

Request for Proposals

Riverside Redevelopment Agency Request for Proposals – Magnolia Ave. Development Project Proposals are due February 10, 2009.

The Redevelopment Agency for the City of Riverside (“Agency”) is seeking responses to a Request for Proposal (“RFP”) from experienced, financially creative, and capable developers or development teams to provide for the sale and development of three (3) Agency-owned parcels along Magnolia Avenue between Taft and Myers Streets (“Project Site”). Proposals must be submitted to the Agency by February 10, 2009 at 4:00 p.m.

Over the past several years, the Agency and the City of Riverside have promoted the revitalization of commercial and residential properties within the Arlington Redevelopment Project Area (“Project Area”). Additionally, the recent expansion of the Galleria at Tyler, widening/beautification of Van Buren Boulevard, and restoration/expansion of the Arlington Branch Library have resulted in a resurgence of the Arlington Village commercial district. After the successful aforementioned projects, other opportunities exist to expand the momentum of economic rejuvenation to other surrounding properties within the Project Area.

The Project Site is situated along the south side of Magnolia Avenue between Taft and Myers Streets and consists of Assessor Parcel Numbers 234-101-028, -050, and -049 totaling .98 acres zoned Commercial General (collectively the “Property”), as shown on the enclosed Site Location Map. The Agency has assembled the three parcels and cleared the site of existing structures. New development will be subject to the approval of a development agreement with the Agency for sale and development of the Property.

The following Proposal Submittal Requirements and Guidelines will be used by the Agency in the review of Proposals for the Project Site:

PROPOSAL SUBMITTAL – MINIMUM REQUIREMENTS

1. Preliminary project description, proposal and layout for the site to include the type of uses or mix of uses for the development proposal. This section should include a site plan, conceptual elevations, a site assessment, and project statistics with building square-footage, parking, and phasing (as applicable).
2. Financial component to include development and project pro forma (on project pro forma template attached to RFP) and funding sources.
3. Preliminary development schedule, to include entitlements, permits, site preparation, construction, and occupancy.
4. Firm’s qualifications, list of similar completed projects, and references.

5. Project Team and Team qualifications.

Property Issues

- No Proposal will be considered that does not develop the entire Project Site.
- No Proposal will be considered that does not fully mitigate the adjacent residential neighborhood from light, odor, glare, vibration, or noise including but not limited to nuisance issues.
- No Redevelopment Agency financial assistance is anticipated, and the property disposition will be at \$30/sf, or not less than the appraised fair market value.

Building Issues

- Type 5 new construction
- Building(s) must include four-sided architecture
- Site plan and architectural building elevations shall be in conformance with the Arlington Community Plan and complement the neighboring Arlington Village buildings; include articulation, fenestration, variable heights, and other high quality design elements and building materials to enhance the exterior skyline, all consistent with the Community Plan and Arlington Redevelopment Plan.

Use Issues

- Commercial use shall be consistent with use restrictions. See Permitted Uses attached.

Energy Efficiency

- Development proposal shall specify what energy efficiencies and smart building techniques are proposed.
- Development proposals shall specify whether they will meet a designated U.S. Green Building Council's (USGBC) Leadership in Energy and Environmental Design Program (LEED) certification standard, or not.

Financial Requirements

No Redevelopment Agency assistance will be given to this project. The Agency facilitated the assembly and clearance of the Project Site, and the purchase price is offered at \$30/sf, or not less than the appraised fair market value. The submitted pro forma should include the land cost fully borne by the developer.

One original and six copies of the Proposal are due on February 10, 2009 at 4:00 p.m. to the following. No faxed or electronic copies may be submitted.

Nathan R. Freeman
Riverside Redevelopment Agency
Development Department 5th Floor
3900 Main Street
Riverside, CA 92522

I look forward to receiving your proposal. Please feel free to contact me at (951) 826-5374 or nfreeman@riversideca.gov if you have any questions or need additional information.

Very truly yours,

Nathan R. Freeman
Redevelopment Coordinator

Enclosures: Site Location Map
Pro Forma Template
Permitted Uses

SITE LOCATION MAP



**PRO FORMA
MAGNOLIA AVENUE PROPERTIES PROJECT**

TABLE 1

**PROJECT DESCRIPTION
OWNER PARTICIPATION SOLICITATION
CITY OF RIVERSIDE**

I. Site Area		_____ SF
		_____ Acres
II. Construction Type		
A. Construction Type		_____
B. Number of Stories (above-grade)		_____ Stories
III. Gross Building Area (GBA)		
A. General Office		
Net Leasable Area		_____ SF
Common Areas		_____ SF
Total Gross Building Area – General Office		_____ SF
B. Medical Office		
Net Leasable Area		_____ SF
Common Areas		_____ SF
Total Gross Building Area – Medical Office		_____ SF
C. Retail		
Net Leasable Area		_____ SF
Common Areas		_____ SF
Total Gross Building Area – Retail		_____ SF
D. Grand Total GBA		_____ SF
IV. Parking		
A. Parking Type		
Surface		_____ Spaces
Structured – Above Grade		_____ Spaces
Structured – Below Grade		_____ Spaces
Total Parking		_____ Spaces
B. Parking by Use		
General Office		_____ Spaces
Medical Office		_____ Spaces
Retail		_____ Spaces
Total Parking		_____ Spaces
C. Parking Ratio		
General Office	_____	Spaces/1,000 SF General Office
Medical Office	_____	Spaces/1,000 SF Medical Office
Retail	_____	Spaces/1,000 SF Retail

TABLE 2

**DEVELOPMENT COSTS
OWNER PARTICIPATION SOLICITATION
CITY OF RIVERSIDE**

	<u>Totals</u>	<u>Notes</u>
I. Direct Costs		
Off-Site Improvements	\$ _____	\$ _____ Per SF Site Area
On-Site Improvements (1)	\$ _____	\$ _____ Per SF Site Area
Structured Parking – Above Grade	\$ _____	\$ _____ Per Space – Above Grade
Structured Parking – Below Grade	\$ _____	\$ _____ Per Space – Below Grade
Shell Construction – General Office	\$ _____	\$ _____ Per SF GBA – General Office
Shell Construction – Medical Office	\$ _____	\$ _____ Per SF GBA – Medical Office
Shell Construction – Retail	\$ _____	\$ _____ Per SF GBA – Retail
Tenant Improvements – General Office	\$ _____	\$ _____ Per SF Net – General Office
Tenant Improvements – Medical Office	\$ _____	\$ _____ Per SF Net – Medical Office
Tenant Improvements – Retail	\$ _____	\$ _____ Per SF Net – Retail
Amenities/FF&E	\$ _____	_____ Allowance
Contingency	\$ _____	_____ % of Directs
Subtotal Direct Costs	\$ _____	\$ _____ Per SFA GBA
II. Indirect Costs		
Architecture & Engineering	\$ _____	_____ % of Directs
Permits & Fees	\$ _____	\$ _____ Per SFA GBA
Legal & Accounting	\$ _____	_____ % of Directs
Taxes & Insurance	\$ _____	_____ % of Value
Developer Fee	\$ _____	_____ % of Directs
Marketing/Lease-Up	\$ _____	_____ % of Value
Contingency	\$ _____	_____ % of Indirects
Subtotal Indirect Costs	\$ _____	_____ % of Directs
III. Financing Costs		
Loan Fees	\$ _____	_____ % of Directs
Interest during Construction	\$ _____	_____ % of Directs
Interest during Lease-Up	\$ _____	_____ % of Directs
Subtotal Financing Costs	\$ _____	_____ % of Directs
IV. Total Development Costs		
	\$ _____	\$ _____ Per SFA GBA

(1) Inclusive of Landscaping and Parking

TABLE 3

**NET OPERATING INCOME
OWNER PARTICIPATION SOLICITATION
CITY OF RIVERSIDE**

	<u>SF</u>	<u>RENT/SF</u>	<u>TOTAL ANNUAL</u>
I. Gross Schedule Income (GSI)			
General Office Space	_____	\$/SF/Month/FSG	\$ _____
Medical Office Space	_____	\$/SF/Month/FSG	\$ _____
Retail Office Space	_____	\$/SF/Month/NNN	\$ _____
Total/Average Commercial GSI	_____	\$ _____	
II. Effective Gross Income (EGI)			
(Less) Vacancy – General Office		____ % of GSI – General Office	\$ _____
(Less) Vacancy – Medical Office		____ % of GSI – Medical Office	\$ _____
(Less) Vacancy – Retail		____ % of GSI – Retail	\$ _____
Total Effective Gross Income			\$ _____
III. Operating Expenses			
(Less) General Office Operating Expenses @			(\$ _____)
(Less) Medical Office Operating Expenses @			(\$ _____)
(Less) Retail Office Operating Expenses @			(\$ _____)
Total Operating Expenses			(\$ _____)
IV. Net Operating Income (NOI) - Commercial			\$ _____

V. Maximum Supportable Debt and Equity Investment

A. Net Operating Income (IV, above) \$ _____
B. Target Return on Investment (ROI) @ _____ %

C. Maximum Supportable Debt and Equity Investment (A / B)	\$ _____
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TABLE 4

**RESIDUAL LAND VALUE
OWNER PARTICIPATION SOLICITATION
CITY OF RIVERSIDE**

	<u>Totals</u>
I. Maximum Supportable Debt and Equity Investment (Table 3)	\$ _____
II. (Less) Development Costs (Table 2)	(\$ _____)
III. Residual Land Value (I + II)	
Per SF Site Area	\$ _____
	\$ _____
IV. Proposed Ground Lease Rate	_____ %
V. Annual Ground Rent	
	\$ _____/year

PERMITTED USES

Use (Only the following uses will be considered)	Location of Required Standards in the Municipal Code			
	Office & Commercial Zones			
	O	CR	CG	CRC*
Internet/Cyber Cafés			MC	
Bakery – Retail			P	
Artist Studio (Including Photo)			P	
Banks and Financial Institutions/Services, Including Brokerages			P	
Business Support Services & Facilities (Including Graphic Reproduction, Computer- services, etc.)			P	
Medical Services – Clinic, Medical/Dental Offices, Laboratory, and Optometrist			P	
Offices (Administrative, Business, Executive and Professional, But Not Medical or Dental)			P	
Restaurants (sit down and take-out)			P	
Retail Sales			P	
Veterinary Services: A Clinics and Small Animal Hospitals (short term boarding) B. Incidental to a Pet Shop			C MC	

P = Permitted

C = Subject to the granting of a Conditional Use Permit (CUP), Chapter 19.760

MC = Subject to the granting of Minor Conditional Use Permit (MCUP), Chapter 19.730