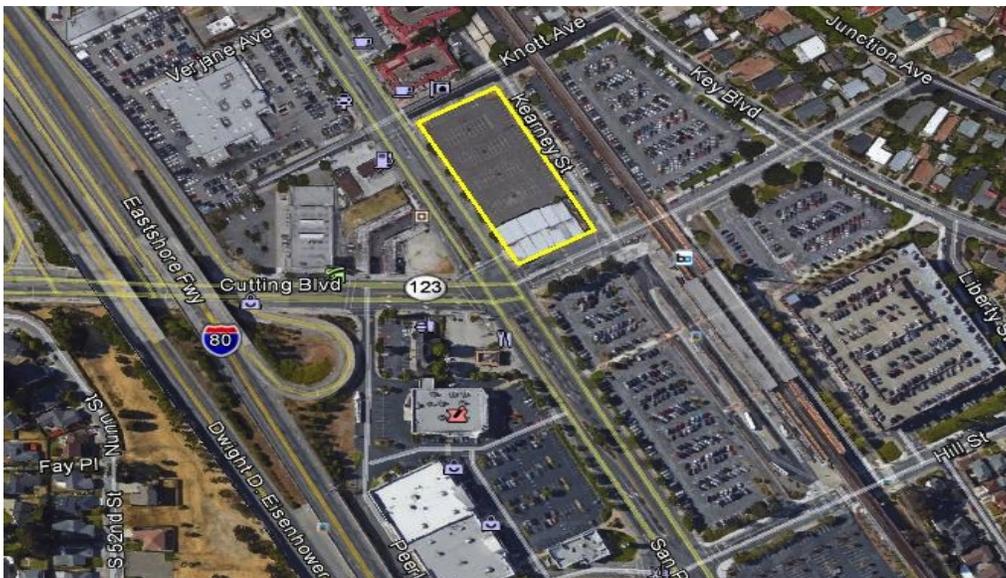




REQUEST FOR PROPOSALS
FOR THE ACQUISITION AND DEVELOPMENT OF THE
MAYFAIR PARCELS
FOR A MIXED-USE RESIDENTIAL DEVELOPMENT
Submittal Deadline: 6:00 pm June 2, 2016



The City of El Cerrito is seeking experienced development teams to submit proposals for the development of three parcels with a combined size of approximately 68,500 square feet. The parcels were previously acquired by the former Redevelopment Agency, and are located in the Uptown area of the San Pablo Avenue Specific Plan area. The parcels are located at the major intersection of San Pablo Avenue and Cutting Boulevard adjacent to the Del Norte BART station. The site is one block from Interstate 80 and the Cutting Boulevard on and off-ramps.

The City previously distributed a Request for Qualifications (RFQ) that was open for all interested parties to apply. Eleven proposals were received and evaluated by a six-person team. A short list of development teams was created based on the development concept proposed, experience of the development team, financial strength and other criteria set forth in the RFQ. Three development teams were selected to receive this Request for Proposals (RFP). No other proposals will be considered as part of this solicitation.

Development teams selected to submit proposals should refer also to the background information set forth in the RFQ and on the City's webpage www.el-cerrito.org/mayfair and www.el-cerrito.org/spasp for information about the site area and zoning standards. This RFP repeats some of the information contained in the RFQ and provides additional information that is required for a proposal to be considered.

PARCEL INFORMATION

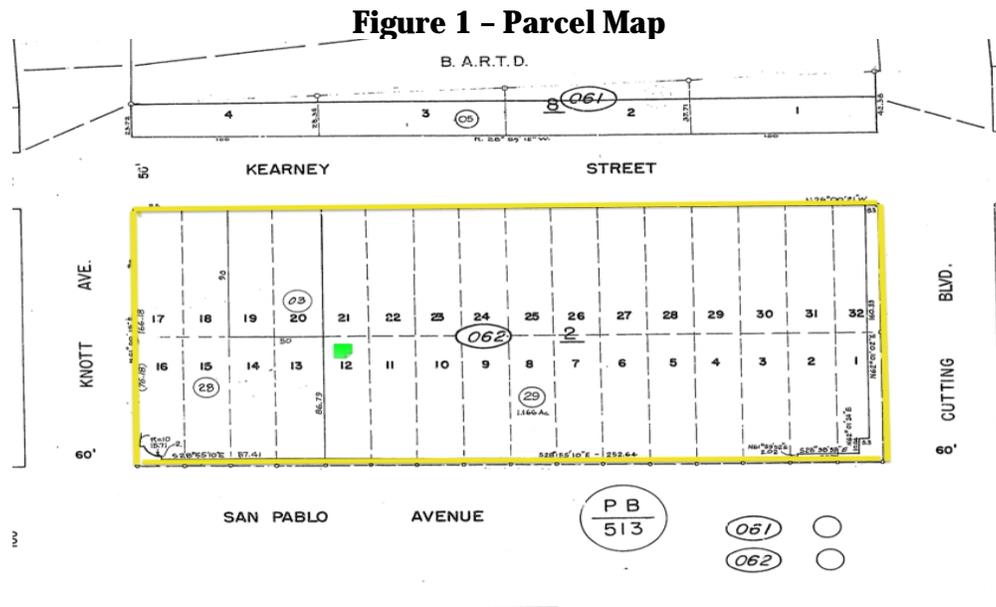


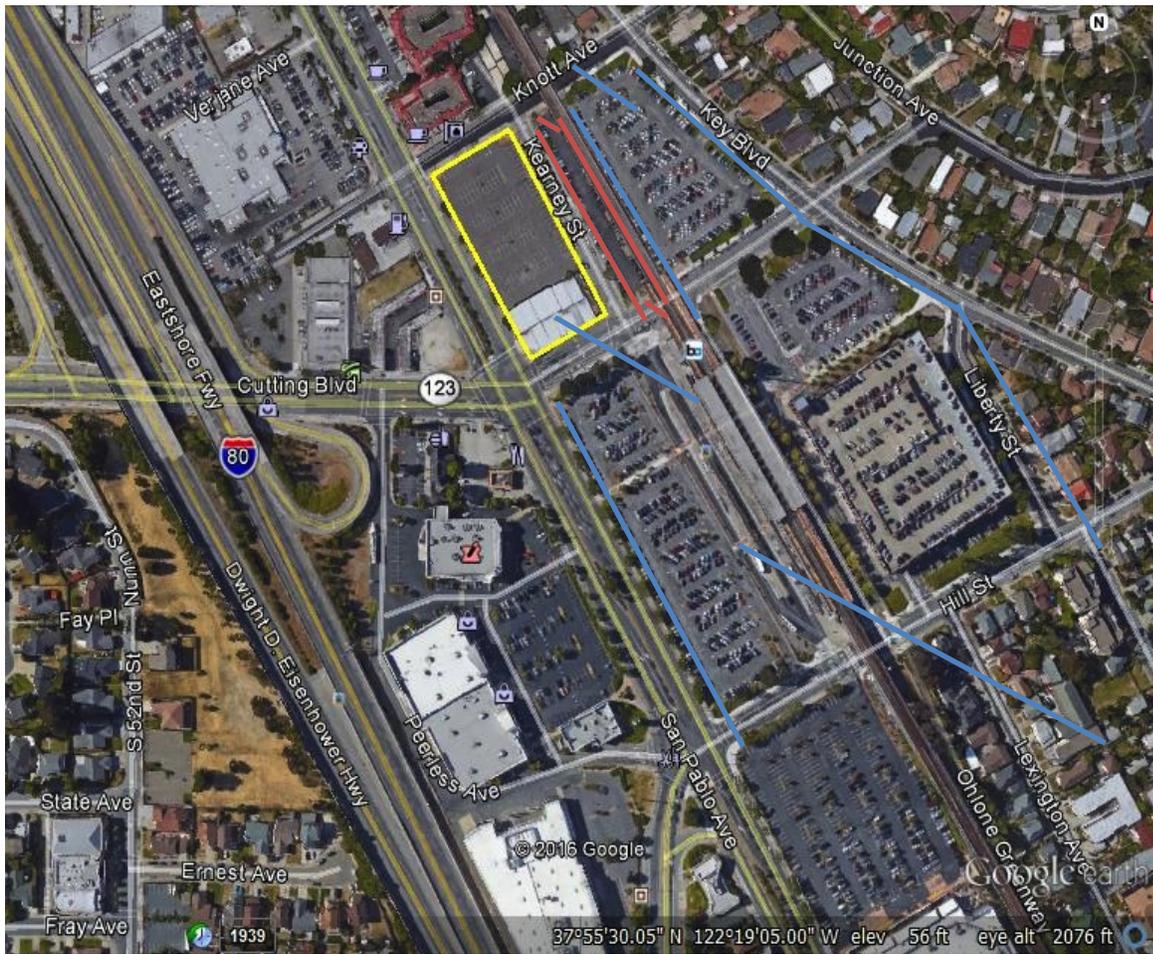
Table 1 - Parcel Information - Base Site

ITEM	PARCEL 003	PARCEL 028	PARCEL 029	COMMENTS
Parcel #	502-062-003	502-062-028	502-062-029	One block total
Address	1925 Kearny St.	11690 San Pablo Ave.	11600 San Pablo Ave.	
Parcel Size	4,500 sq. ft.	13,199 sq. ft.	50,791 sq. ft.	Total sq. ft. = 68,490
Current Use	Vacant land	Vacant land	Vacant land	
Zoning	Transit-Oriented Higher- Intensity Mixed Use	Transit-Oriented Higher- Intensity Mixed Use	Transit-Oriented Higher- Intensity Mixed Use	Per San Pablo Ave. Specific Plan
Acquisition Date	July-31-2008	May-29-1987	March-4-2009	
Acquisition Value/Cost	\$ 471,491	\$182,000	\$ 3,333,750	\$ 3.99 million total
Assessed Value (FY 2015-16)	\$ 300,216	\$ 811,507	\$ 2,602,562	\$ 3.7 million total
Environmental Condition	None	None	Some prior analysis completed	
Prior Development Proposals	Yes	Yes	Yes	See summary of prior proposals below

DESIRED DEVELOPMENT

The City seeks a mixed-use development with a portion of the ground floor devoted to commercial uses and residential above. Development teams invited to submit proposals all also included affordable housing as a part of their development concept in their Qualifications packets as encouraged in the RFQ. The vision for the parcels and the surrounding Uptown area is set forth in the San Pablo Avenue Area Specific Plan (<http://www.el-cerrito.org/SPASP>). As set forth in the RFQ, it may be possible to expand the site area by including the adjacent Kearney Street public right of way (PROW) and a small BART parking lot parcel to the east of the site.

Figure 2 - Site Aerial



— Site area (not including Kearney Street)

— Del Norte BART Station area

— BART Parcel area

Table 2 - Combined Expanded Site Area

Parcel Name	Size Square Feet	Dimensions	Owner	Comments
Mayfair Site	68,500	380' x 180'	Successor Agency	Base site offered
Kearney Street ROW	17,000	380" x 45"	City ROW; SA & BART fee	Requires street vacation/City Council approval
BART Parking	17,000	380' x 45'	BART	Requires negotiations with BART
Total	102,500	380' x 270'		2.35 Acre

The parcel dimensions set forth in Table 2 are estimates of the parcel sizes based on parcel maps and aerial photos. The exact site size will require confirmation with a survey.

ENVIRONMENTAL CONDITIONS

Per a Phase 1 report prepared in 2005 by SECOR, the site has been analyzed for soils contamination from prior uses consisting of a Chevron station and a small commercial building. The gas station gas tanks leaked and there were remediation activities performed including soils removal and ground water monitoring. The report is available for review on the City's webpage www.elcerrito.org/Mayfair. Additional Phase II testing and reporting may be needed.

DEVELOPMENT STANDARDS - SAN PABLO AVENUE SPECIFIC PLAN CHAPTER 2 FORM BASED CODE

The development will be shaped by the standards set forth in the San Pablo Avenue Specific Plan Form Based Code (Chapter 2 of the Specific Plan).

The site is designated as Transit Oriented Higher Intensity Mixed Use (TOHIMU) in the Specific Plan and fronts both the San Pablo Avenue Community Street type and the Gateway street type. The Form Based Code specifies the development standards associated with both this transect and street types.

SITE VALUE

The site is currently encumbered with a deed of trust securing a loan from the prior property owner to the former Redevelopment Agency. As a condition to conveyance of the property, the developer will need to either pay the outstanding balance on the note, which is \$1,737,820, or negotiate an assumption of the note and deed of trust with the former property owner's heirs. A purchase price that is less than fair market value may trigger the application of State prevailing wage laws. In no event may the property be sold for less than fair reuse value. The assessed value of the combined parcels is \$ 3.7 million, or approximately \$54 per square foot. Land price will be negotiable based on the type of development, and amount of affordable housing provided.

SUBMITTAL REQUIREMENTS

Please submit:

- 1) Hard copies consisting of two [2] original collated binders and one [1] unbound, 8.5" x 11" collated copies of the developer team proposal (except for plans which may be 11" x 17"). Deliver hard copies to:

City of El Cerrito/ Melanie Mintz, Community Development Department
10890 San Pablo Avenue
El Cerrito, CA 94530

- 2) An electronic copy of the submittal

The following materials are required to be submitted in the following order:

DEVELOPMENT CONCEPT

- A narrative description of what the developer team is proposing for the site, including uses and number of units and square footage of development, including housing tenure type. If rental: the tenant population to be served, income level, and proposed rental management program for the residential portion of the project. If for-sale residential is proposed, describe the projected sales prices
- For the retail/commercial portion include a description of the type of ground floor uses that may be feasible in this market, that will be immediately occupied, and that will activate the ground floor frontages. Describe how the retail/commercial will be served by parking.
- Describe how the various project elements will integrate and form a unified vision for the site
- A narrative description of how the proposed plans conform to the San Pablo Avenue Specific Plan and Form Based Code
- Preliminary plans including site plan, first floor plan, second and subsequent floor plans, massing diagram, and suggested elevations and perspectives. Include how open space, storm water treatment and pedestrian, bike and auto circulation will be addressed
- A preliminary Transportation Demand Management plan and how parking and alternative modes will be provided/managed for the proposed residential and retails/commercial tenants and/or customers
- If the site area is expanded with the Kearney ROW or BART parcels, indicate the location of the additional parcels as part of the site plan

- A proposed development schedule from developer selection to the completion of construction. Confirm or modify the entitlement and acquisition time frames in the schedule below and supplement with estimated start and completion of construction Include timing of any external funding process for affordable units
- Proposed plan to comply with the City's 1% for Art requirement
- A narrative and visual description of how the proposed project contributes to and advances the overall vision for the Uptown and overall San Pablo Avenue Specific Plan goals as well as other City goals and objectives (as found in adopted Plans, including the Urban Greening, Plan, Climate Action Plan, Strategic Plan, Arts Master Plan etc.)
- A narrative and visual description of how the proposed project enhances the overall surrounding neighborhood and adjacencies

DEVELOPMENT TEAM

Provide the same information about your development team's professional experience that was submitted in the RFQ so that the review team has the experience and proposal in one document. Include also Architect's sub consultants, as appropriate. The following was the minimal team requirements (as appropriate). Note any additions to the team that has occurred since the RFQ submittal:

- Developer
- Ownership entity
- Architect
- Construction contractor
- Legal representation
- Proposed property manager
- Equity and debt financing sources
- Public financing advisor
- Sub consultants

PROFORMA AND LAND PAYMENT ESTIMATE

Submit a pro-forma including the following information:

- Sources and Uses Budget with potential sources of debt and equity along with a detailed breakdown of hard costs and soft costs including land purchase price, direct construction costs, indirect development costs, financing costs (Equity and debt), developer fee and pre-development costs
- Rental residential projects should include a ten-year cash flow projection, annual cash/cash returns, and IRR rate of return. Rental projects should include detailed assumptions on operating expenses, operating and replacement reserves, vacancy rate, and utility allowances. Include rental rates on a per square foot basis and rents for unit sizes proposed, including rates for both market rate and affordable units
- For projects with affordable units that are proposed to include financial assistance from affordable housing programs (e.g. cap and trade, tax credits), include the amount of subsidy and the rationale for the unit mix and level of affordability, and the estimated amount of time required to go through the application approval process
- For - sale residential projects should include proposed sales prices by unit size and per square foot, and revenues in excess of development costs

- Proposed land purchase price

PRELIMINARY FINANCIAL INTEREST

Submit:

- Information showing the financial ability to fund pre-development costs and equity
- Preliminary letters of interest from sources of debt and equity, or letters from financial participants in past development projects that would be interested in partnering with the developer in this project

REFERENCES

Resubmit or expand upon reference information included in the RFQ response. Include contact persons and phone numbers for at least three prior projects. References from other public entities and lenders are desirable.

COMMUNITY OUTREACH

Re-submit the narrative statement that was included in the RFQ response and any update, of how local resident and property owner/business owner input will be solicited for the proposed project.

GREEN AND ENVIRONMENTAL BENEFITS/SUSTAINABILITY

Re-submit the narrative summary and any update, of potential green development/sustainability elements that was included in the RFQ response. See the San Pablo Avenue Specific Plan (*Sustainable Design Element and Public Art, 2.05.05* and *General Public and Private Open Space Standards, 2.05.06*) and the City's Urban Greening Plan (particularly *Focus Area 10, p. 109*) and Climate Action Plan (*Chapter 3*) for guidelines and desirable elements. Include examples of green elements in prior completed projects. All referenced plans are available at www.elcerrito.org/Mayfair

LABOR RELATIONS

Re-submit the information regarding how the development team has collaborated with labor in past projects and/or intends to on this project.

DEVELOPER SELECTION PROCESS AND SCHEDULE

ESTIMATED SCHEDULE

The submittal and developer selection process for the Request for Proposals will involve the following steps and estimated timing through project approvals and property conveyance:

Table 3 – RFQ and RFP Process and Timing

ITEM	DATE DUE
1. RFP responses from development teams due	June 2, 2016 6pm
2. Committee conducts interviews and selects team for recommendation to City Council	June 9, 2016 2-5pm
3. City Council meeting to consider staff recommendation for selected development team and approve ENRA with selected development team.	July 5 or 19, 2016
4. a) City Council approves Disposition and Development Agreement (DDA) for property conveyance; b) Developer completes entitlement process and starts design development and construction drawings	Approximately 5 months
5. a) City submits DDA to Oversight Board for approval of land sale; b) Developer completes construction drawings, submits for building permits	January 2017
6. Property conveyance/close of escrow/ start of construction Upon meeting all DDA pre-conveyance conditions, and approvals from Oversight Board	June 2017

SELECTION STEPS

The following provides further explanation of the steps set forth above:

- Selection Committee – May be comprised of: the City Manager, Community Development Director, Development Services Manager, Fire Chief, Public Works Director, and a member from each of the Economic Development Committee, Design Review Board, Planning Commission or others.
- Development teams will be asked to make a presentation of their proposal to the selection committee and respond to questions regarding the proposal and team experience
- The single development team that is selected to undertake the project will be asked to enter into an Exclusive Negotiating Rights Agreement (ENRA). The ENRA will provide a timeline and process for the negotiation of a Disposition and Development Agreement (DDA). The form of the ENRA agreement is attached as Appendix 2.
- A payment will be required of the development team selected for exclusive negotiations as a performance payment, and to compensate the city for staff time, consultant and legal counsel costs, as set forth in the attached ENRA (Appendix 2).

- During the DDA negotiation period, the developer will be expected to commence the entitlement and environmental review process for the development. Additional usual planning fees will be required for the permit application process.
- If the negotiations are successful, the product of the negotiations will be a DDA that will serve as the property purchase contract, and will include: the pre-disposition requirements, including the receipt of permits and approvals, financing conditions, terms of the purchase of the property and conditions for development of the project.
- The land is owned by the Successor Agency to the former Redevelopment Agency. The sale of the property requires the approval of the Successor Agency's Oversight Board before the sale terms in the DDA are final.
- The DDA will contain pre-conveyance conditions including obtaining building permits and construction financing, to be satisfied prior to conveyance of the property.

SELECTION CRITERIA

The following criteria will be used by the Selection Committee to evaluate the qualifications of teams that have responded to the RFP (in no particular order):

- Consistency of development concept with City objectives set forth in the San Pablo Avenue Specific Plan, the Redevelopment Plan as well as other City adopted plans (Urban Greening, Climate Action, Active Transportation etc.)
- Design quality of prior similar completed projects
- Type and feasibility of ground floor retail/ commercial
- Inclusion of affordable units and overall affordability program
- Experience of each of the team members with similar developments
- Financial capacity to obtain funding commitments and fund pre-development costs
- Letters of interest from proposed sources of equity and debt for financing the project
- Commitment to provide open space and sustainability features
- Experience with community engagement during entitlement process and proposed process
- Labor relations experience and proposed approach
- Results of staff interviews of references
- Proposed property purchase price
- Completeness of response for information requested

ADDITIONAL INFORMATION

LIMITATIONS AND CONDITIONS

The City reserves the right to:

- Request additional information from any development team.
- Extend the due date of the RFP.
- Interview any or all development teams.
- Reject, in whole or in part, any or all submittals, and to waive minor irregularities in the submittal.
- Cancel, in whole or in part, or modify this *Request for Proposals* solicitation.
- The RFP and any statements made by City staff or representatives are not a contract or a commitment of any kind by the City or the Successor Agency and do not commit the City or Successor Agency to award an exclusive negotiating agreement or constitute an offer to sell the property.

- Developers are responsible for all costs associated with preparing their submittal. No reimbursement will be made by the City for any cost incurred by developers in preparation of the response to this RFP.
- The issuance of this RFP does not constitute an agreement by the City/Successor Agency that the City Council will approve any contract or that the City/Successor Agency will enter into any contract.
- Respondent's Duty to Investigate:
 1. It will be the sole responsibility of the selected Respondent to investigate and determine conditions of the Site, including existing and planned utility connections, the suitability of the conditions for any proposed improvements, the status of any hazardous material remediation and the need for any additional remediation of the property.
 2. The information presented in this RFP and in any report or other information provided by the City is provided solely for the convenience of the interested parties. It is the responsibility of interested parties to assure themselves that the information contained in this RFP or other documents is accurate and complete. The City, the Successor Agency and their employees and advisors provide no representations, assurances or warranties pertaining to the accuracy of the information and no persons responding to this RFP is entitled to rely upon any of the information provided.
- All responses to this RFP shall become the property of the City. The City may use any and all ideas and materials included in any submittal, whether or not the respondent is selected as the developer.
- Proposals and all other information and documents submitted in response to this RFP are subject to the California Public Records Act, California Government Code §§ 6250 through 6276.48 ("CPRA"), which generally mandates the disclosure of documents in the possession of the City upon the request of any person upon conclusion of the selection process, unless the content of the document falls within a specific exemption category.
- Non-Liability: By participating in the RFP process, each Respondent agrees to hold the Successor Agency and City and its and their officers, employees, agents, representatives, and consultants harmless from all claims, liabilities, and costs related to all aspects of this RFP, the Property and any information provided by the City or the Successor Agency regarding the Property.
- "As-Is" Property Condition: As will be addressed in ENRA and Disposition and Development Agreement, the property will be conveyed to the selected developer in an "as-is" condition, without representation or warranty by the City or the Successor Agency as to physical or environmental conditions of the land or any existing structures. The City makes no representations regarding the character or extent of soil or subsurface conditions or the conditions and existence of utilities that may be encountered during the course of construction of any work, development, construction or occupancy of the property. Respondents will be responsible for independently reviewing all available information that may be available about existing conditions, and undertaking independent analysis of site conditions, including any environmental, health and safety issues.

CONTACT INFORMATION

For additional information or questions about this solicitation of proposals please contact:

Melanie Mintz, Community Development Director

mmintz@ci.el-cerrito.ca.us

510-215-4339

RESOURCE DOCUMENTS AVAILABLE

The following documents are available on-line through the City's web site <http://www.el-cerrito.org/Mayfair> and will provide additional background information: San Pablo Avenue Specific Plan (and Complete Streets Plan) <http://www.el-cerrito.org/SPASP>

- Long Range Property Management Plan (LRPMP)
- SECOR Phase 1 Environmental Site Assessment
- Urban Greening Plan
- Climate Action Plan
- Ohlone Greenway Master Plan
- BART Del Norte Improvements
- Ohlone Greenway Access, Safety and Placemaking project (@ Del Norte)
- Active Transportation Plan
- Master Fee Schedule
- Contra Costa Clean Water Program C.3 Guidebook

Appendices

1. Form of Exclusive Negotiating Rights Agreement