

SAN DIEGO REDEVELOPMENT AGENCY

REQUEST FOR QUALIFICATIONS/PROPOSALS

Redevelopment Opportunity
for a 15,600 Square Foot Building in the
North Park Redevelopment Project Area

- Due Date:** 5:00 pm, October 29, 2010
- Contact:** Michael Lengyel, Project Manager
San Diego Redevelopment Agency
mlengyel@sandiego.gov
- Submissions:** Each respondent is required to submit one (1) signed original and four (4) copies of responses to Michael Lengyel at the address below. Additionally, an electronic version (PDF format or similar) must be provided in a CD/DVD with the financial information provided in its own digital file.
- Questions:** Questions should be addressed to Michael Lengyel via email at mlengyel@sandiego.gov. All inquires must contain the phrase "Questions – North Park Project RFQ/P" in the subject line.



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www.sandiego.gov/redevelopment-agency

TABLE OF CONTENTS

THE OPPORTUNITY	3
LOCATION	3
NORTH PARK REDEVELOPMENT PROJECT AREA	3
LAND USE AND ZONING	4
PROJECT DESCRIPTION.....	4
SPECIAL SITE CONSIDERATIONS	4
HISTORICAL RESOURCE	4
ENVIRONMENTAL CONDITIONS	5
QUALIFICATIONS/PROPOSAL REQUIREMENTS	5
SUBMITTAL REQUIREMENTS.....	5
SUBMITTAL FORMAT	8
SELECTION CRITERIA.....	9
PROPOSAL AND DEVELOPER CHARACTERISTICS	9
FINANCIAL RESOURCES AND FINANCING STRATEGY	9
PROJECT PLANNING/DESIGN/CONSTRUCTION.....	9
SELECTION PROCESS	9
SELECTION SCHEDULE.....	10
SUBMITTAL DEADLINE	10
SCHEDULE	10
EXPENSES.....	11
DEVELOPER PACKAGE	11
OTHER TERMS AND CONDITIONS.....	11

THE OPPORTUNITY

The San Diego Redevelopment Agency (Agency) presents a unique opportunity for creative, qualified developers to submit proposals for the redevelopment of Agency-owned property on University Avenue between Grim Avenue and 31st Street in the North Park Redevelopment Project Area. The site is a prime location in the commercial center of the North Park Pilot Village. Prospective developers or development teams are invited to submit information to demonstrate sufficient financial capacity and development expertise to complete the adaptive reuse of an existing building.

The redevelopment of the property must incorporate sustainable urban design strategies which conform to the [Secretary of Interior Standards for Rehabilitation](#) as the structure is generally considered to have the potential to qualify as a *historical building* as defined under the [City of San Diego Municipal Code](#). Elements of the project must include the adaptive reuse of an approximately 15,600 square foot two-story structure that dates to the 1940s and the historic role the North Park community played in San Diego's early development. The requested information will enable the Agency to consider the selection of a developer or development team with whom to exclusively negotiate the redevelopment of this key North Park site. The Agency Board will be the final approving authority in the selection of a developer.

Location

The property was recently acquired by the Agency for \$1,950,000, which has been determined as a fair market value for the property assuming highest and best use. The property is located on University Avenue mid block between Grim Avenue and 31st Street in the San Diego community of North Park and is comprised of a two-story structure of approximately 15,600 square-feet on an approximately 7,800 square-foot lot (Site). The subject structure was built in 1949 and originally housed the F. W. Woolworth Company retail store. It is currently vacant. The block includes four other free standing buildings that are currently occupied with retail uses.

The Site is strategically located within the heart of the North Park community and it is also within the North Park Pilot Village, one of five sites designated as such by the City Council under the City of Villages strategy for smart growth in San Diego. The City of Villages strategy seeks to promote development that mixes housing, retail, jobs, schools, and civic uses within walkable communities that have ready access to transit. The community's fire station, post office, and library are located within close proximity to the Site.

North Park Redevelopment Project Area

The City of San Diego's 555-acre North Park Redevelopment Project Area is centrally located within five miles of downtown San Diego and adjacent to beautiful Balboa Park. It is bounded by Interstate 805 to the east and Park Boulevard to the west and stretches as far north as Adams Avenue and as far south as Upas Street.

Redevelopment in the Project Area focuses on the revitalization of North Park's commercial corridors, with special attention paid to the revitalization of the El Cajon Boulevard and University Avenue corridors. Historic preservation and public art are incorporated features within the redevelopment focus. There is a strong sense of civic pride in North Park, and for this reason the community is actively involved in redevelopment projects in an effort to ensure high-quality design and construction and to retain the historic craftsman-style homes for which the neighborhood is known.

LAND USE AND ZONING

The Site is subject to the provisions of the Mid-City Communities Planned District Ordinance where it is designated under the Commercial Node zoning category (CN-1). The CN-1 zoning allows a variety of uses including retail, commercial, business and professional office uses as well as residential provided said uses meet applicable provisions of the [Mid-City Communities Planned District Ordinance](#). Land use and zoning information can be found in the Developer Package which is described in another section of this RFQ/P.

Parking - Parking standards are to be in compliance with applicable provisions of the [Municipal Code](#).

PROJECT DESCRIPTION

The location of the Site is part of the commercial center of the North Park community. As such, the Agency seeks a creative, vibrant development that will serve as an attractive addition to the community, incorporating state of the art sustainable design features.

The proposed re-use of the existing structure must conform to the Secretary of the Interior's Standards for Rehabilitation. Please note that the [California Historical Building Code](#) is applied by the Development Services Department when reviewing plans for projects involving designated historic structures. While the subject structure is not currently designated, the Historical Building Code should be referred to as a valuable resource in formulating a redevelopment vision. Interested parties may also want to refer to the City of San Diego [Historical Resources Guidelines](#).

Proposed improvements are to be in conformance with the 2007 California Building Code (as may be updated), the North Park Community Plan, the Mid-City Planned District Ordinance, and the North Park Redevelopment Plan. The project must incorporate sustainable development principles and superior architectural and urban design in all aspects.

SPECIAL SITE CONSIDERATIONS

Historical Resource

The subject structure was built in 1949 and originally housed the F. W. Woolworth Company retail store. The building features a flat roof, large store front windows, recessed entries and stucco-clad exterior. Its design emulates many of the other Woolworth structures built in the United States around that time. It should be noted that the subject structure is identified as "contributing" to a historic district in the [2004 North Park Historical Survey](#) (currently in draft form). The purpose of the North Park Historical Survey was to develop an inventory database of potentially historic resources, including buildings, structures, and objects, and evaluate their eligibility for historic designation. While further study would be required to identify the building as eligible for historic designation on its own, staff at this time considers that the structure has the potential to qualify as a *historical building* as defined under the City of San Diego Municipal Code.

The building has also been identified as contributing to the historic character of the University Avenue Commercial Corridor by the [North Park Main Street](#) and the community. North Park Main Street is a private non-profit organization charged with the revitalization of the [North Park Business Improvement District \(BID\)](#), North Park's Downtown and the historic heart of the community. North Park Main Street is a joint program of the City of San Diego, the San Diego BID Council, and the [National Trust for Historic Preservation](#). This building was also identified as "potentially eligible for nomination to the San Diego Historical Site Board Register" by the North Park Redevelopment Project Area Committee.

Environmental Conditions

The Agency commissioned and has completed an *Asbestos Containing Materials, Lead Based Paint Survey and Qualitative Mold Evaluation* (Advantage Environmental Consultants, June 9, 2010); and, a *Phase I Environmental Site Assessment* (SCS Engineers, May 10, 2010). The Phase I study found that there was a low likelihood of negative environmental conditions at the Site and the Asbestos, Lead Paint and Mold study found no imminent concerns to public health. Copies of the reports are available as part of the Developer Package.

QUALIFICATIONS/PROPOSAL REQUIREMENTS

The developer selected to participate with the Agency will need to meet all City, Agency, and other applicable local, state, and federal requirements. The developer must demonstrate experience and resources needed to design and develop a successful, high-quality sustainable project. Prior experience in sustainable design, adaptive reuse of historic structures, financing, construction and knowledge of and experience with sustainable development incentive programs and resources will be critical elements in evaluating qualifications & proposals. Current financial capacity or access to funding sources and the ability to complete the project in a timely manner will also be important factors in considering the most qualified respondents.

A concise, professional, and complete response to the RFQ/P will help the Agency identify the most qualified developer or development team and will be indicative of the level of the respondents commitment to the project.

SUBMITTAL REQUIREMENTS

Responses to this RFQ/P must include the following information in a **BRIEF AND CONCISE** format. Only information requested should be submitted. The Agency reserves the right to request additional information during the evaluation of responses and to reject any or all proposals.

1. Developer or Developer Team Experience

Identify the primary developer and all members of the development team, including the project lead for day-to-day management of the project and consultants who will be responsible for implementing the project (name of individual, firm address, email address and telephone number). Provide a very concise narrative describing the role and relevant background experience of the individuals who would be involved in implementing the project, and addressing the availability of resources, experience, or capabilities to assure

timely implementation of the project. Provide resumes of all development team members. Identify any development team experience with adaptive reuse of historic structures, sustainable projects, and/or projects in a redevelopment area.

2. Project Concept Summary

Provide a concise narrative summary of the project concept, including (1 page maximum):

- general description of the proposed concept for the Site;
- financial details and proposed transaction terms to obtain the Site for development; and;
- proposed development schedule.

All information provided in the Project Concept Summary must be consistent with the Pro Forma requirement listed under No. 5 below.

3. Development Implementation Strategy

Provide a concise narrative explanation of how the development team will plan and implement the redevelopment of the Site within the Project Description, including but not limited to (1-2 page maximum):

- description of how the Development will use a creative and innovative site design and ownership structure to create a successful, high quality development;
- marketing strategies to attract buyers and/or tenants;
- budget estimates;
- description of how the concept will be financed;
- description of how the development team will successfully manage, operate, and maintain the project;
- proposed development schedule, including, at a minimum, number of months after Development and Disposition Agreement approval to:
 - complete design;
 - obtain permits;
 - start construction; and
 - complete construction.

4. Project Concept

Submit the following items to adequately portray the project concept:

- Site Plan showing the entire block with existing structures, streets, sidewalks, and street trees, traffic flows and lanes, plus the project's proposed roof plan.
- Schematic Floor Plans of each distinct level. Show structures, core, and roof treatments, and basic wall to window relationships. Ground floor must show pedestrian entries, commercial entries and windows, sidewalks and street trees.
- Accurate drawings of Principle Elevations, including street sections and adjacent uses. Elevations should include overall vertical dimensions rendered to indicate principle materials and colors; additional notes are welcome. Street trees should not be shown on elevations.

- Two (minimum) project Cross Sections, one north-south and one east-west, cut through most informative portions, indicating all major program elements and accurate vertical dimensions (floor to floor and overall);
- Two Perspective Images; one a street/eye level view looking at the corner and showing the entire project, and one aerial overview. All images shall be at realistic scale, accurately showing the proposed colors, materials, shadows and adjacent building context. Careful photo-montages are acceptable. Street trees shall be transparent enough to adequately reveal building features beyond.
- All drawings are to be scale, clear line work (hardline strongly preferred), with relevant notes and primary dimensions shown legibly. Transparent color overlays are welcome; however, all drawings should be clear and fully legible if copied black and white; 11 inch by 17 inch maximum, horizontal format;
- Program Summary Tabulation, including: gross square foot (“GSF”) floor areas, parking spaces, parking ratios per unit/use, unit count and use categories by floor and totals, and total FAR; and
- Design Narrative, including primary design intentions and design character, basic program elements and areas, response to context, critical issues resolved and special features; comparative analysis of how projects identified in item 6, below, illustrate or differentiate the project concept for the Site; and identification of any aspect of the project concept’s design that does not meet the minimum design and development standards specified in the RFQ/P or Community Plan. (2 page maximum)

5. Pro Forma

Complete Project Concept Pro Forma Template included in the Developer Package. The pro forma template provides worksheets with tables to input a breakdown of the project concept’s components, estimated development costs, projected sales proceeds and net operating income, the proposed purchase price for the Site, and other data and information about the project concepts. Please note that all required development fees charged by the City of San Diego should be accounted for within the pro forma.

6. Statement of Qualifications

Complete the Developer Statement of Qualifications & Financial Summary included in the Developer Package. In addition, provide a concise narrative description of the following:

- qualifications and experience that demonstrate the team’s ability to execute the proposed project concept;
- experience and financial capability of the team to successfully plan, design, obtain approval and construct the proposed project concept;
- team members’ recognized design accomplishments as they relate to sustainable design, adaptive reuse of historic structures, development within urban redevelopment/infill areas and/or under public/private partnerships; and
- current relationships with lending institutions or other funding sources that would contribute to the feasibility of the proposed project concept.

7. Developer Experience

Provide a concise chart listing the development projects that are most comparable to the desired project that have been completed by the development team, including identification and a brief description of each project, street address, completed value, sale/lease prices, sources of financing (with contact references), construction/completion time frames and dates, identification and role of the development team in the project. Photographs and/or graphics of projects must be included. Include projects within urban redevelopment/infill areas, involving adaptive reuse of an historic structure, sustainable design principles, public/private partnerships and/or public coordination, and demonstrating experience with public and citizen involvement. Client and/or public agency references related to these projects should be included (if not noted as part of item 8 below). Optionally, provide a concise narrative highlighting the most successful of these projects, particularly those that are most similar to the proposed project concept.

8. Development Team References

Provide a concise chart listing development team references. Each team member should include three professional references (lenders, investors, major accounts, etc.), with full names, relationship to team member, address, email address and telephone number.

9. Equal Opportunity Strategy

Carefully read the documents included in the Developer Package. The Agency is strongly committed to equal opportunity in the solicitation of business contracting to assure that persons or businesses doing business with or receiving funds from the Agency are an equal opportunity business and employer. The Agency endeavors to do business with firms sharing the Agency's commitment to equal opportunity and will not do business with any firm that discriminates. The Agency strongly recommends that persons and businesses doing business with the Agency take positive steps toward diversity and expand their sub-consulting and subcontracting solicitation base and offer opportunities to all eligible persons or businesses.

SUBMITTAL FORMAT

Response packages must be organized and tabbed consistent with the order of the submittal requirements outlined above. Submittals must consist of 8-1/2 x 11 sheets and 11 x17 foldouts as necessary.

The Agency reserves the right to request additional information during the evaluation of responses and to reject any and all responses to this RFQ/P.

Each respondent is required to submit one (1) signed original and four (4) copies of responses to the attention of Michael Lengyel at the address below. Additionally, an electronic version (PDF format or similar) must be provided in a CD/DVD with the financial information provided in its own digital file. Submittals must be delivered no later than 5:00 p.m. local time on October 29, 2010 to the offices of the Redevelopment Agency.

SELECTION CRITERIA

Agency staff may ultimately select and recommend a developer to the Agency Board for exclusive negotiations based on the following criteria: developer characteristics; financial resources and project financing; experience developing projects according to sustainable development principles with high-quality architecture, planning, and design; and other pertinent factors.

The following is a guide to the criteria that will be used to evaluate developers and their proposals:

Proposal and Developer Characteristics

- 1) Quality of information submitted in response to the RFQ/P
- 2) Evaluation of past projects and performance
- 3) Experience in developing projects in a redevelopment area and/or under public/private partnerships
- 4) Experience producing sustainable development projects and with adaptive reuse of historic structures
- 5) Overall demonstration that developer is ready, willing, and able to implement the project
- 6) Demonstrated commitment to comply with the City of San Diego Equal Opportunity Contracting Program and Conflict of Interest Code

Financial Resources and Financing Strategy

- 1) Demonstrated ability to secure project funding, including current relationships with major lenders and past funding experience with sustainable projects
- 2) Ability to provide sufficient equity to satisfy conventional lender requirements and assure timely implementation and completion of the project
- 3) Experience with financial incentive programs and resources available for sustainable or historic reuse projects
- 4) Experience in providing effective marketing, leasing, and property management
- 5) The proposed purchase price for the Site

Project Planning/Design/Construction

- 1) Demonstrated expertise in the areas of sustainable development, urban design, adaptive reuse of historic structures, and construction of in-fill projects
- 2) Demonstrated architectural and urban design experience on projects of similar quality and scale to the proposed project
- 3) Demonstrated experience designing innovative projects using creative site design concepts and maintaining a high quality development standard

SELECTION PROCESS

Agency staff will review and evaluate the responses to the RFQ/P. Consultants to the Agency may also review submitted proposals. Staff may meet with any or all of the development teams, conduct site visits, and check references as appropriate. The Agency Board will be the final approving authority in selection of a developer. If a developer selection is approved, the Agency and the developer will enter into an exclusive negotiating agreement which will require a developer deposit (approximately \$25,000 to \$50,000) to cover project related costs incurred by

the Agency for legal, financial, and/or design services provided during the period of negotiations. The developer deposit will also serve as a good faith deposit to ensure the developer's diligence in the implementation of the project. The Agency reserves the right to reject any and all submitted proposals.

SELECTION SCHEDULE

Submittal Deadline

The submittals must be received **no later than 5:00 p.m., October 29, 2010**. To ensure fairness, **no submittals will be accepted after 5:00 p.m.** For those submittals that are not selected, only financial information will be returned. Faxes and electronic submittals will not be accepted. All responses shall be marked "North Park Project Area RFQ/P Response" on the outside of the submittal and addressed to:

Redevelopment Agency of the City of San Diego
Attention: Michael Lengyel
1200 Third Avenue, Suite 1400
San Diego, CA 92101-4110

Submittals shall be signed by individuals authorized to bind the developer firm or development team to all terms and conditions of the submittal. All submittals shall provide the name, title, address, and telephone number of the individuals with authority to contractually bind the developer or development team, and the person(s) who may be contacted by the Agency during the evaluation process and selection process.

Schedule

The selection schedule will be tentatively as follows:

RFQ/P Issued	August 16, 2010
Pre-Submission Conference	Week of September 13, 2010
Responses Due to Agency	October 29, 2010
Staff Review/Finalist Interviews	November/December 2010
Recommendation to Agency Board	February/March 2011

Questions regarding this RFQ/P or any of the information provided must be submitted via electronic mail to mlengyel@sandiego.gov no later than October 22, 2010. The subject line for questions should be limited to: Questions – North Park Project RFQ/P. **No verbal inquiries will be accepted.** Respondents to this RFQ are cautioned NOT to contact elected officials regarding the selection process. Inappropriate efforts to lobby or influence individuals or organizations involved in this selection may result, at the Agency's sole discretion, in dismissal from further considerations.

Interested respondents are encouraged to attend the Pre-Submission conference scheduled for the week of September 13, 2010. The date, time and location will be noticed on the Agency's website. Interested respondents are also strongly encouraged to review the Agency's website periodically as any addenda issued by the Agency in relation to this RFQ/P will ONLY be posted on the Agency's website.

Expenses

The developer or development team shall be responsible for all expenses incurred during the solicitation and negotiation process with the Agency. This RFQ/P does not and shall not commit the Agency to enter into any agreement, to pay any costs incurred in preparation of the submittals, or to procure or contract for services. The Agency shall not incur any liability arising from the RFQ/P process.

The Agency reserves the right to amend this RFQ/P. All amendments shall be posted on the Agency's website: <http://www.sandiego.gov/redevelopment-agency/opportunities.shtml>.

DEVELOPER PACKAGE

Interested developers or development teams are encouraged to explore this redevelopment opportunity by reviewing the following documents in the Developer Package, which is available on the Agency's website at <http://www.sandiego.gov/redevelopment-agency/opportunities.shtml>.

- 1) North Park Redevelopment Plan
- 2) North Park Community Plan
- 3) Mid-City Planned District Ordinance
- 4) North Park Redevelopment Project Area Third Five-Year Implementation Plan
- 5) Floor Plan
- 6) ALTA/ACSM Land Title Survey
- 7) Asbestos Containing Materials, Lead Based Paint Survey and Qualitative Mold Evaluation (Advantage Environmental Consultants, June 9, 2010)
- 8) Phase I Environmental Site Assessment (SCS Engineers, May 10, 2010)
- 9) Project Concept Pro Forma Template
- 10) Developer Statement of Qualifications and Financial Summary
- 11) City of San Diego Equal Employment Opportunity Program

OTHER TERMS AND CONDITIONS

1. The Agency reserves the right to amend this RFQ/P by addendum prior to the final due date of the submittals.
2. The Agency reserves the right to modify aspects of the selection process, and to waive any defects of form or content in responses.
3. The Agency reserves the right to accept or reject any and all responses received as a result of this RFQ/P, and to cancel in part or entirely the RFQ/P. If all responses are rejected, the Agency may seek further proposals at a later time.

4. All reports, responses, or other data or materials, which are submitted, shall become the sole property of the Agency and a matter of public record. However, to the extent permitted by law, all submittals will not be made public nor considered a public record until after the Redevelopment Agency Board takes action to enter into an agreement with the selected developer/team.

However, statements of financial capacity will be returned to all respondents, except for the selected Respondent after award. Respondents must identify all copyrighted material, trade secrets, or other proprietary information that they may claim are exempt from disclosure under the California Public Records Act (California Government Code sections 6250 et. Seq.). In the event a Respondent claims such an exemption, the following statement must be included in the response:

The Respondent shall indemnify the Agency and hold it harmless from any claim, damage, loss, liability cost or expense and defend any action brought against the Agency for Agency's refusal to disclose materials marked 'confidential', trade secrets or other proprietary information to any person making a request therefore.

Failure to include such a statement shall constitute waiver of the Respondent's right to exemption from disclosure and authority for the Agency to provide a copy of the submittals or any part thereof to the requester.

5. All products used or developed in the execution of any contract resulting from this RFQ/P shall remain in the public domain at the completion of the project.

6. This RFQ/P is not, and shall not be construed to be, an offer but is merely a request for qualifications and proposals.

7. There is no obligation to enter into any binding legal document until final approval by the Redevelopment Agency Board is received.

8. The firm selected will be required to provide evidence of public liability and property damage insurance with limits of not less than \$5 million dollars for injury to, or death of, persons and/or property damage arising out of a single accident or occurrence, insuring against all liability the City of San Diego, the Redevelopment Agency of the City of San Diego, their agents, officers, and employees, arising out of, or in connection with, the performance of work under the contract with the Agency. In addition, the firm selected will be required to provide evidence of automobile insurance and Workers' Compensation Insurance. The insurance shall be provided at the sole cost and expense of the firm selected, unless the requirement is modified or waived by the Agency.

9. Individuals, contractors, vendors, consultants, grantees, lessees, and banks contracting with the Agency must comply with the City of San Diego's Equal Opportunity Outreach Program.

The firm selected, and each of its subcontractors, shall comply with Title VII of the Civil Rights Act of 1964, as amended; Executive Orders 11246, 11375, and 12086; the California Fair Employment Practices Act; San Diego Municipal Code sections 22.2701 through 22.2707, and any other applicable federal and state laws and regulations hereinafter enacted. The selected

firm shall not discriminate against any employee or applicant for employment based on race, religion, color, ancestry, age gender, sexual orientation, medical condition, or place of birth. The selected firm shall cause the above provisions to be inserted in all subcontracts for any work covered by the contract so that such provisions will be binding upon each subcontractor, if used.

10. The firm chosen must agree to comply with the Agency's Drug Free Workplace requirements set forth in Council Policy 100-17, adopted by Council Resolution No. R-277952. Respondent shall certify to the Agency that it will provide a drug-free workplace.

11. In addition to the foregoing, every person or organization awarded a contract by the Agency or the City of San Diego must acknowledge and agree to comply with Council Policy 100-04, adopted by Resolution No. R-282153, relating to the federally mandated Americans with Disabilities Act (ADA). Consultant will be individually responsible for its own ADA program. The Agency's selection of a developer will take the form of the Agency Board's approval of an Exclusive Negotiating Agreement ("ENA") between the Agency and the selected developer. It is anticipated that the ENA will provide a 90-day exclusive negotiation period within which to prepare a Disposition and Development Agreement ("DDA") with up to a 30-day extension of the period at the mutual agreement of the Agency's Executive Director or Designee and the selected developer.

12. California State law makes it illegal for public officials or their employees to participate in the making of a contract in which he or she is financially interested. The law defines the making of a contract to include responding to Requests for Qualifications. The law further defines a public official very broadly to include members of advisory boards that are not actual parties to the contract. Prospective respondents who are aware of circumstances that could create a conflict of interest if a qualifications/proposal package were submitted are urged to contact the person identified as the Contact person for this request. A violation of these rules is grounds for disqualification of the development team.