



Sale and Development Agreement for Industrial Park #3



Request for Proposals

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SECTION I - REQUEST FOR PROPOSAL

The Town of Superior (Town) is requesting sealed proposals from qualified firms or individuals to purchase the Industrial Lot #3 for the development of an industrial business. It is located in the Superior Industrial Park at 3 Mesquite Drive, North of US Highway 60. Industrial Lot #3 is a 10-acre lot zoned I-2 General Industrial. It is a developed lot with utilities available on the lot line and a 4-acre graded pad ready for construction.

The Town intends to enter into an agreement with the most responsive and most qualified organization that demonstrates knowledge, experience, organizational and financial ability to implement progressive, innovative development in a timely manner that serves the best interests of the Town. The proposed use for the building must be completed and open to the public within two years of the date of the executed agreement. In the event the developer fails to have a completed, occupied and operational appropriate business function within two years of the date of the agreement, the Town at its sole discretion may (1) elect to have the property and its improvements revert back to the Town in their entirety or (2) work with the developer to modify these performance requirements.

The overnight delivery address is:

199 N. Lobb Ave.
Superior, Arizona 85173

Contact Person: Todd Pryor
 Town Manager
 manager@superioraz.gov
 (520) 689-5752

SECTION II - PURPOSE OF THE RFP

COMMUNITY BACKGROUND INFORMATION

As the gateway to Arizona's Copper Corridor, the Town of Superior has a storied legacy as an important center for the mining industry. Like most mining communities in the US and world, Superior has experienced the booms and busts associated with commodities. But its people are determined and resilient to rebuild this once thriving small town that boasts family and neighborly values, despite the decades-long deterioration of Superior's economy and built environment.

Today, Superior is in the midst of a renaissance – one that is being driven by long-time residents as well as newcomers and new business establishments that have been drawn to the community by its natural beauty, small-town ambience and values, close proximity to the Phoenix Metropolitan Area, and the potential of rebuilding a “new”, vibrant community.

Resolution Mining Company, a joint venture between BHP Billiton and Rio Tinto – two global mining goliaths - purchased the rights to the former Magma copper mine located in Superior. Since that time, Resolution Mining Company (RCM) has invested more than \$1 billion to conduct tests and adhere to the lengthy and costly process of obtaining environmental and other approvals required by the US government for such an operation. Final approvals and permits to operate the mine and to begin to extract copper ore are years away.

The Town of Superior recognizes that the development of a new business in the Industrial Park would bring significant benefits to the Town, its residents and surrounding communities. Of primary interest to the Town are base industries, such as manufacturing and distribution. The Developer will be challenged to develop a project that emulates the character and quality of the Superior community, provides environmentally sensitive facilities, and reflects sound management operating principles and financial feasibility.

The Town intends to enter into an agreement with the most qualified team that demonstrates vision, progressive architecture, quality construction, management experience, and financial ability to build and operate a business in a timely manner that serves the best interest of Town, based on the evaluation criteria

in this RFP. The property shall be sold based on fair market value which will place the real property on the real property tax rolls, maximize the generation of sales tax revenue, quality jobs and the diversification of the Superior economy. Speculative bidders and speculative uses will not be considered responsive to this RFP. An appraisal to establish the fair market value, dated January 11, 2020, set the appraised value at \$415,000.

PROPERTY DESCRIPTION

Industrial Lot #3 is a 10-acre lot zoned I-2 General Industrial. It is a developed lot with utilities available on the lot line and a 4-acre graded pad ready for construction. It is located in the Superior Industrial Park at 3 Mesquite Drive, North of US Highway 60. The industrial park is currently home to OMYA, a medical grade calcium carbonate plant and the Resolution Copper Mining Core Facility.

Industrial Lot #3
Superior Industrial Park
3 Mesquite Road
Superior, AZ 85173
Plat # 105.26.003A

DISCLOSURES

1. As Is Provisions. Prospective Purchaser is purchasing the Property "AS IS" and "WHERE IS", and with any and all faults. The Town of Superior makes no representations or warranties, whether express or implied, by operation of law or otherwise, with respect to the quality, physical condition or value of the Property, the compliance of the Property with applicable building or fire codes or other laws or regulations. Prospective Purchaser agrees that the Town of Superior is not liable or bound by any guarantees, promises, statements, representations or information pertaining to the Property made or furnished by the Town or any agent, officer, director, employee or other person representing or purporting to represent Town. To the fullest extent allowed by Arizona and Federal law, Buyer and Seller agrees as follows: Buyer expressly waives the requirement of any disclosure not expressly contained in this Agreement, and Buyer agrees to take the Property "As Is" notwithstanding any matter set forth in any disclosure statement required by Arizona law.

DEVELOPMENT AGREEMENT

Upon selection and approval of a developer, the Town and the Developer must enter into an agreement satisfactory to the Town within Ninety (90) days from the date in which award is granted or this offering may be withdrawn, in the sole discretion of the Town. If the Town and the Developer fail to reach agreement within the Ninety (90) day negotiation period, the Town shall have the exclusive right to extend the time frame, cancel further negotiations, or begin negotiations with other developers.

Within ten (10) business days of the start of the negotiation period, the Developer shall submit to the Town a deposit in the amount of \$20,750, or 5% of the fair market value, as a good faith pledge to make every reasonable effort to reach a satisfactory development agreement within Thirty (30) days. The deposit shall be in the form of a certified check payable to the Town of Superior. Such deposit shall be refunded to the developer if a final agreement cannot be reached within Ninety (90) days and if an agreement is reached the deposit shall become a portion of the earnest money and is applicable to purchase price.

METHOD OF LAND CONVEYANCE AND CONSIDERATION

The Sale and Development Agreement entered into between the Town and the Developer shall spell out the terms and conditions of the transaction. The Property will be sold to the Developer for a sum that reflects the fair market value of the Property, adjusted by the estimated remediation costs. The proposed use of the building must be completed, occupied and operational for an appropriate business function and open to the public within two years of the date of the agreement. In the event the developer fails to have a completed, occupied and operational appropriate business function within two years of the date of the agreement, the Town at its sole

discretion may (1) elect to have the property and its improvements revert back to the Town in their entirety or (2) work with the developer to modify these performance requirements.

An appraisal to establish the fair market value, dated January 11, 2020, set the appraised value at \$415,000.

METHOD OF DEVELOPER SELECTION

The Town intends to select a developer who demonstrates the best qualifications for the design, development, and management of town center project. Proven track record in developing and operating a financially sound and established business enterprise is essential.

Request for Proposals

Based upon its review of the submittals the Town will select, at its sole discretion, a short list of developers most responsive and qualified to undertake the development of a commercial business project within the Superior Town Center. Developers on the short list may be asked to make a formal presentation to the Town.

The Town reserves the right to reject all Proposals for any reason or no reason.

SECTION III - LOCAL INVESTMENT PROGRAM

The Town recognizes that there may exist the need to provide offsets to make the initial phases of the project financially feasible. To the extent that an exciting and vibrant, economic development use is contemplated and town assistance is demonstrated, the Town may consider the following tools, at its sole discretion:

- Expedited Permitting
- Waiver of certain Town required fees such as planning and zoning filing fees, engineering fees, plan check and building permit fees.
- Reasonable Public Infrastructure Improvements that are adjacent to the site which may be required to facilitate the sound operations of the business enterprise Federal Opportunity Zone Classification, providing possible capital gains tax benefits.

SECTION IV - ADDITIONAL CONSIDERATIONS AND TERMS

1. The Town desires a long-term commitment to the Property by the Developer.
2. All construction will be performed by licensed contractors and will comply with applicable building codes and environmental laws, and in accordance with plans and specifications approved by the Town.
3. The Developer will arrange for all utilities and be responsible for any needed infrastructure development except as otherwise specifically provided in an Agreement with the Town.
4. The Developer will, agree, in language acceptable to the Town and memorialized in an agreement signed by the parties, to defend, indemnify, and hold harmless the Town, its officers, officials, employees, and agents from and against any and all liability, claims, liens, judgments, expenses, and costs which result from, or in any way arise out of, or in connections with the development, management, or operation of the Property, the Project, or the public infrastructure improvements.
5. The Developer will agree, in language acceptable to the Town and memorialized in an agreement signed by the parties, to hold the Town harmless from and against all costs of construction, maintenance, operation, and management of the Property, Project or public improvements, whether by the Developer or Developer's agent, or subcontractor and will be responsible for all utility and other operating expenses, and all applicable taxes, fees, and assessments.
6. The Developer will be required to agree to a policy of nondiscrimination against any subcontractor, consultant, employee, or applicant for employment because of race, color, religion, age, sex, sexual

orientation or national origin, or because he or she has a physical or mental disability or because he or she is a disabled veteran or a veteran of the Vietnam era, or other eligible veterans, including, without limitation, with respect to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The Developer shall conform to all state and federal laws, executive orders and rules and regulations relating thereto.

SECTION V - EVALUATION CRITERIA AND DEVELOPER SELECTION

Previous experience: Developers must provide evidence of having undertaken other projects of this type and/or magnitude. Evidence must include brief project descriptions; a statement regarding the duration of developers' financial and operational involvement with each such project following completion; and the names, addresses, and telephone numbers of principal investors, architects, and principal consultants for each project listed.

Development team: Developers must submit a list of members of the team that will include design professional, management groups, construction team and any other applicable groups or individuals required to complete this project. Qualifications and experience of each team member should be described. If the team is internal and experienced, it should be so noted.

Financial capability to execute the project: Developers must submit information substantiating their financial capability to successfully develop and complete the project on a timely basis. Financial statements for the two most recent available years are required. It is preferred that audited financial statements be submitted. If the financial statements are intended to be confidential, please submit one copy in a separate sealed envelope and mark as follows:

Firm's Name
Confidential – Financial Statements

The Town requires evidence of financial condition of any partnerships, LLC's, corporations or other entities and, if relevant personal financial statements, a statement detailing the proposed method of financing, financial and banking references and telephone number of the contact for each of these, together with written authorization permitting the Town to solicit the information. The Town may request a review of such submissions by a Certified Public Accountant or its external auditors.

Management experience for this type of project or statement of intent to have the property managed by a competent, experienced management firm acceptable to the Town. The Developer must state their commitment to own and manage directly or by contract with a management firm. Developers must provide evidence of their property management experience and expertise or that of their proposed management firm. Descriptions of other projects currently managed directly or by contract must be included. This should include the financing strategy of other projects; developer's estimated costs and final costs, and whether the projects were delivered on time or not with reasons. If a developer intends to contract with a management firm, prior joint projects and the duration of their previous association must be described. At least three business references, which may be contacted by the Town, must be provided.

Company information. Developers must provide company name; legal status; company or corporation number; company address; full names of company officers, their addresses, credit references, and brief biographical summaries. Developers also must provide names and addresses of architects, principal consultants, and financial partners who will be part of the team.

Developers must identify any recent or currently outstanding legal claims against the developer or any key personnel, including the source of such claims, the amount at issue, and status. The developer shall reveal any criminal convictions of any key employees other than simple traffic convictions.

Proposals shall be detailed and shall meet the following minimum criteria:

Conceptual Plan. This aspect of the proposal is intended to provide the Town with a representative example of a mixed-use entertainment based retail project within the Town Center. The conceptual plan shall include the following:

- Proposed Uses
- Proposed Project Phasing with a Detailed Timeline
- Site Plan

Financial plan. The developer must provide a preliminary financial plan for the construction and management of the mixed-use entertainment project including (1) a description of the construction and permanent funding sources; (2) the developer’s anticipated type(s) of financings and costs. Developer should define the deal structure preferred for the project. The tax benefits that the Town would receive from operations should be itemized.

Developers expectations of the Town. The developer must provide a detailed list of any and all expectations from the Town.

Additional Considerations and Agreement Terms. Acknowledgement of the Additional Considerations and Agreement Terms set forth above and any supplemental information demonstrating the developer’s understanding of and willingness to accept those Terms.

SECTION VI - FORM OF PROPOSAL

Proposers must include the following information in the order specified. If the proposer fails to provide any of the following information, the Town may, at its sole option, ask the proposer to provide the missing information, evaluate the proposal without the missing information or consider the proposal non-responsive.

Tab 1	Executive Summary of Proposal
Tab 2	Table of Contents
Tab 3	Development Team Profile and Team Project Experience.
Tab 4	Conceptual Plans
Tab 5	Financial Capability
Tab 6	Financial Plan
Tab 7	Expectations of the Town
Tab 8	References - Financial and Development
Tab 9	Other Information to assist in our evaluation

SECTION VII - INSTRUCTIONS TO PROPOSERS

You must address and deliver your proposal to Town Manager Todd Pryor (on or before the time and date set for closing. Town Hall is located at 199 N Lobb Avenue, Superior, AZ 85173. Proposals should be in a sealed envelope marked:

Name of Proposer
Title of Proposal

Definitions:

May: Indicates something that is not mandatory but permissible/ desirable.

Shall, Must, Will: Indicates mandatory requirement. Failure to meet these mandatory requirements will result in rejection of your proposal as non-responsive.

Should: Indicates something that is recommended but not mandatory. If the proposer fails to provide recommended information, the Town may, at its sole option, ask the proposer to provide the information or evaluate the proposal without the information.

1. No telephone, electronic or facsimile proposals will be considered. Proposals received after the time and date for closing will be returned to the proposer unopened.
2. Proposals should be submitted in an original and **Three (3)** copies plus one (1) PDF file of the proposal. Proposals shall be submitted to Todd Pryor, 199 N Lobb Avenue, Superior, AZ 85173 (on or before the time and date set for closing). Please note that these materials will not be returned.
3. You may withdraw your proposal at any time prior to the time and date set for closing.
4. Proposers submitting proposals which meet the selection criteria and which are deemed to be the most advantageous to the Town may be requested to give an oral presentation to a selection committee.
5. The award shall be made to the responsible proposer whose proposal is determined to be the most responsive and advantageous to the Town based on the evaluation factors set forth in this Request for Proposal.
6. If you are submitting any financial information you consider to be proprietary, you must place it in a separate envelope and mark it "Confidential Proprietary Information".
7. Proposals must include all criteria for selection to be considered complete. Any proposal that does not meet this requirement may be considered unresponsive. An individual authorized to extend a formal proposal must sign all proposals. Proposals that are not signed may be rejected.
8. The Town reserves the right to reject any or all proposals or any part thereof, or to accept any proposal, or any part thereof, or to withhold the award and to waive or decline to waive irregularities in any proposal when it determines that it is in its best interest to do so.
9. Any person, firm, corporation or association submitting a proposal shall be deemed to have read and understood all the terms, conditions and requirements in the specifications/scope of work.
10. All responses and accompanying documentation will become the property of the Town at the time the proposals are opened.
11. If you have informal questions about the request for proposal process, please contact: **Todd Pryor at (520) 689-5752**
12. The Town shall not reimburse any proposer the cost of responding to a Request for Proposal.

The Arizona Public Records Act limits the Town's ability to withhold qualification and bid data. **If a submittal contains any trade secrets or confidential financial information that a developer does not want disclosed to the public or used by the Town for any purpose other than evaluation of the developer's eligibility, each sheet of such information must be marked with the designation "Confidential."** The Town agrees that if a "Public Records Act" request is made for disclosure of data so classified, it will notify the submitter of such data so that the submitter will have an opportunity to legally challenge the Town's obligation to disclose such information.

SECTION VIII - PRE-PROPOSAL CONFERENCE AND OPEN HOUSE

****If you would like to participate in the pre-proposal conference by phone please contact Todd Pryor at manager@superioraz.gov for call-in instructions.**

The purpose of this conference will be to clarify the contents of this Request for Proposal in order to prevent any misunderstanding of the Town's intention and desires, and/or to give prospective suppliers an opportunity to review the site of the work. Any doubt as to the requirements of this Request for Proposal, or any apparent omission or discrepancy should be presented to the Town representative at this conference. The Town representative will then determine the appropriate action. If necessary, the Town representative will issue a written amendment to the Request for Proposal. Oral statements or instructions shall not be relied upon and do not constitute an amendment to this Request for Proposal.

EXHIBIT A

Graphic illustrating the property within the Town boundaries

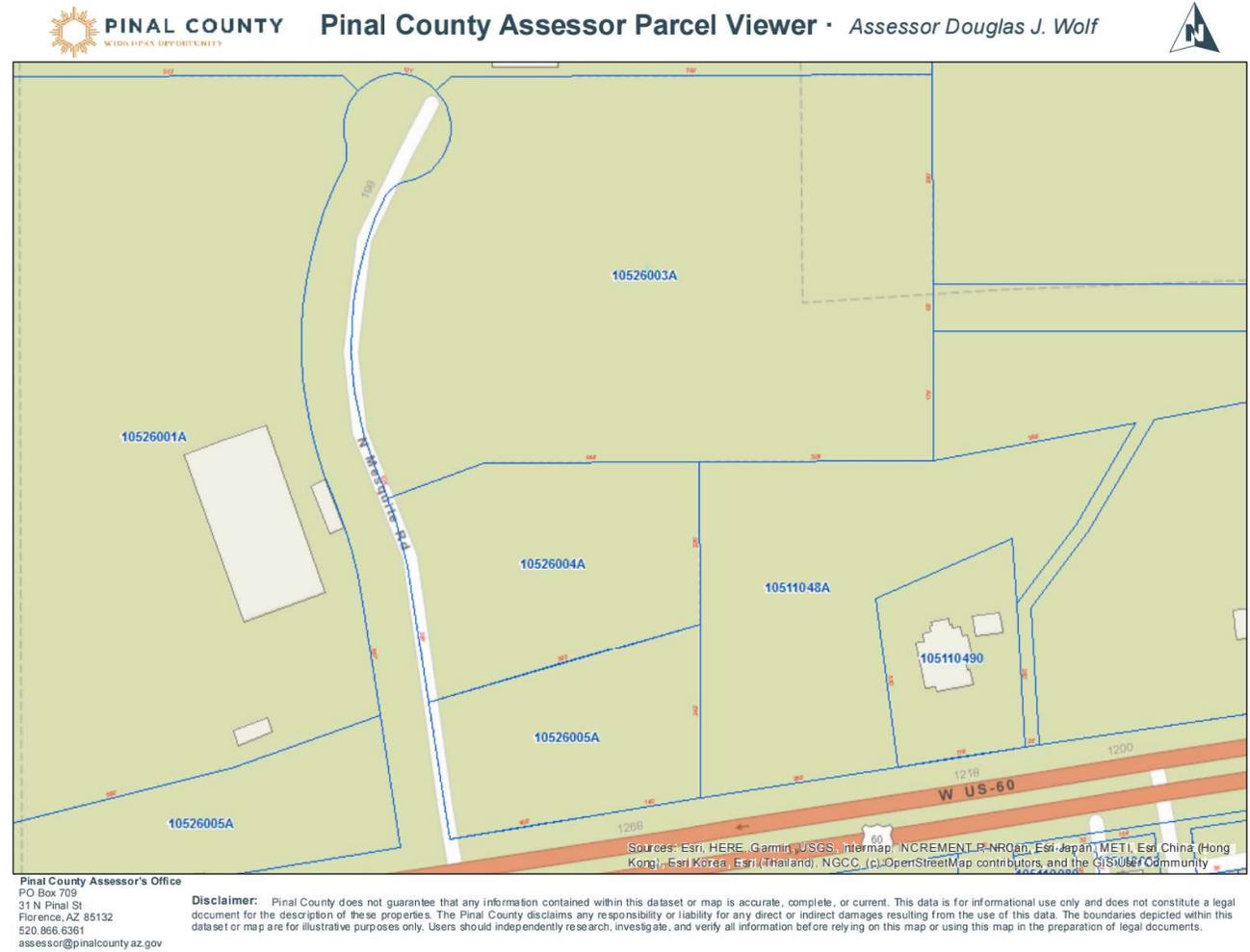


EXHIBIT B

