Ford readies RFP for St. Paul plant

Developers tapped amid environmental unknowns

The Ford Motor Co. plant in St. Paul is not slated to close until the fall of 2009. Environmental analysis of the site is not expected to be done until sometime in 2010. The city of St. Paul won't have a development framework until after the environmental review is complete.

But even with a host of large, lingering unknowns remaining on the redevelopment site, Ford is preparing to issue an RFP (request for proposals) to would-be developers for the 138-acre site.

"It would be considered a purchase option, which basically gives us a little bit more flexibility," said Stefanie Denby, a spokeswoman with Ford Land, the real estate arm of Detroit-based Ford Motor Co.

"The big thing is we want to get someone engaged sooner rather than later. It gives us flexibility because there are a lot of unknowns at this point."

Denby could not say when the RFP would be issued or what the parameters would be, but she said that the RFP was expected to include the plant property and the company's parcel along the river.

"I don’t know exactly when it’s going to be issued. We’re working on refining it right now," Denby said. "I can’t say specifically how the agreement is going to be structured."

But at this point, sketching out specifics for what redevelopment on the site might look like is still at least two years away.

"The intent, at this point, is for city officials to be able to move forward on a redevelopment framework in 2010 under the assumption that environmental assessments will be complete in that year," said Merritt Clapp-Smith, project manager for the Ford site with the city of St. Paul.

"Those need to be fully complete before the city can make any decisions about what’s appropriate for future land use."

Last year, a consultant for the city of St. Paul helped assemble five potential redevelopment concepts for the site ranging from retaining industrial on the site to creating a very dense urban residential village.

The prevailing sentiment, however, called for a combination of uses: three of the five scenarios called for mixed-use options.

"It’s hard to say what’s going to be underneath the plant," Broderick said, noting that the task force has to wait for pending environmental reviews. "Until those are done, we will not have the data that we need to come back and make a final recommendation."

But Broderick has no qualms about getting a developer involved at this point.

"There’s no requirement that they hold off," Broderick said. "I have no problem with that."

Tim Murnane, senior vice president and general manager for Minnetonka-based Opus Northwest, said that his firm expects to respond to Ford’s RFP.

And he isn’t unduly concerned about unknown environmental issues on the site.

"I think that Ford and the city have done a good job of working together to map out the way in which you redevelop a property like this. It takes input from the community; you need to be sensitive to the neighborhood. I think that’s what’s been going on for the last couple of years," Murnane said. "You don’t just redevelop a 140-acre site like this overnight."

Minneapolis-based Ryan Companies is also interested.

"The short answer is we’re looking forward to receiving the RFP," said Rick Collins, vice president of development for Ryan.

"We expect that is likely to happen in the next several weeks, and we’ll evaluate whether and how to respond based on what we see in the RFP."

The site is large enough that it could, of course, draw interest from companies outside the Twin Cities area.

Meanwhile, there has been speculation that the plant’s closing, already extended for a year, could be delayed again. The St. Paul plant makes Ford Ranger trucks, and in March, the company announced that Ranger sales were up 200 percent the previous month.

But Denby said that the plan remains to close the plant in 2009.

"I hear a lot of rumors, but I don’t take stock in it," said Roger Terveen, president of the United Auto Workers (UAW) Local 879.

"We have not heard anything about the plant being open longer. Ford has not said anything to indicate that," Clapp-Smith said.