

# CITY OF SAN BUENAVENTURA

## REQUEST FOR PROPOSALS TO PURCHASE FORMER REDEVELOPMENT PROPERTY AND CERTAIN OTHER PROPERTY OWNED BY THE CITY FOR DEVELOPMENT



### KEY RFP DATES

**RFP Issued August 2, 2016**  
**Proposal Due Date September 15, 2016**

# **CITY OF SAN BUENAVENTURA**

## **REQUEST FOR PROPOSALS TO PURCHASE FORMER REDEVELOPMENT PROPERTY AND CERTAIN OTHER PROPERTY OWNED BY THE CITY FOR DEVELOPMENT**

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# REQUEST FOR PROPOSALS TO PURCHASE FORMER REDEVELOPMENT PROPERTY AND CERTAIN OTHER PROPERTY OWNED BY THE CITY FOR DEVELOPMENT

## 1. INTRODUCTION

### 1.1 Development Opportunity

The City of San Buenaventura (“City”) is seeking proposals for the purchase and development of two Successor Agency Parcels, which are non-contiguous parcels totaling approximately 15,450 square feet, and two City of San Buenaventura owned non-contiguous parcels totaling approximately 26,650 square feet in Ventura, CA (the “Site”). The Site in total consists of 4 parcels totaling 42,100 square feet. The sale of the Site may lead to negotiation of a Disposition and Development Agreement (“DDA”), Purchase and Sale Agreement or similar agreement with the selected Development Team. Proposals must include acquisition of all four parcels and should seek to achieve the greatest economic impact, development quality, design, use and efficiency for Downtown Ventura. The City is seeking opportunities to use the Site preferably for new office space and associated parking to accomplish RFP goals and objectives.

### 1.2 Location

The Site is located in the block north of East Main Street, between North California Street and North Chestnut Street, and consists of the following four parcels: 073-0-041-160, 073-0-041-040, 073-0-041-190, and 073-0-041-030. The Site is currently used for public parking and there exists a public right of way between the four parcels. Parcel number 073-0-041-160 is a landlocked surface parking lot and is bordered by empty lots and Poli Street to the north, Century 10 Downtown Movie Theater at 555 East Main Street to the south, City-owned parking lot to the west (parcel 073-0-041-190), and public right of way to the east. Parcel number 073-0-041-040 is a surface parking lot and is bordered by a City-owned public parking lot (parcel 073-0-041-030) to the north, Century 10 Downtown Movie Theater at 555 East Main Street and public right of way to the south, public right of way to the west, and North Chestnut Street to the east. The Site consists of 4 rectangular shaped parcels, and has good vehicular access. All four parcels contain City parking spaces and are undevelopable by themselves without assemblage with all adjacent City-owned parcels and Successor Agency parcels.

### 1.3 Size

The Site is comprised of four separate semi-contiguous legal parcels that are currently improved as surface public parking lots. Successor Agency parcel numbers 073-0-041-160 and 073-0-041-040 (“Successor Agency Parcels”) are 8,000 square feet and 7,450 square feet, respectively, and when combined they total 15,450 square feet, or 0.35 acres. City-owned parcel

numbers 073-0-041-190 and 073-0-041-030 (“City Parcels”) are 19,150 square feet and 7,500 square feet, respectively, and when combined they total 26,650 or 0.6 acres. The four parcels combined (“Site”) total 42,100 square feet or 0.95 acres.



**Figure 1: View of Site looking West**

#### **1.4 Property Status**

Following dissolution of the Redevelopment Agency of the City of San Buenaventura (“Redevelopment Agency”), the Successor Agency to the former Redevelopment Agency of the City of San Buenaventura (“Successor Agency”) was required to prepare a Long Range Property Management Plan (“LRPMP”) to address the disposition and use of real properties of the former Redevelopment Agency. Following approval of the LRPMP, the properties owned by the former Redevelopment Agency were transferred by operation of law to the Successor Agency Community Redevelopment Property Trust Funds, which is administered by the Successor Agency. The property referred to as Site #7 in the LRPMP will be transferred to the City for future disposition and development through a competitive Request for Proposals (RFP) process. The fee titles for the two City-owned parcels are held by the City of San Buenaventura.

#### **1.5 Community Benefits**

The City specifically seeks proposals that achieve the greatest economic impact, development quality, design, use and efficiency for Downtown

Ventura. Ventura's historic downtown has seen a significant improvement over the past several decades. The further evolution of the Downtown will rely on the successful development of three key components: (1) residential, (2) office, and (3) parking. As described below, several key residential projects already approved will transform the Downtown into a true 24/7 environment. The City is also taking great steps to pursue additional parking facilities. The remaining component of additional day-time office workers has yet to be significantly realized. The potential to develop this Site with a state of the art office building that would create additional office tenants within the downtown will continue the evolution of Ventura's downtown into a true 24/7 live/work environment. As parking is a key feature of the downtown, the City seeks to maximize the available parking on this Site for use by the office tenants and negotiated use by the public (See Attachment A - Site Development Capacity Analysis).

Pursuant to Government Code Section 52201, prior to disposition of the Successor Agency Parcels for development, the City may be required to hold a public hearing and prepare a summary report regarding costs of the agreement to the City, the proposed development program's economic benefits, planning objectives, estimated value of the property to be conveyed, and explanation of disposition price.

The Successor Agency Parcels constitute one of four sites in the LRPMP subject to a Master Compensation Agreement whereby net unrestricted proceeds from the sale will be sent to the County Auditor-Controller for distribution to the taxing entities, including the City.

## **2. OVERVIEW**

### **2.1 The Opportunity**

The Site is located near the Northern edge of Downtown Ventura where pedestrian-oriented storefront businesses begin to transition into municipal working spaces (City Hall) and residential homes. The Site is located between North Chestnut Street and North California St. to the east and west, and Poli Street and East Main Street to the north and south. Access to the 101 Freeway – Northbound is approximately a quarter of a mile from the Site. The Century 10 Movie Theater and Bank of America lie directly south, and a residential home and Ventura City Hall are located north of the Site. The Site is situated in a prime block of Downtown Ventura, in the Urban Core zone T6.1 within the Downtown Specific Plan (DTSP). This zone allows dense commercial, retail and mixed-use development. Permitted uses include bed and breakfast, civic, health/fitness, home occupations, lodging, medical/dental, multi-family residential, office, parks and recreation, personal services and retail. This parcel is also subject to the 'Hillside Overlay', which

limits buildings to 36 feet above average natural grade in height. The Downtown Plan provides for a wide range of uses to occur on this Site, all conducive to a lively downtown setting, including retail, office, entertainment and residential. Residential and Office uses are both well-suited for this location. The Site's position relative to Main Street, about 200 feet to the south, means that it is much less conducive to retail activity.

Completed developments in the vicinity of the Site include the WAV, a mixed-use, 4-story development completed in 2009 and located at 175 South Ventura Avenue, on the northwest corner of South Ventura Avenue and West Thompson Boulevard. The WAV consists of a total of 82 housing units and 6,100 square feet of commercial space on a 1.7 acre site. Total building area is 130,000 square feet. The Cannery is a recently completed apartment complex at 130 North Garden Street on a 1.4 acre site just north of Mission Plaza Shopping Center. The project consists of 78 units, approximately 2,000 square feet of commercial space and a 158-space parking garage. Total building area is 68,736 square feet. The Santa Clara Courts is a recently completed apartment complex at 72 West Santa Clara Street on a 0.44 acre site. The project consists of 24 condominium units totaling 37,622 square feet of floor area and 34 ground-level garage parking spaces.

Proposed developments in the vicinity of the Site include a mixed-use project located at 470 Poli Street, consisting of 2,246 square feet of retail space and 12 condominium units, located directly south of City Hall, in what is now a surface parking lot. The Anacapa Courts is a proposed mixed-use project on a 0.5 acre lot, consisting of 25 condominium units and 4,250 square feet of retail space, located at 299 East Main Street. The proposed Matilija Investment Group project, located at 11 South Ash Street, is a residential project that is currently under construction and will consist of 15 condominium units on a 0.4 acre site. Mar-Y-Cel, a proposed mixed-use project consisting of demolishing approximately 62,500 square feet of existing industrial buildings and constructing 138 multi-family units within 103,856 square feet and approximately 6,142 square feet of commercial space on a 2.38 acre block bounded by Ventura Avenue, Santa Clara Street, Junipero Street and Thompson Boulevard. Downtown Ashkar is an approved project, which includes 255 residential units within 3 to 5-story structures situated over semi-subterranean garages and arranged into two blocks on 3.5 acres of vacant property fronting Santa Clara Street, Thompson Boulevard, and on the eastside of Junipero Street. The project totals 292,620 square feet of residential development.

## **2.2 The Site**

The Successor Agency Parcels were both acquired by the City on April 10, 1997 for a total cost of \$618,000. The properties were subsequently transferred to the Redevelopment Agency. City Parcel APN 073-0-041-190

was acquired in 1984 and City Parcel APN 073-0-041-030 was acquired in 1960.

The Site is zoned T6.1 Urban Core with a General Plan designation of Downtown Specific Plan.

The Site consists of four semi-contiguous rectangular shaped parcels, and has excellent vehicular access from both California and Chestnut Streets. All the parcels are developed as surface parking lots.

There is no record of environmental studies for the Site. The Site is being sold “As-Is”.

The estimated value of the Site is \$1,684,000. This estimated value of \$40 per square foot is based on data gathered from Proposal-Parking Structure and Alley Improvements dated 10/25/10; Block 200, 300 and 400 Parking Structure Feasibility Study for the City of Ventura, 12/15/12; Appraisal Report – Land Located Between California Street and Chestnut Street Downtown Ventura, California, 2/28/12; and discussions with licensed real estate brokers/appraisers in May 2013. An appraisal will be conducted prior to sale to get an updated and accurate sale value of the property. Many factors would impact appraised value including location, physical characteristics, accessibility, existing easements, site assemblage needs, etc.

### **2.3 Background Information**

The Successor Agency was required by Assembly Bill 1x 26 (“AB 1x 26”), Assembly Bill 1484 (“AB 1484”) and other subsequent legislation (collectively, “Dissolution Bills”) to prepare a Long Range Property Management Plan (“LRPMP”) that addressed the disposition and use of the properties of the former Redevelopment Agency. The LRPMP was approved by the Oversight Board to the Successor Agency (“Oversight Board”) and approved by the State Department of Finance (“DOF”) on February 20, 2014.

Pursuant to the LRPMP, the Successor Agency Parcels will be transferred to the City for future disposition and development through a competitive Request for Proposal (RFP) process.

Pursuant to the Dissolution Bills, the Oversight Board is required to approve all transfers of real property from the Successor Agency to the City. This action is necessary prior to disposition of the Site by the City to a developer.

### **2.4 Development Program Goals and Objectives**

The City specifically seeks proposals that achieve the greatest economic impact, development quality, design, use and efficiency for Downtown Ventura. To that end a primary goal of Site disposition will be to assist in the retention, expansion or creation of job opportunities in Downtown. As

discussed this may include use of the Site to meet office space needs for private businesses and will need to include replacement public parking.

Attached to this RFP (Exhibit A) is a Development Program Capacity Analysis describing an office use incorporating approximately a 54,000 square foot and 180 parking space plan for this property. The City undertook the development of this capacity analysis to clearly reflect the City's ideal development: one that maximizes additional parking that will be made available to the public (subject to final negotiations and valuation) and creates office space to further the daytime population within the Downtown.

The Site is located in Ventura's Downtown. In March 2007, the City of Ventura adopted the Downtown Specific Plan (DTSP), an update of the Specific Plan adopted in 1993. This update articulated a clear intention to preserve the unique and historic character of the City's commercial core. The Downtown Specific Plan is available for download on the City's website. DTSP Goals and Policies include Ventura's Unique Character, California's New Art City, Animating the Public Realm, Economic Vitality, Housing Renaissance, and Mobility in Transportation, "Park Once" Management Strategy, and Sustainable Infrastructure.

Pursuant to Government Code Section 52201, prior to disposition of the Successor Agency Parcels, the City may be required to hold a public hearing and prepare a summary report that includes among other things: an explanation of why the disposition will assist in the creation, retention, or expansion of job opportunities, increased property tax revenues, the estimated value of the interest to be conveyed, and an explanation of the difference between the highest and best use value and the disposition price taking into consideration the covenants, conditions and development costs required by the sale or lease.

The Successor Agency Parcels constitute one of four sites in the LRPMP subject to a Master Compensation Agreement whereby net unrestricted proceeds from the sale will be sent to the County Auditor-Controller for distribution to the taxing entities, including the City. The Master Compensation Agreement has been approved by all taxing entities.

## **2.5 Site Development Capacity Analysis**

The Site location is well suited to both residential and office uses. A hybrid concept scenario (See Figure 2) , which allows for large single or multi-tenant office use that incorporates two floors of parking (54,000 square feet of parking, with 180 parking spaces) and two and a half floors of office space, provides opportunity for higher volumes of office space, especially on the third level. Some square footage can be given up to create two-story volumes, such as atriums and exterior courtyards, and the upper level of the

building with have a view potential toward the coast with opportunity for roof deck and terrace areas.



**Figure 2: Hybrid Concept**

### **3. RFP CONSIDERATIONS**

#### **3.1 Respondent Considerations**

Information to be considered in making a proposal includes the following:

3.1.1 Proposals shall include an offer to purchase all four parcels forming the Site for development program purposes.

3.1.2 Ability to achieve the greatest economic impact, development quality, design, use and efficiency for Downtown Ventura through the expansion of job opportunities.

3.1.3 Proposals shall include an all cash purchase offer to be provided at the time of property transfer. The City may require a good faith deposit from the Developer as part of the Disposition and Development process. The City will obtain a formal appraisal prior to

City Council / Successor Agency consideration of a Disposition and Development Agreement or similar agreement.

3.1.4 Development proposals must incorporate sufficient parking for the uses to be developed on the Site, plus replacement parking to replace the existing public parking spaces that will be lost with the development of the Site.

3.1.5 The City will not consider proposals involving City financial participation in the acquisition or development of the Site. Developer, at its own cost, is responsible for purchasing and developing the property, including any and all fees (e.g. entitlements, permits). No fees or other costs are waived by selection through this RFP process and should be calculated as part of proposed development program expenses.

3.1.6 Developer will be responsible for obtaining any and all governmental approvals (e.g. entitlements). Selection through the RFP process does not guarantee outcomes relative to necessary governmental approvals and should be considered in the Development Program Time Schedule.

3.1.7 The Site is located within the Downtown Specific Plan, near completed and proposed private redevelopment and development projects. Developers should consider these factors in the proposed development program.

3.1.8 The City is selling the Site “As Is” and is not obligated to repair, improve, or otherwise incur any expense with regard to improving the property or funding any additional environmental testing or remediation. If any prior testing has occurred, any reports on file are available for public inspection.

3.1.9 Developer will be responsible directly to the serving entities for all utilities required for the use of the Site. Developer will agree to order, obtain, and pay for all utilities and services and installation charges in connection with the development and operation of the property.

3.1.10 The developer will be required to pay any and all property taxes (e.g. Ventura County) when due.

3.1.11 Developer will be required to provide insurance coverage as required by the City of Ventura.

## **4. EXISTING LEASES OR EASEMENTS**

### **4.1 Lease or Easement Agreement**

There are no existing lease agreements. The Site (particularly APN 073-0-041-040) is subject to a License Agreement with the City of Ventura. The purpose of the License Agreement is to locate certain electrical utilities for use at 42 N. Chestnut Avenue (dated April 13, 2015).

## **5. PROPOSAL PROCESS**

### **5.1 Submission Requirements**

The submission consists of the following elements, which shall be answered as completely as possible and in the outlined organizational order. Please submit information in appropriate detail on each of the items described below to allow adequate review and evaluation of your proposal.

5.1.1 Cover Letter – Maximum of two (2) single-spaced pages, signed by an authorized officer of the lead firm, summarizing the major deal points, and providing the name, address, email address, telephone number and fax number of the key contact person.

5.1.2 Development Team Qualifications and Financial Capacity - The Development Team's ability to see a development program through, from concept to fruition is especially important to the City. Strong weight in the evaluation process will be given to a Development Team that has experience and track record in each of the following areas listed below. Keeping each project description and pictures limited to two pages, please provide:

5.1.2.1 A list of current projects in the Developer's pipeline, including pre-development, construction, and lease-up activities underway. This list should include the location, project type, size and total development cost for each project.

5.1.2.2 A list of similar or related projects in which the Development Team and proposed associates have participated. Describe the relationships to these projects (i.e., developed, owned, operated and/or managed) and provide a general description of each project. These projects shall be of a similar magnitude or related to the proposed development program. Identify the location, total project costs, land uses, length of time

to complete, and actual completion dates. (Submit specific project information.)

5.1.2.3 Descriptions and illustrations of the proposed architect's or architects' work on development projects that have been built or are under construction. These projects shall be of a similar magnitude or related to the proposed development program and shall include either the Developer's or the architect's experience in designing similar projects to the proposed development program. If possible, include photographs of these projects. (Submit specific project information.)

5.1.2.4 Description of prior public-private partnerships in which the Development Team participated in projects of similar type, magnitude or related to the proposed development program.

5.1.2.5 For each project or relevant experience, a name and phone number of a contact person familiar with this project who can act as a reference.

5.1.2.6 Description of the ownership entity for the development program, including an organizational chart and percentages of ownership of each entity involved. To be furnished upon request.

5.1.2.7 All organizational documents for the ownership entity for the development program, if available (i.e., Articles of Incorporation, By-Laws, Partnership Agreement, Operating Agreement, Limited Liability Company Certificate, Good Standing Certificate issued within previous 90 days). To be furnished upon request.

5.1.2.8 Financial statements for Developer and/or principals (last two years, audited; and most recent interim, unaudited). To be furnished upon request.

5.1.2.9 Federal and State tax returns of Developer and/or principals (last three years). To be furnished upon request.

5.1.2.10 Statement regarding prior bankruptcy and all outstanding judgments, pending or final, against the Developer or any related individual or entity. To be furnished upon request.

5.1.2.11 Explanation of how the Development Team proposes to finance the development program by providing a description of how the Developer(s) financed projects of similar type, scope or related to the proposed development program, including total project costs, sources and uses for similar projects. (Submit specific project information)

### 5.1.3 Proposed Development Program

5.1.3.1 A general overview of the proposed development program including the type of development/use that the Development Team considers appropriate for the Site and all leveraged real property. Discuss the role/importance each parcel plays in implementing the overall proposed development program.

5.1.3.2 Approach to obtaining site control of adjacent private property on the same block or surrounding area in order to implement the proposed development program. If Developer already controls property as described above, identify each parcel and legal interest in it (e.g. owned, leased, etc.). Identify previous or current experience with property acquisition or leasing for proposed, completed or related projects.

5.1.3.3 If the proposed development program includes commercial uses, indicate which office and/or retail tenants have been identified for the Site and leveraged real property, and the Development Team's working relationship and/or ability to secure a lease/letter of intent with tenants.

5.1.3.4 A site plan, floor plans and elevations as applicable for the Site and total proposed development program.

5.1.3.5 Concept renderings, images, photographs and maps to convey the vision for the Site and total proposed development program.

5.1.3.6 Description of how the Developer's vision addresses and maximizes fulfillment of the City's stated Development Program Goals and Objectives (see Section 2.4)

### 5.1.4 Financial Feasibility of the Proposed Development Program. Please provide the following:

5.1.4.1 Sources and Uses of Funds for each phase of the development program, as applicable.

5.1.4.2 Development Program Budget (total development cost).

5.1.4.3 Development Program Operating Pro Forma, including 10-year cash flow analyses with clear explanations of all assumptions, as applicable.

5.1.4.4 Market data, which demonstrates the feasibility of projected revenue streams, as applicable.

5.1.5 Business Terms. Business Terms must include, at minimum, the following:

5.1.5.1 Proposed deal structure: Indicate division of responsibilities for the development program's successful completion.

5.1.5.2 Initial conditions: Indicate any initial conditions or requirements that are needed to be granted by a government entity, including the City. These initial conditions include, but are not limited to technical assistance, City variances or special entitlement processing, and any similar contingency which could result in additional time and resources on the City's behalf to complete the proposed development program.

5.1.5.3 Development Program Time Schedule: A schedule of performance outlining the estimated time for each step and phase, including a summary "timeline" or other similar graphic representation of the development program process. The schedule should recognize the time involved in completing site assembly, finalizing development agreements, receiving development program entitlements, designing the development program, financing the development program, commencing and completing construction, lease negotiations, marketing, and final occupancy.

5.1.5.4 Community Benefits: Proposal of benefits, which will come from implementation of the proposed development program. Examples of Site relevant community benefits could include: creation, retention, or expansion of job opportunities, increased property tax revenues and sustainable development. Other benefits include implementation of the Downtown Specific Plan including its Goals and Policies and meeting private parking needs as part of a larger development program to further the City's business retention and expansion efforts. In

order to meet these objectives the City specifically seeks proposals that leverage the Site with adjacent private property uses on the same block or surrounding area in order to achieve the greatest economic impact and development quality, design, use and efficiency for Downtown Ventura.

#### 5.1.6 References

5.1.6.1 Provide a list of at least three (3) references (if different from those in Sections 5.1.2.5; include contact, title, address, email address and telephone number for the agency/business which your firm provided similar services. Also indicate the year in which your firm provided the service(s) for the agency/business. Provide at least one reference from a lender and one from a public agency with which you have worked.

#### 5.2 Format of Submittal

Submit two hard copies of the Proposal and one electronic version.

**Proposals will be received at Ventura City Hall, Community Development Office, Room 133, City of San Buenaventura, California, until 5:00 P.M., Thursday, September 15th, 2016. Proposals received after this date and time will be considered late and shall not be accepted.**

### 6. SELECTION PROCESS

#### 6.1 Proposal Review

The Community Development Department is responsible for managing the RFP selection process. All proposals, submitted in response to this RFP, will be reviewed for their relative strengths and weaknesses, based on the submission requirements and evaluation criteria described herein. City staff may recommend one or more Development Teams for further consideration. Further consideration may include such tasks as conducting Development Team interviews, requesting follow-up responses to proposal questions, performing reference checks, gathering additional Development Team information as described in the RFP, etc. The City prefers that the composition of the Development Teams remain the same during the RFP process. The goal will be to recommend one Development Team to City Council / Successor Agency by November/December, 2016 for negotiations of a DDA or similar agreement for the disposition and development of the Site as part of a proposed development program.

## **6.2 Contact Information**

If you have questions concerning this proposal please contact:  
Ryan Kintz, Management Analyst, Community Development Department  
805-654-7723, rkintz@cityofventura.net.

### Attachments

- Attachment A: Site 7 Capacity Analysis
- Attachment B: City of San Buenaventura Successor Agency Long Range Property Management Plan/Matrix approved by DOF
- Attachment C: Revised Letter of Approval dated February 20, 2014