



**REPUBLIC OF CROATIA
CITY OF ZAGREB**



Having regard to the Conclusion on the publication of a call for expression of interest in the participation in the development and realisation of the City within the City Project in Zagreb (CLASS: 404-01/19-01/36 REFERENCE NO: 251-03-02-19-2) of 12 February 2019, to examine potential investors' interest, the City of Zagreb launches

Call for expression of interest addressed to the investors in relation to the participation in the development and realisation of the City within the City Project in Zagreb

SUBJECT OF THE CALL FOR EXPRESSION OF INTEREST

The subject of the call is the expression of potential investors' interest by submitting a letter of intent to participate in the development and realisation of the City within the City Project in the area between the river Sava, Avenija V. Holjevca, Avenija Dubrovnik and Ulica Radoslava Cimermana in Zagreb, whose surface is around 1.1 million square meters.

The objective of this call is to examine the interest of potential investors (able to meet the criteria referred to in this call) in the participation in the development and realisation of the City within the City Project.

The purpose of the project is to transform the area into a new innovative mixed-use urban zone and into a zone used for various complementary purposes, which would improve its population's general life quality by the variety of its offer and a new concept, and which would become a tourist must-see and create the centre of Novi Zagreb thanks to its various functions.

PROJECT DESCRIPTION

The area foreseen for the realisation of the City within the City Project comprises the Zagreb Fair, the area between Avenija Većeslava Holjevca and eastern fence of the Zagreb Fair, Zagreb Hippodrome and a football pitch currently used by *Lokomotiva* Football Club. Today it is one of the most attractive city areas, which represents a key project in strategic and urban planning documents of the City and allows for urban and economic transformation of the area on the basis of a new economic concept and new facilities complementary to the existing and future market needs and to the expected quality of life and work in the city. The main objective is to make it attractive to citizens, tourists and business entities by future development, as well as to transform it into a real centre of that part of the city and give it the importance it historically deserves by modernising its facilities and urbanistic structure.

Considering its location and good traffic connections, the area has a high potential for development. Vicinity of the Sava river, green recreational zones along the river and sports and recreation areas, as well as the proximity of public and social facilities add value to the location.

According to the urban planning documentation in force, the zone of the Zagreb Hippodrome and football pitch is intended for sports and recreation with the possibility of building development, provided that an appropriate analysis of the area in light of the current and future needs is conducted, as well as an analysis of compatibility with the facilities to be created by modernising the area of the Zagreb Fair through urban transformation. In that context, it is necessary to consider the aforementioned zones as an inseparable spatial and functional unit which in the future and until its final urban transformation can take place in phases.

For decades the Zagreb Fair has not been completely modernised based on the needs and considering the times, so it cannot compete with regional and other fairs. The fact is that for a quite a number of years the majority of the existing capacities has not met the needs of modern life and that most pavilions are over 50 years old, as well as that the Fair was at the peak of its capacity in the last century, which raises doubts as to the rationality of the existing modality of use of the area. Therefore, possibilities of urbanistic, economic, architectural and developmental and infrastructural transformation of the area are being considered.

The urban planning documentation of the City of Zagreb and its Development Strategy for the period until 2020 define the Zagreb Fair as one of the strategic projects of the City.

The Programme Guidelines and the Facility Programme of the Zagreb Fair strategic city project have been developed to meet the needs of development of the Zagreb Fair area. They represent a first stage of the research which explores the possibilities of the Zagreb Fair area.

By looking into and analysing the wider area of Novi Zagreb, it can be concluded that with its population of ca 120,000 Novi Zagreb does not have sufficient nor diverse facilities to meet the everyday and occasional needs of its population in terms of public, social, cultural, entertainment, commercial, sports and recreational facilities. Within the scope foreseen by the project, the planned transformation of the area into an innovative urban district of mixed-use and diverse facilities would improve the overall quality of life in the City of Zagreb by its diversified offer.

It is necessary to foresee facilities which would ensure that the area is active 24 hours a day, which would permanently contribute to the importance of the location representing a quality place to live in.

MODALITIES OF EXPRESSION OF INTEREST

Any interested party can express interest by submitting a letter of intent with the information necessary for proving the legal entity's qualification and expertise in development or realisation of projects similar to the subject of the call.

The letter of intent with the expression of interest must be accompanied by the following enclosures:

- (a) data on legal entity registration; name of legal entity or name of the person that submits the letter of intent: basic information on the legal entity (name, registered office, activities etc.), contact person's data: name and surname, title, address, telephone and e-mail;
- (b) consortium agreement, if the expression of interest is submitted by a temporary grouping;
- (c) statement of clean criminal record provided under substantial and criminal responsibility regarding the non-participation in a criminal organisation, corruption, fraud or money laundering;
- (d) report on business activities and financial standing of the legal entity (or legal entities in case of a consortium) in reference to the last five years, certified by a registered auditor; statement certifying that the entity that submits the letter of intent is not subject to winding-up proceedings, compulsory administration, insolvency or another procedure which will put an end to its business activities, and a statement proving that it is not insolvent;
- (e) list of legal entity's references provided to meet the criteria referred to under Selection Procedure hereof;
- (f) names and CVs of experts with a list of references from the last five years provided for meeting the criteria referred to under Selection Procedure hereof;
- (h) brochures, catalogues etc. on realised projects.

SELECTION PROCEDURE

The City of Zagreb can shortlist the suitable legal entities which have expressed their interest and proved, by their statements, to be most experienced, have highest financial capacities and to have capable leading experts, while taking into account general principles of transparency, equal treatment and non-discrimination, in line with the best business and market practices.

We will consider the letters of intent of legal entities which meet all of the following minimum requirements:

1. total investment value of the realised projects similar to the subject of the call during the last five years mustn't lower than 500 million euro;
2. total investment value of at least five urban transformation projects over the last five years mustn't be lower than 200 million euro, and the total gross square footage constructed or in construction shall not be lower than one million m²;
3. engagement of experts who, in the last five years, have realised five projects of total investment value no lower than 200 million euro, out of which at least two projects of urban transformation in the city area (metropolitan area).

The letters of intent of legal entities which are incomplete and do not meet the aforementioned minimum requirements shall not be considered. The legal entities which express interest based on this call and which are subject to winding-up proceedings, compulsory administration, insolvency or any other procedure which indicates insolvency or interruption of business activities will be excluded from the selection procedure.

An accepted letter of intent can result in the signing of a memorandum of understanding aimed at further coordination, development and realisation of the project.

TERMS OF THE CALL

A letter of intent with the expression of interest can be submitted by domestic and foreign legal entities.

The letter of intent with the expression of interest, provided in writing, must include the name of the interested investor and has to be signed by the responsible person of the interested investor. The letter of intent with the expression of interest, including support documentation, must be submitted in the Croatian language. It can be delivered in a foreign language but only if accompanied by a certified translation into the Croatian language provided by a court interpreter.

In the letter, the interested tenderer shall present its expertise in the realisation and management of similar projects and provide a summarised description of the project realisation modality.

Every expression of interest must be submitted directly by the interested party or by a representative of the interested party. A letter of intent with the expression of interest can be jointly submitted by two or more interested investors who intend to establish a business entity for this purpose. In that case, the enclosed documents need to refer separately to each of these parties, and all parties involved shall be jointly held liable for all obligations arising from the possible future business relationship.

The interested investors are invited to submit their letters of intent with the expression of interest, including all the enclosures, in the written form, at the latest on 1 March 2019, end of the day, in a sealed envelope, by post or directly to the following address:

Grad Zagreb, Gradski ured za gospodarstvo, energetiku i zaštitu okoliša
Trg Stjepana Radića 1, 10000 Zagreb, with a clear indication of the subject: *iskaz interesa-projekt „Grad u Gradu“* (expression of interest in the *Grad u Gradu* Project), accompanied with the notification *„ne otvarati“* (do not open)

or by e-mail to gospodarstvo@zagreb.hr

The publication of this call or the receipt of any expression of interest do not entail the obligation of the City of Zagreb to stipulate any agreement with any interested investor, nor can they give grounds for any party's claim or right to request any performance of the City of Zagreb, on any grounds.

The interested investors are not entitled to the reimbursement of any expenses relative to the drafting and submission of the letter of intent with the expression of interest. The City of Zagreb is not obliged to invite the interested investors to submit a binding offer nor is it obliged to stipulate a memorandum of understanding or an agreement with any interested investor.

The City of Zagreb has the right to terminate the procedure initiated by this unbinding call or modify its terms in any moment and is not obliged to provide an explanation for such a decision. The City of Zagreb reserves the right not to select any of the offers contained in the received letters of intent with the expression of interest.

The interested investors shall not be entitled to claim damages from the City of Zagreb on any grounds.

NOTES

This call is subject to the regulations of the Republic of Croatia. The data received will be processed in accordance with the provisions of laws aimed at protection of the rights and privacy of the interested parties. This call shall be published on the City of Zagreb website and in the public media.

Any further information can be obtained from the City Office for Economy, Energetics and Environment Protection. Telephone no: 385 1 610 1103 or +385 1 610 1195; e-mail: gospodarstvo@zagreb.hr

MAYOR
Milan Bandić, *dipl. politolog*