

**MICK CONSTRUCTION, INC.
2357 GRANITE VIEW ROAD
WAITE PARK, MINNESOTA 56387**

May 15, 2019

Drew Hage
City of Windom Development Director
444 9th St.,
P.O. Box 38
Windom, MN 56101

RE: Cottonwood Lake Drive and N. Redding Avenue (Overflow Parking Lot south of the
Community Center)

Mr. Hage:

Mick Construction Inc. has considerable interest in purchasing and developing the above referenced property in Windom, MN. Per the Submittal Requirements listed in Section 6 of the Request For Proposal document provided by the City, I submit the following:

1. I provide this letter indicating my interest in the Private Development of the above referenced property.
2. The Primary contact person, with contact information will be:

Terry Mick
Mick Construction, Inc.
2357 Granite View Road
Waite Park, MN 56387
320-420-2701
terryjmick@aol.com

3. Mick Construction, Inc. will be the Development Entity for this project. They may assign their interest into a future Limited Liability Corporation (LLC), in the event they are the successful applicant. At that point, all names and contact information will be provided to the City.
4. Our development team will include members as outlined in Exhibit A.
5. Mick Construction, Inc. has completed numerous projects in recent history, including The Preserve of Cambridge, Cambridge, MN and Isanti Court Apartments, Isanti, MN.

The Preserve of Cambridge was developed by Mick and has subsequent been sold to a private Investment Group. The local official for the City of Cambridge was Stan Gustafson.

Isanti Court Apartments was also developed by Mick and has also been sold to a private Investment Group. The local official for the City of Isanti is Rick Simms.

6. Mick has received the Financial Approval Letter from Troy Cameron, Falcon National Bank, St. Cloud, MN. The Approval Letter is attached as Exhibit B.
7. Preliminary plans for the proposed project are sent as attachments to this email.
8. The Developer's plan for construction and financing of the Project are as follows:
 - A. Mick Construction, Inc. will be developing the project in a manner similar to all of its previous developments. Granite City Real Estate, LLC will be managing the property. Attached Exhibit C identifies the management approach for Granite City.
 - B. Upon selection by the City of Windom, Mick will proceed to finalize building plans and specs with its architect. Upon completion, the Plans will be sent to all necessary jurisdictions for final approval. Receiving final approval, Mick will begin excavation of the site, providing utilities to the site, install footings & foundations, complete all underground infrastructure both inside and outside of the building and then proceed towards pouring the concrete slab. Following the installation of the concrete slab, Mick estimates 6 – 8 months construction time to receive a Certificate of Occupancy.
 - C. Mick will be using personal finances, along with a conventional bank loan for funding the project. Mick will be requesting approximately \$450,000 (or allowable costs) in the form of Pay-as-you-go Tax Increment Financing from the City of Windom to provide the gap financing needed to completely fund the project.
 - D. Attached Exhibit C identifies the management approach for Granite City Real Estate, LLC regarding the marketing approach to secure Tenants.
 - E. Mick is proposing to pay \$50,000 towards the purchase of the site, to be paid in cash to the City of Windom on the 5th anniversary of the Closing on the purchase. With the costs of excavation, site utilities and required site preparation, Mick does feel that his proposal is a fair and equitable offer.
 - F. Mick will be requesting approximately \$450,000 (or allowable costs) in the form of Pay-as-you-go Tax Increment Financing from the City of Windom to provide the gap financing needed to completely fund the project.
 - G. Mick has in excess of 40-years of experience in developing Multi-Family housing. Mick has substantially completed numerous market rate projects. Mick has the reputation of completing projects on time and on budget.

Mick, along with additional partners, brings a strong equity position to all of their developments, assuring development success and operational success. The development team and management team provide a long history of success in developing and operating market rate housing.

H. Granite City Real Estate, LLC of St. Cloud will professionally manage the Property. The target rents are as follows:

1-Bedroom units @ \$610.00 per month

2-Bedroom units @ \$720.00 per month

3-Bedroom units @ \$815.00 per month

- I. As identified in paragraph 8(B) above, upon selection by the City of Windom, Mick will proceed to finalize building plans and specs with its architect. Upon completion, the Plans will be sent to all necessary jurisdictions for final approval. Receiving final approval, Mick will begin excavation of the site, providing utilities to the site, install footings & foundations, complete all underground infrastructure both inside and outside of the building and then proceed towards pouring the concrete slab. Following the installation of the concrete slab, Mick estimates 6 – 8 months construction time to receive a Certificate of Occupancy.
9. None of the principals, development entities, or members of the development team have been indicted for or convicted of a felony.
10. Please find my submittal signature within the Request for Proposal document.

Respectfully Submitted,



Terry Mick

Mick Construction, Inc.

**EXHIBIT A
DEVELOPMENT TEAM**

DEVELOPER:

Terry Mick, Mick Construction, Inc.
2357 Granite View Road
Waite Park, MN 56387
320-420-2701
terryjmick@aol.com

MANAGEMENT AGENCY:

Granite City Real Estate, LLC
Andy Martin
3900 Roosevelt Road, Suite 125
St. Cloud, MN 56301
320-253-0003
andym@gcre.mn.com

LEGAL COUNSEL:

Gray, Plante, Mooty, Mooty and Bennet, P.A.
Lee Hanson
1010 West St. Germain Street
St. Cloud, MN 56303
320-251-4414
lee.hanson@gpmlaw.com

DESIGN PROFESSIONALS:

Cole Architects
Norm Cole
216 Park Avenue South, Suite 102
St. Cloud, MN 56301
320-654-6570
norm@colearch.net

CONSULTANTS:

Granite City Real Estate, LLC
Steve Feneis
3900 Roosevelt Road, Suite 125
St. Cloud, MN 56301
320-202-8000
stevef@gcremn.com

Exhibit B



January 24, 2019

Terry Mick
C/O Mick Construction Inc.
2357 Granite View Road
Waite Park, MN 56387

RE: Cottonwood Apartments
Windom, MN

Dear Terry,

This letter is to inform you that Falcon National Bank has preliminary approved financing your 48 Unit Apartment project in Windom, MN. Once you receive final approval from the City of Windom, please give me a call to finalize the financing of the project.

If you have any other questions, please give me a call at 320-230-9248.

Sincerely,

Troy R. Cameron
Senior Vice President

F. 320-223-6310

T. 320-223-6300

www.FalconNational.com

1010 West St. Germain Street • Suite 150 • St. Cloud, MN 56301



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Member
FDIC

EXHIBIT C

New Development Pre-leasing Plan

With new developments, the key to meeting owner objectives and achieve the projected ROI is having a well thought proactive strategy. GCRE's pre-leasing plan commences immediately after groundbreaking to launch the project's identity within the community, which creates early momentum with the targeted prospect audience.

9 Months Out – Building Anticipation In The Market

- ▶ Create property website
- ▶ Identify a location for pre-leasing office (construction trailer at site or nearby location if necessary)
- ▶ Build display boards with renderings and 3D floor plans
- ▶ Build design boards for décor finishes
- ▶ Start list of interested prospects that have inquired
- ▶ Determine and implement any “top of mind” marketing: billboard, event sponsorships, advertising at public venues, etc.
- ▶ Create property brochure (limited in design because only renderings and lifestyle photos are available)

6 Months Out – Final Pre-leasing Preparation

- ▶ Create detailed unit availability list
- ▶ Build amenity lists for advertising media
- ▶ Update lease comps for current pricing
- ▶ Identify area businesses for “preferred business” leasing outreach campaign
- ▶ Secure selected marketing mediums (ILS's, signage, radio, etc.)
- ▶ Finalize property set up in GCRE's property management software
- ▶ Train property team
- ▶ Identify any additional community events for early “top of mind” marketing

5 Months Out – Launch Marketing Efforts

- ▶ Open pre-leasing office
- ▶ Launch ILS's
- ▶ Start accepting reservations via hold-deposits
- ▶ Commence utilization of social media
- ▶ Stage and show model unit if accessible
- ▶ Update website with actual photos of model unit if available

3 Months Out

- ▶ Goal is to have access to units and amenities to show at this point
- ▶ Initiate contests, etc. with leasing team to maintain a strong focus
- ▶ Direct mail competition
- ▶ Targeting 7-10% pre-leased (may vary with seasonality)

2 Months Out

- ▶ Detailed review of lease-up progress and address rates and advertise specials if necessary
- ▶ Assemble move-in gift bags
- ▶ Assemble move-in packet paperwork
- ▶ Targeting 17-20% pre-leased (may vary with seasonality)

1 Month Out

- ▶ Plan grand opening event
- ▶ Plan resident appreciation effort for first four months of occupancy
- ▶ Plan schedule for large amount of upcoming move-ins

May 15, 2019

Redevelopment Grant Program Administrators:

Mick Construction, Inc. ("Mick") is based in Waite Park, Minnesota and has been developing market-rate apartments since 1983. From 1983 to the present, Mick has built and developed **1,300** apartment units. Mick has been working with the Economic Development Authority of Windom (EDA) since 2016 on the proposed construction of a 46/48-unit market-rate apartment building.

The top location for the 46/48-unit market-rate apartment building is adjacent to Cottonwood Lake as part of the Cemstone Redevelopment project. This location offers a number of amenities for individuals, families and seniors. Below are a few of the amenities that make this location an attractive investment:

Community Center:

- Senior Center and Senior Dining
- Event Facilities
- Open gym
- 7-acres of open space
- Boat launch

Tegels Park:

- Public fishing dock
- Sand beach and beach house
- Playground & 10-acres of open space
- Shelter House

Windom Regional Recreation Area:

- Walking trail
- Ball diamonds
- Kastle Kingdom (custom playground)
- Skate park
- Shelter house
- Soccer Field

Mick is able to move forward with the 46/48-unit market-rate apartment building in Windom in June or July of 2019. Our construction timeline is approximately 1 year. We have been working on this project since 2016 and are confident in the demand for our project.

It is our understanding that the City of Windom will be issuing a Request for Proposal for the multi-family housing as part of the Cemstone Redevelopment Project. Mick is planning on submitting the proposed 46/48-unit market-rate apartment building project. We can provide additional information regarding the project upon request.

Sincerely,



Terry Mick

**Private Developer Proposal for the Overflow Lot
Cottonwood Lake Drive and N. Redding Avenue**

Section 6 Submittal Requirements – Narrative

Please answer the following:

1. What is your organization and management approach to the Project?

Mick Construction Inc. (Mick)

2. What is your general schedule for completion of the Project following acquisition?

Upon selection by the City of Windom, Mick will proceed to finalize building plans and specs with its architect. Upon completion, the Plans will be sent to all necessary jurisdictions for final approval. Receiving final approval, Mick will begin excavation of the site, providing utilities to the site, install footings & foundations, complete all underground infrastructure both inside and outside of the building and then proceed towards pouring the concrete slab. Following the installation of the concrete slab, Mick estimates 6 – 8 months construction time to receive a Certificate of Occupancy.

3. Description of a general financing plan including any anticipated or potential financing sources (sources and uses private and public):

Mick will be using personal finances, along with a conventional bank loan for funding the project. Mick will be requesting approximately \$450,000 (or allowable costs) in the form of Pay-as-you-go Tax Increment Financing from the City of Windom to provide the gap financing needed to completely fund the project.

4. Description of marketing approach to secure tenants:

Granite City Real Estate, LLC will be professionally managing the Property. Please see attached Exhibit C regarding Granite City's approach to secure Tenants.

5. What is the proposed purchase price and the explanation of the purchase price for the Project property? (Please describe your financing gap).

Mick is proposing to pay \$50,000 towards the purchase of the site, to be paid in cash to the City of Windom on the 5th anniversary of the Closing on the purchase. With the costs of excavation, site utilities and required site preparation, Mick does feel that his proposal is a fair and equitable offer.

6. What is the proposed amount and description of financial assistance requested from the City? (Please describe your financing gap).

Mick will be paying the purchase price, in cash, to the City of Windom and is requesting that the cash payment to be paid on the 5th anniversary of the Closing on the purchase. Mick will also be requesting \$450,000 (or allowable costs) from the City of Windom in the form of Pay-as-you-go Tax Increment Financing, to be paid over the term of the Tax Increment District. In addition to the financial assistance, Mick will be providing private money in the form of a Convention Loan and developer cash.

7. Identify any unique resources, capabilities or assets which the proposer would bring to this Project:

Mick has in excess of 40-years of experience in developing Multi-Family housing. Mick has substantially completed numerous market rate projects. Mick has the reputation of completing projects on time and on budget.

Mick, along with additional partners, brings a strong equity position to all of their developments, assuring development success and operational success. The development team and management team provide a long history of success in developing and operating market rate housing.

8. Identify the target rents for the project for the various units (single bedroom, 2 bedroom, and 3 bedroom):

Granite City Real Estate, LLC of St. Cloud will professionally manage the Property. The target rents are as follows:

- 1-Bedroom units @ \$610.00 per month
- 2-Bedroom units @ \$720.00 per month
- 3-Bedroom units @ \$815.00 per month

9. Market-rate rental housing secured through a land covenant for a minimum of 20 years. How would your project meet this goal?

Mick Construction, Inc. is open to entering into a Land Use Agreement, requiring that the project would meet the City's Market-Rate Rental Housing requirements.

Attachment	Check List
Site Plan	Attached
Colored Rendering	Attached
Floor Plans – Or Concept	Attached
Financial Sources and Uses	Attached Exhibit B
Resume of Developer	Attached

Anticipated Project Schedule	Identified in paragraph 2 above
Additional Attachments if Applicable	N/A

Section 7 Reservation and Disclosures

Reservation

Issuance of this RFP does not commit the City of Windom to enter into a Development Agreement, pay any costs incurred in the preparation of a response to this request, or to procure or contract any services or supplies. The City reserves the right to reject any and all proposals and to make recommendations for changes in any proposal submitted, to waive informalities or irregularities, and may, in the process of this recommendation, allow the developer to make such recommended changes in its proposal. The City reserves the right to require additional information from developer, financial or otherwise, and to hold meetings with any developer to review the offer and development proposal, and to waive any of the requirements set forth herein.

The City may, at the conclusion of its review, recommend that the City Council, in conjunction with appropriate legislative process, enter into a Development Agreement with the selected developer.

As an equal opportunity\affirmative action employer, the City prohibits discrimination on the basis of race, creed, color, sex, age, religion, sexual orientation, marital status, disability, or national origin. Minority and women's business enterprises will be afforded full consideration and are encouraged to respond.

Disclosure of Proposal Content

After the deadline for submissions of proposals, the contents of the proposals will be placed in the public domain and open for inspection by the public. Trade secrets or proprietary information that are recognized as such and are protected by law may be withheld if clearly identified as such in the proposal.

Disposition of Proposals

All proposals become the property of the City and will not be returned to the proposer.

Independent Contractor

The selected developer will act as a separate legal entity and will not be in joint venture, employment or be otherwise affiliated with the City. The developer is responsible for all insurance, salaries, contracts, withholding taxes, social security, unemployment, worker's compensation and other taxes and all other liabilities it incurs in connection with the Project, and shall hold the City harmless from any and all claims for the same.

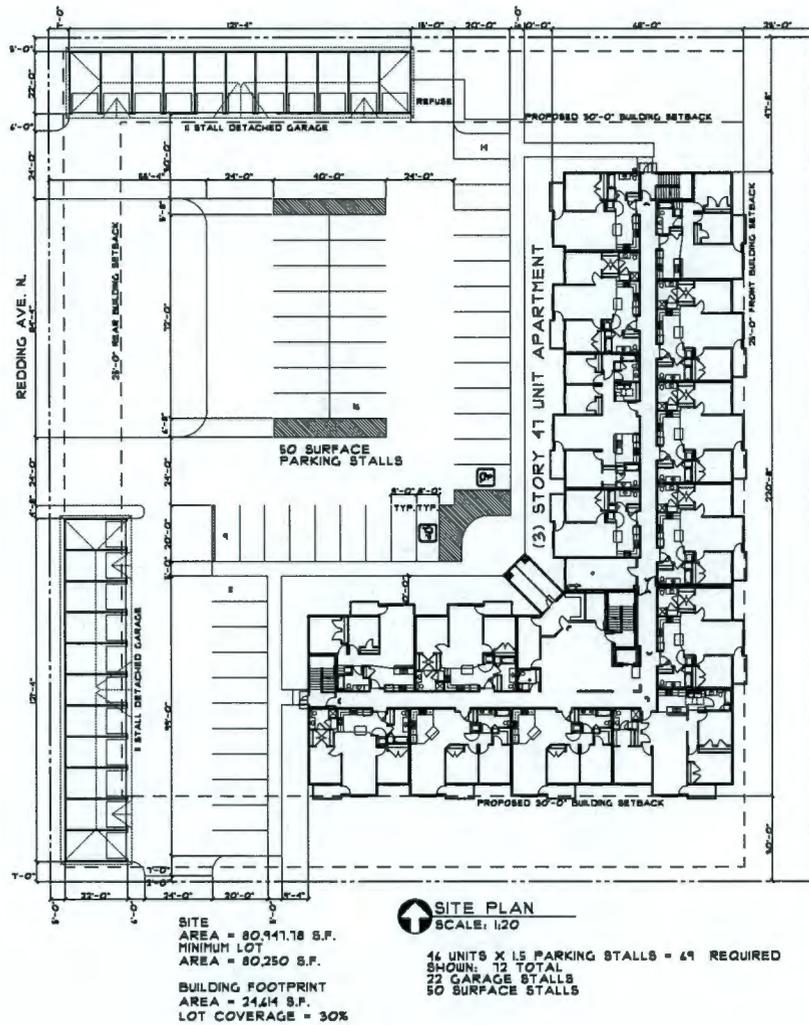


 <p>COLE GROUP ARCHITECTS LLC</p> <p>24 Park Avenue Suite 102 Coppell, TX 75019 9301 454-4810 www.colegrouparchitects.com</p>	<p>These documents are not valid for building permit unless signed by us and cover sealed. Copies are not valid.</p> <p>I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly licensed Architect under the laws of the state of <u>TENNESSEE</u>.</p> <p>Date: <u>02/28/20</u></p> <p>Notary: <u>NOAHAN E. COLE</u> Signature</p>	<p>MICK CONSTRUCTION, INC.</p> <p>2351 GRANTE VIEW ROAD WAITE PARK, TN PHONE: 320-253-2483</p>	<p>PROPOSED: APARTMENT BUILDING WINDOM, MN</p>	<p>Project No. <u>500</u></p> <p>Issue Date <u>A5</u></p> <p>Revision <u>01 of 5</u></p>
	<p>ALL NOTES ON THIS SHEET</p>			

UNIT MIX				
BDRMS./BATH	FIRST	SECOND	THIRD	TOTAL
1 BED/1 BATH	2	1	2	5
2 BED/1 BATH	4	4	4	12
2 BED/2 BATH	7	8	8	23
3 BED/2 BATH	2	2	2	6
				46

BLDG. S.F. = 51,828 S.F.

ONE 'TYPE A' ACCESSIBLE UNIT WILL BE REQUIRED IN THIS BUILDING
THE REST OF THE UNITS WILL BE 'TYPE B' ACCESSIBLE



PROPOSED APARTMENT BUILDING

MICK CONSTRUCTION

385 CENTRE AVENUE, WINNOMIN, MINN.

REGISTERED PROFESSIONAL ARCHITECT

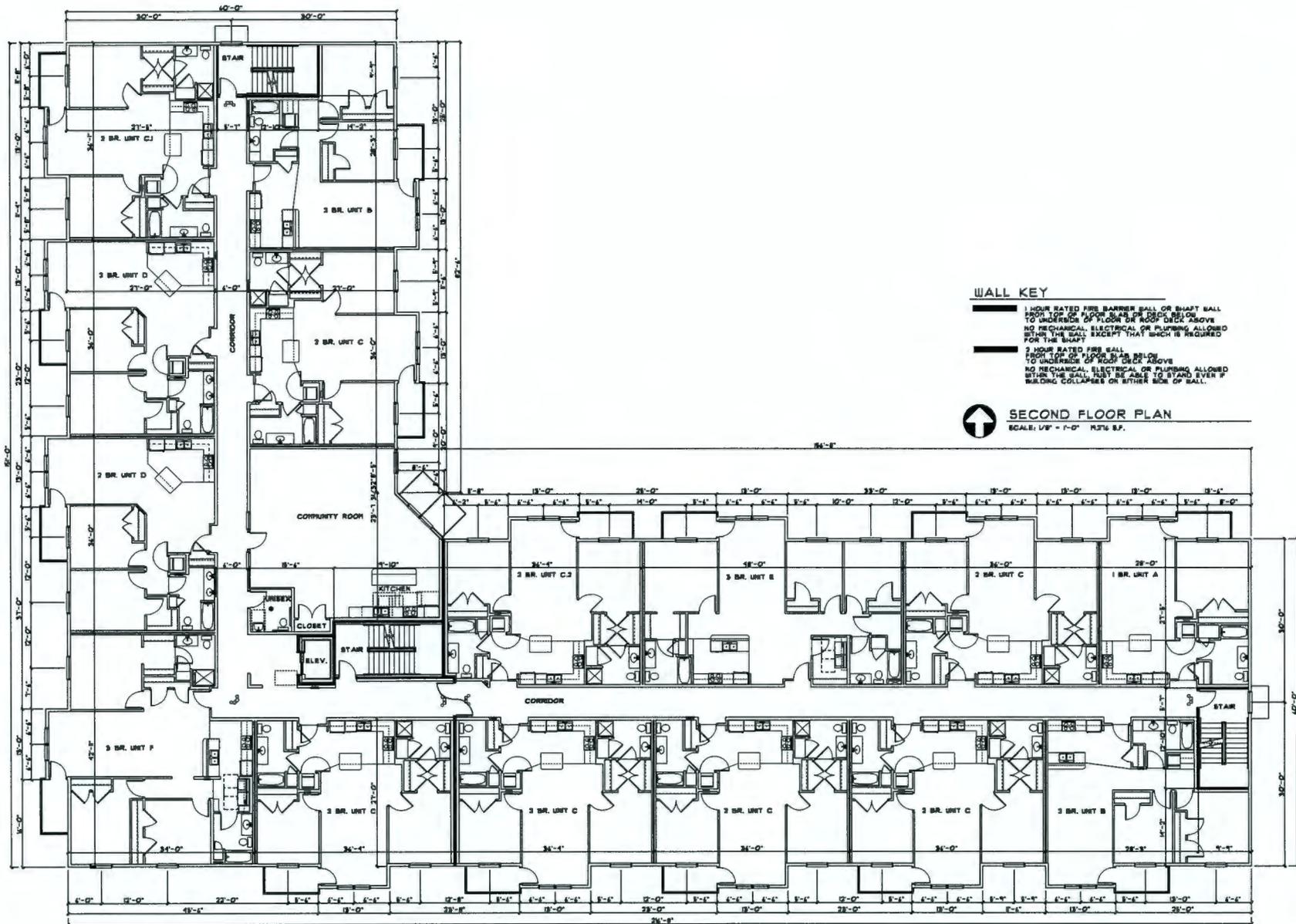
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REGISTERED PROFESSIONAL ARCHITECT

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WALL KEY

- 1 HOUR RATED FIRE BARRIER WALL OR SHAFT WALL FROM TOP OF FLOOR SLAB OR DECK BELOW TO UNDERSIDE OF FLOOR OR ROOF DECK ABOVE. NO MECHANICAL, ELECTRICAL OR PLUMBING ALLOWED WITHIN THE WALL, EXCEPT THAT WHICH IS REQUIRED FOR THE SHAFT.
- 2 HOUR RATED FIRE WALL FROM TOP OF FLOOR SLAB BELOW TO UNDERSIDE OF ROOF DECK ABOVE. NO MECHANICAL, ELECTRICAL OR PLUMBING ALLOWED WITHIN THE WALL, UNLESS IT IS ABLE TO STAND EVEN IF WALLING COLLAPSES ON EITHER SIDE OF WALL.



SECOND FLOOR PLAN

SCALE: 1/8" = 1'-0" N3/4 S.P.

PROJECTED: **APARTMENT BUILDING**
 ARCHITECT: **MICK CONSTRUCTION**
 ADDRESS: 1000 W. WASHINGTON ST., WINNAP, MN 55391
 PHONE: (612) 338-1111
 FAX: (612) 338-1112
 E-MAIL: MICK@MICKCONSTRUCTION.COM
 WWW: WWW.MICKCONSTRUCTION.COM

SHEET: **A3**
 DATE: 11-01-14 FILE: 1000-W-01-01-14

Overflow Lot (Cottonwood Lake Drive south of the Community Center)
City Owned Property
1.9 Acres



Apartment Location 



Overflow Lot (South of the Community Center)
City Owned Property
Mick Construction Site Plan

- Buffer with Single Family
- 750'