



May 10, 2023

Due to the public response related to the demolition of the Highland Apartments located at 3524 6<sup>th</sup> Ave, Invest DSM has delayed the demolition request to City Council for 30 days. While not currently seeking proposals for the rehabilitation of the building, Invest DSM will take statements from qualified developers regarding their interest and feasibility assessment into consideration when making a final decision about pursuing demolition.

To allow developers to assess their interest in rehabilitation at 3524 6<sup>th</sup> Ave, Invest DSM will provide a copy of the most recent construction bid and basic information on the building. In order to ensure a fair and consistent process, developers wishing to take on the project **must submit a Letter of Interest with the following information no later than 5:00 pm on June 1, 2023**. See page 2 for review criteria.

All communications requesting information from Invest DSM and submitting the Letter of Interest should be sent to [Info@InvestDSM.org](mailto:Info@InvestDSM.org).

---

### **MINIMUM INFORMATION REQUIRED – All Submissions Must Address the Following:**

#### **General**

- Development Team – Include similar experience
- Architect - include similar experience
- Contractor – include similar experience
- Attorney – include similar experience
- Tax Credit Accountant – include similar experience
- Project examples – Include 2-3 examples of previously completed projects that are similar in scale and complexity, with general information on project budget, building composition, incentives awarded, and timeline from start to completion.

#### **Timeline**

- Date of acquisition
- Date of hiring your team
- Date of “building stabilization”
- Date of Part 2 submittal to SHPO
- Date of building permit set to the City
- Date of construction start (are you starting at risk or waiting on a 2B award please be clear)
- Date of occupancy

#### **Financial**

- Proforma
  - Sources and Uses including all project costs (hard, soft, RE taxes, insurance, interest carry, site maintenance, etc.)
  - 10-year operating proforma, including MF and Commercial space (show operating expenses and vacancy)
- Lender (Include proposals or term sheets)
  - Construction Loan
  - Bridge Loan
  - Perm Loan



### **Financial, continued**

- Tax Credit Buyer (include term sheet or letter of interest)
- If using Loss Partner please identify

### **Tax Credits & Grant Funds**

List all credits and grants you intend to apply for and when those due dates & awards are. Also note which awards you have already, if any, to move forward.

---

### **REVIEW CRITERIA:**

Letters of interest will be evaluated by Invest DSM staff and Board using the following criteria:

#### **General**

- Applicants must be able to demonstrate prior experience with historic renovation projects of a similar scale and complexity.
- Applicants must be able to demonstrate prior experience applying for incentives, such as tax credits.
- Applicants must be able to demonstrate prior experience in transacting historic tax credits through SHPO and NPS.

#### **Timeline**

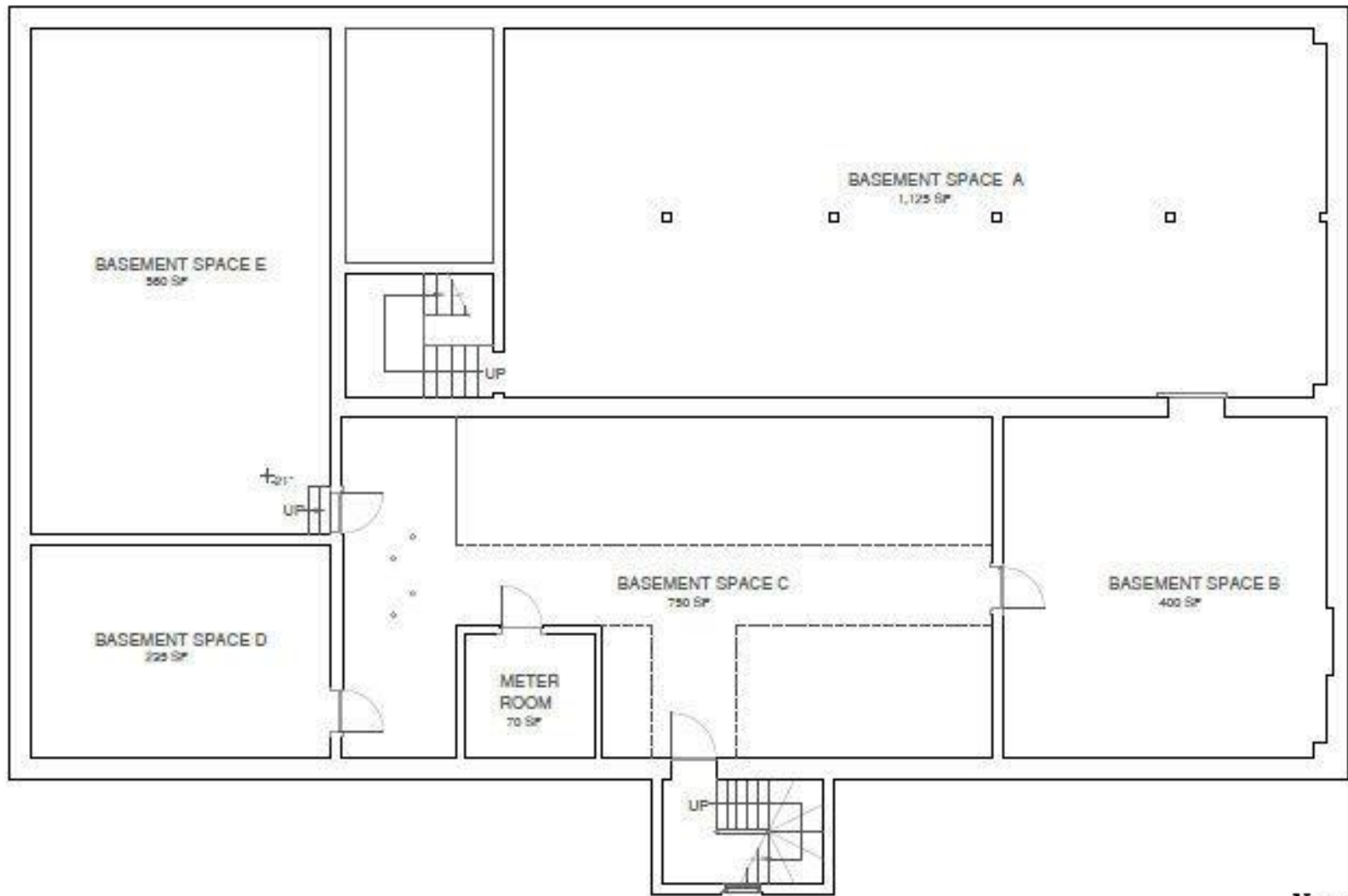
- Applicant must demonstrate the ability to stabilize the building within 45 days.
- Applicant must be able to complete the project by the Summer of 2026.

#### **Financial**

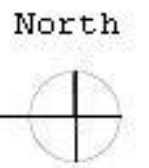
- Amount of Developer Equity. (Preference for a minimum of 20% equity)
  - Best offer to Invest DSM for site acquisition – i.e. purchase price and timeline.
- 

***Invest DSM has the right to reject incomplete proposals. Invest DSM does not guarantee that any proposals will be accepted at this time. Developers submitting a letter of interest do so at their own cost and risk.***

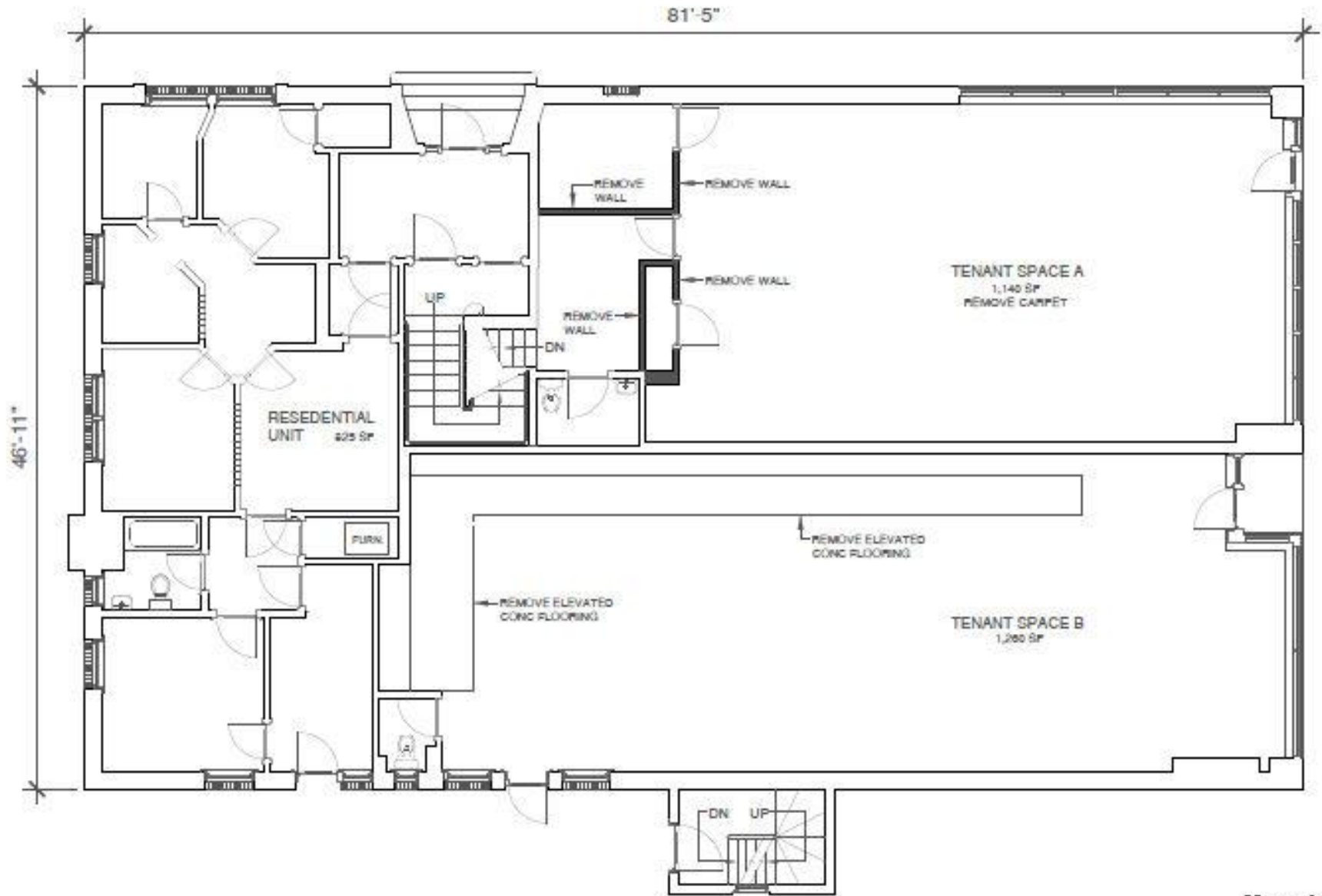
Current basement plan:



**1** BASEMENT PLAN - EXISTING  
1/8" = 1'-0"



3524 6<sup>th</sup> Ave – Highland Apartments -- Existing Floor Plans



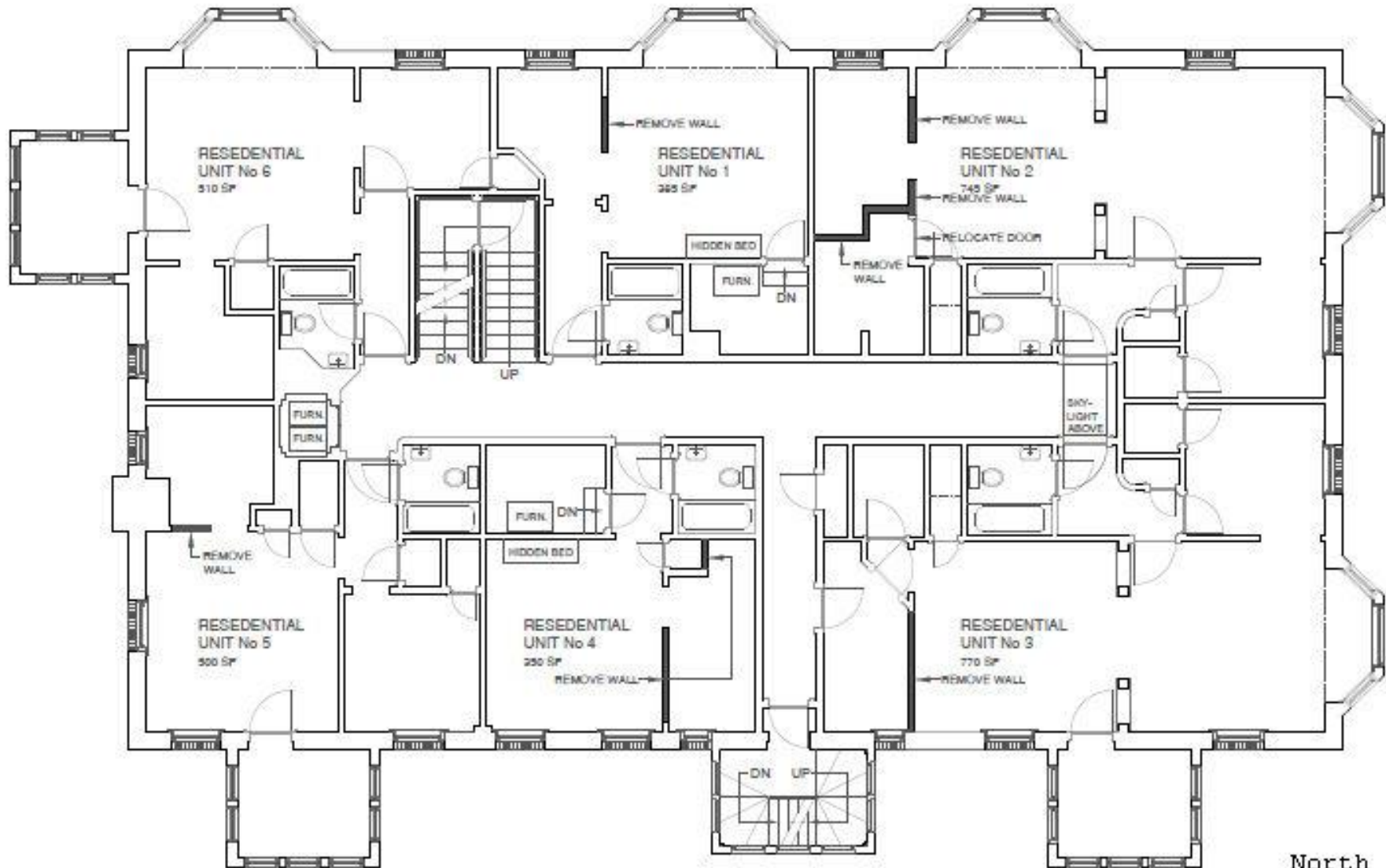
1

LEVEL ONE PLAN - EXISTING

1/8" = 1'-0"

3524 6<sup>th</sup> Ave – Highland Apartments -- Existing Floor Plans

Current second floor plan:



**1** LEVEL TWO PLAN - EXISTING

1/8" = 1'-0"

3524 6<sup>th</sup> Ave – Highland Apartments -- Existing Floor Plans

Current third floor plan:



North



**1** LEVEL THREE PLAN - EXISTING

1/8" = 1'-0"

Hildreth Construction Services

4/12/2023

Totals By Division

Division	Title	Total
1	General Requirements	\$ 208,854.00
2	Existing Conditions	\$ 246,125.00
3	Concrete	\$ 13,285.00
4	Masonry	\$ 120,155.00
5	Metals	\$ 73,365.00
6	Woods & Plastics	\$ 312,420.70
7	Thermal & Moisture Protection	\$ 297,944.20
8	Openings	\$ 472,983.21
9	Finishes	\$ 516,358.50
10	Specialties	\$ 27,820.00
11	Equipment	\$ 85,698.52
12	Owner Furnishings	\$ 37,500.00
13	Special Construction	\$ -
14	Conveying Systems	\$ -
21	Fire Suppression	\$ 81,270.00
22	Plumbing	\$ 263,485.00
23	Heating, Ventilating, Air-Conditioning	\$ 443,550.00
25	Integrated Automation	\$ -
26	Electrical	\$ 362,500.00
27	Communication	\$ 6,000.00
28	Electrical Safety and Security	\$ -
31	Earthwork	\$ 25,842.00
32	Exterior Site Improvements	\$ 82,539.00
33	Utilities	\$ 212,650.00
<b>Totals</b>		<b>\$ 3,890,345.13</b>



ESTIMATE TOTALS

Description	Amount	Totals	Hours	Rate	Cost-per-unit	Percent of Total
Labor	\$ 635,498.50					
Material	\$ 527,396.11					
Subcontract	\$ 1,941,858.52					
Equipment	\$ 21,450.00					
Other	\$ 724,142.00					
<b>Total</b>	<b>\$ 3,850,345.13</b>				0	0
Building Permits/Fees	\$ 19,000.00					
Expendable Tools	\$ -			0.00%		
Sales Tax	\$ -			0.00%		
Builder's Risk	\$ -					
General Liability Insurance	\$ 26,182.35			0.68%		
<b>Total</b>	<b>\$ 3,895,527.48</b>				0	0
Sub-Total	\$ 3,895,527.48					
Contingency	\$ 194,776.37			5.00%		
Fee	\$ 204,515.19			5.00%		
<b>Grand Total</b>	<b>\$ 4,294,819.04</b>					

Cost per sq/ft \$ 342.49