

Request for Preliminary Proposals (RFPP) for parties interested in using available existing space at the former Owatonna High School Building

Address: Current Owner: Contact Information: 333 E School St, Owatonna, MN 55060 Independent School District #761 - Owatonna Public Schools Bob Olson, Director of Facilities, Infrastructure and Security Phone: (507) 444-8606; Email: <u>bolson@isd761.org</u> *All questions to be directed to Bob Olson*

Date Issued: Proposals Due: January 27, 2022 February 28, 2022

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Background and Objective

ISD #761 is seeking preliminary proposals for reuse of portions of the former Owatonna High School building which will be vacated in approximately June 2023. The purpose of this RFPP is to gauge interest from serious developers. Full development proposals will follow through a more comprehensive RFP process and/or negotiations with the District following the Preliminary RFP process.

In November 2019, the community successfully passed two bond referendum questions - the first question was \$112M for a new high school campus to be constructed and question two was to use \$8M to re-purpose the current high school building/campus for District functions. Based on the two questions passed in the recent referendum vote, the school district anticipates allocating up to \$11 million (\$3M from Q1, \$8M from Q2) for the re-use of portions of the current Owatonna High School campus. Any potential additional development would require funding from a proposed partner, as the District's allocated funds will be used to prepare portions of the building for the below intended functions.

- The three-story portion at the northwest corner (C Plaza) is anticipated to be remodeled to house district administration offices.
- The VoAg building is anticipated to be utilized for district maintenance shops.
- Gymnasium and locker rooms anticipated to house High School and youth gymnastics programs.

The District has no planned uses for the 1959 addition ("G Wing"), the original 1921 building, or the A/B plazas (other parts of 1998 addition that are subterranean). Any portions of the building for which a viable reuse has not been identified by the start of construction (see project timeline later in this RFPP) will be recommended for demolition.

Building Information

The former Owatonna High School was built in 1920 and has been added onto several times, with major additions in 1949, 1955, 1960, 1977, and 1998. The building was listed on the National Register of Historic Places in 1986, but was removed in 2000 after the 1998 additions. The building has served as a senior high school from its opening in 1921 through the planned

opening of the New Owatonna High School in Fall 2023. Floor plans of the building are available in the appendix.

Building Size and Age			
Owatonna High School	19	99,284 SF	1920 - ORIGINAL BUILDING
333 East School Street		33,948 SF	1949 - ADDITION
Owatonna, MN 55060		76,500 SF	1955 - ADDITION
		48,168 SF	1960 - ADDITION
		21,000 SF	1977 - ADDITION (VOAG)
		72,413 SF	1998 - ADDITION
	TOTAL	351,313 SF	

Building Condition

The building is in need of significant investment due to aging building, envelope and systems, including HVAC, plumbing and electrical systems. A study was done in 2018 to evaluate required deferred maintenance and found that there was approximately \$34M of needs, of which over \$25M were high-priority (to be addressed in near-future or overdue). It should be noted that these figures represent estimated cost to remedy in 2018 and have not been adjusted for inflation. A full copy of this report, broken down by area/building vintage, is available in the appendix. The District intends to complete several of these maintenance items in the areas they will be occupying (C Plaza, VoAg, Gymnasium/Locker Rooms); however, the District intends to minimize its footprint to be fiscally responsible to taxpayers and as such, does not plan to perform maintenance items for areas not identified for District reuse. The successful respondent will be responsible for both initial capital expenditures as well as on-going maintenance costs for portions of the building they propose for reuse.

Suitable Use Criteria

A Task Force of 26 community members was established by the ISD 761 Board of Education to examine the future of the existing Owatonna High School Facility, which will no longer be used for K-12 instruction when the New High School opens in 2023. This Task Force has reviewed information about the building, ideas submitted by the community via the Engage Owatonna website, and learned about the rationale to move the District administrative offices and maintenance functions to the site. The Task Force has developed some Suitable Use Criteria, which will be used along with other information requested in this RFPP to evaluate potential interested parties.

- Project should be financially responsible and consider leveraging a variety of funding types
- Project needs to benefit the community as a whole

• Project must be beneficial to the surrounding neighborhood (safety/security, quality of life, property values), etc.

A list of the ideas submitted by the general public for potential uses via the Engage Owatonna website is available in the appendix.

The District will evaluate all submitted proposals and will make a recommendation to the Board of Education as to which proposal should be selected. The District may select the proposal that is in the best interests of the District and community. The District retains the right, at their sole discretion, to enter into negotiations with one or more proposers or reject all proposals.

The sale of any property is subject to the approval of a purchase agreement between the successful respondent and Owatonna Public Schools.

Submission Requirements

Respondents are advised of the following terms and conditions:

- The District intends to own and operate the C Plaza, Gymnasium/Locker Room spaces, and VoAg building, as well as support spaces such as parking.
- Those interested in submitting a proposal should provide contact information to Bob Olson (address, phone number and email address on cover page) in order to receive any updates or addenda.
- It would be acceptable for respondents to be interested in portions or parts of the facility/property, and a response should include this information.
- All respondents are responsible for costs incurred in the preparation of a submission. This includes but is not limited to costs associated with preparing the proposal and of participating in any site visits, presentations, or negotiations.
- There is no minimum purchase price, however, proposers should be advised that the portions of the building that would be available for sale (G Wing, 1921 building, A/B plaza) would be sold "AS-IS".
- Any and all regulatory requirements such as re-zoning are the responsibility of the respondent.

Proposers must complete and submit their proposal in accordance with the below requirements. Proposer should submit a PDF copy via email to Bob Olson.

- Cover letter indicating main contact information
- Summary of proposed use
- Narrative of the benefits to the community and neighborhood
- Conceptual timeline for redevelopment
- Any other information the respondent would like to provide about the project and its merits
- Intended project financing / strategy (note: financing not required to be secured, but all proposals should remark on intended method of financing to indicate seriousness and viability)

Timeline / Schedule

The timeline for the process is as follows: **Date Issued:** January 26, 2022 **Proposals Due:** February 28, 2022 by 4:00 PM **District intent to vacate unused portions of existing OHS:** August 2023 **District renovation project construction schedule:** August 2023 - July 2024* *pending final project scope

Respondents interested in taking a tour of the facility or grounds should contact Bob Olson to arrange an amenable time. Note that these tours likely will need to occur outside of school hours (approx. 8:00 AM - 2:40 PM).