REQUEST FOR PROPOSALS FOR

1.5 ACRE DEVELOPMENT SITE
IN DOWNTOWN RIVERSIDE

A Unique Commercial, or Residential, or
Mixed-Use Development Opportunity

Issued by: The City of Riverside, Community &
Economic Development Department

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Due Date: July 8, 2019

RiversideCA.gov
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INTRODUCTION

The City of Riverside is the largest city and the cultural, civic and economic heart of the Inland Southern California region, located approximately 60 miles (97 km) east of Los Angeles. With a population of 327,728, Riverside is the 58th-largest city in the United States, the 12th largest in California and the sixth in Southern California. Incorporated in 1883 as a Charter City, and soon after taking steps to establish its own Public Utility, Riverside has always had a distinct identity and innovative character that makes up its unique blend of historic charm and modern city lifestyle.

Riverside enjoys a rich heritage, reflected in the City’s architecture, cuisine, culture, and civic life. The City has evolved from a quiet, agricultural colony into a dynamic, culturally diverse city with a growing urban core that is now a regional hub for higher education, technology, commerce, law, finance and culture. Riverside benefits from excellent freeway and rail access, high-speed fiber-optic telecommunications, reasonable land and building costs, City owned electrical and water systems and a large general aviation airport and yet, the true uniqueness of Riverside continues to be its people, “Riversiders”, and the strong collaborative partnerships that exist among civic, cultural, educational, and business leaders.
Riverside is a historic city with a youthful population and innovative outlook. The median age in Riverside is 31.3 years. The City is home to four internationally recognized universities and colleges that support an estimated 65,000+ students. The University of California, Riverside, California Baptist University, La Sierra University, and Riverside Community College, as well as several accredited private colleges are preparing future workforce talent with specialized training, research partnerships, and a high-technology environment to support emerging and innovative companies. Riverside’s youngest citizens have opportunities as well, with public and private school options that offer a variety of career academies and STEM education choices.

While rich in history, Riverside maintains its position as the economic engine of the Inland Southern California region, ranking #1 among all cities in virtually every economic indicator; including number of jobs, number of businesses, and assessed valuation. Job growth in the City exceeded that of both the region and the state of California in 2018 and local unemployment is at a low 3.6%. Residential real estate is affordable when compared to coastal communities in Southern California, which favors strong consumer spending and disposable income. The award winning City continues to be recognized for its ongoing achievements and has been the contributing factor in the receipt of numerous regional and local awards. Riverside ranked 4th overall for minority entrepreneurs (Entrepreneur, 2017), sixth among top small business cities in the US (Biz2Credit, 2018) and Brookings yearly report ranked the Riverside metro area 14th for Top Metro Areas for Growth in 2018.

Today, Riverside is experiencing phenomenal growth. During the great recession, Riverside chose to invest over 1.5 billion in infrastructure improvements and community amenities; a decision that has served residents and businesses well, drawing private investment and public/private partnerships that are changing the economic landscape of the City.
Downtown Riverside is the location of multiple attractions oriented toward arts and culture, including the Historic Mission Inn Hotel and Spa, Mission Inn Museum, the Riverside Metropolitan and Art Museums, the University of California – Riverside Arts Block, Culver Center for the Arts, the recently renovated Fox Performing Arts Center, Main Street Riverside, and the Riverside Municipal Auditorium. Special events in downtown include the annual Festival of Lights, which includes holiday decorations with more than three million lights along Mission Inn Avenue, horse-drawn carriage rides, and live entertainment. The Festival of Lights runs from late November through early January and draws an estimated 750,000 people to the downtown.

The downtown area has, of recent, undergone a major transformation with new projects and investment as part of the previously noted Riverside Renaissance initiative. The effort represented a significant investment in the quality and pride of the City and has ensured that Riverside is a city of choice for generations to come, as well as a catalyst for private investment. As a result of the initiative, Riverside has become a more attractive location for new job, retail, and entertainment opportunities, all of which enhance the wealth of the community and ensure Riverside’s position as the economic, governmental and cultural capital of Southern California’s Inland Empire region.

Downtown Riverside has also benefited from more than $1 billion in public and private investment with the completion of the 132,000-square-foot Citrus Tower office building; Riverside Community Hospital Expansion; Riverside Community College (RCC) Coil School for the Arts, Culinary Academy and District Office; Raincross Promenade apartments; new downtown Fire Station No. 1; 29,000-square-foot Riverside Convention Center expansion, 125-room Hyatt Hotel; Fox Performing Arts Theater renovation; Fox Entertainment Plaza and downtown Parking Garage No. 7; widening of Interstate 215 and 91 Freeways; and Riverside Municipal Auditorium renovation.
Moreover, over 1,000 urban housing units are coming to the downtown core to support local businesses and add to the economic vibrancy. The Imperial Hardware Lofts project, which held its grand opening on August 16, 2018, includes 91 apartments and approximately 8,000 square feet of ground floor retail—to be anchored by the Salted Pig Restaurant. This project, coupled with at least five other planned downtown residential developments over the next five years, will result in a more successful city with a vibrant downtown where people want to live, work and play.

The aforementioned projects created the need for a comprehensive evaluation of downtown’s current strengths and opportunities for continued growth, as well as the development of a strategy to ensure the continued success of this key area of the City. As such, the City previously engaged Jones Lang LaSalle to facilitate the development of a Retail Entertainment Strategy for downtown. The City has undertaken many of the suggestions contained in the strategy, which includes, but is not limited to, encouraging the expansion of eating, drinking and entertainment establishments (including the recent opening of the Riverside Food Lab project and the future Chow Alley and Riverside Gamelab projects); increasing linkages within and to the downtown; increasing events/programming to activate the street scene; integrating multi-family housing into the downtown land use mix; streamlining and making user-friendly the process for opening a business downtown; and developing a plan to bring more rooftops to the downtown area.

Lastly, the City Council recently approved the Cheech Marin Center for Chicano Art, Culture & Industry, which will replace the current downtown library with a museum and academic center that will display Marin’s 700-piece Chicano art collection (including paintings, sculptures and photography by Latino artists from throughout the United States). This exciting endeavor is expected to open in 2020.
Imperial Hardware Lofts
La Sierra University
Kaiser Permanente
Riverside Medical Center

Imperial Hardware Lofts
The Mission Inn Hotel & Spa

Riverside Food Lab
Fox Theater Performing Arts Center

PROJECT SITE

Downtown

Riverside County
Hunter Industrial Park

Eastside

Wood Streets

Grand

Riverside County

Hunter Industrial Park

Downtown

Imperial Hardware Lofts
The Mission Inn Hotel & Spa

Riverside Food Lab
Fox Theater Performing Arts Center

PROJECT SITE

Downtown
# Demographic Information (Source - ESRI)

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<tr>
<th>Radius</th>
<th>3 Mile</th>
<th>5 Mile</th>
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<tbody>
<tr>
<td><strong>Population</strong></td>
<td></td>
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<tr>
<td>2023 Projected Population:</td>
<td>118,508</td>
<td>252,559</td>
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<tr>
<td>2018 Median Age:</td>
<td>28.8</td>
<td>31.5</td>
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<tr>
<td><strong>Housing</strong></td>
<td></td>
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<tr>
<td>2023 Projected Households:</td>
<td>35,529</td>
<td>76,791</td>
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<tr>
<td>2018 Households</td>
<td>32,246</td>
<td>72,985</td>
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<tr>
<td>2018 Avg. Household Size:</td>
<td>3.09</td>
<td>3.16</td>
</tr>
<tr>
<td>2018 Owner Occupied Units:</td>
<td>15,065</td>
<td>38,195</td>
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<tr>
<td>2018 Renter Occupied Units:</td>
<td>17,181</td>
<td>34,790</td>
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<tr>
<td><strong>Income</strong></td>
<td></td>
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<tr>
<td>2018 Avg. Household Income:</td>
<td>$65,948</td>
<td>$79,605</td>
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<tr>
<td>2018 Per Capita Income:</td>
<td>$20,770</td>
<td>$24,868</td>
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<tr>
<td><strong>Employment</strong></td>
<td></td>
<td></td>
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<td>2018 Daytime Workers:</td>
<td>75,285</td>
<td>116,569</td>
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The 2.7 acre site is owned by the City of Riverside. Half of the site was formerly occupied by the Riverside Transit Agency and the other half of the property was formerly occupied by the Riverside Police Department Downtown Substation (both structures were recently demolished) and the City’s Public Works Department. The site is now slated for development of a new state-of-the-art Main Library facing Mission Inn Avenue on 1.2 acres of the Property, resulting in the available site of 1.5 acres for private development of an iconic development project facing University Avenue.

Located at 3911 University Avenue/3775 Fairmount Boulevard and identified as Assessor’s Parcel Numbers 214-252-016 and 213-261-027, the site is comprised of two (2) separate parcels, located on both sides of Fairmount Boulevard between Mission Inn Avenue and University Avenue. Each parcel is approximately 1.25 acres. The City intends to vacate Fairmount Boulevard between Mission Inn Avenue and University Avenue. Upon vacation of Fairmount Boulevard between Mission Inn Avenue and University Avenue, the site will be approximately 2.7 acres (Property).

The Property is currently being used as a temporary public parking lot, and Public Parking Lot #40.

The Property is bounded by one of the City’s most revered landmarks, a state-of-the-art Fox Performing Arts Center and the Fox Entertainment Plaza to the North, the newly developed Riverside Community College District Office and Culinary Arts Academy to the South, the Imperial Hardware Lofts to the East, and established businesses to the West. Additionally, the Property is conveniently located within walking distance of the Mission Inn Hotel & Spa, Riverside Marriott, Hyatt Place Hotel, Riverside Convention Center, Riverside City Hall, Main Street Riverside and County, State and Federal courthouses. Furthermore, the Property is located near several upcoming development projects, including the mixed-use Stalder Plaza (under construction), the Hampton Inn Hotel (under construction), AC Hotel by Marriott (obtaining entitlements) and the mixed-use Main + Ninth Lofts (under construction).
The images below illustrate the new 3-story Main Library. The new Main Library will be located on approximately 1.2 acres of the Property and will occupy the full length of the Mission Inn Avenue frontage. The new Main Library, which officially broke ground on March 18, 2019, was designed by Johnson Favaro and, once complete, will feature an outdoor arcade space, Friends of the Library Bookstore, 100-seat community room, and a 2-story City Archive. The total square footage for the new Main Library is 42,000. Construction is estimated to be completed in July of 2020.
The Property is located within the Raincross District of the Downtown Specific Plan. The Downtown Specific Plan can be accessed and downloaded from the City Planning website at http://www.riversideca.gov/planning/cityplans-csp-downtown.asp. The Raincross District is included as Chapter 6 of the plan.

Since the Downtown Specific Plan was established to create a diverse, vibrant, twenty-four-hour area where people can work, live, shop, receive education and enjoy recreational facilities and where arts and culture are an integral component of the urban setting, this Property represents an opportunity for the City to encourage an intense mixture of residential, office, specialty commercial, tourist, restaurant, cultural, arts, and civic uses within a pedestrian-oriented environment.

Please note: any required zoning change and/or General Plan amendment will be at the sole cost and expense of the selected proposer.

SITE DEVELOPMENT

The City’s vision is to develop Downtown Riverside into a place of daytime, evening and weekend activity where residents of Riverside and visitors can enjoy Riverside’s cultural, arts, retail, and entertainment center. The goal is to increase new employment opportunities in the City by attracting and encouraging new businesses and professionals to downtown. To optimize valuable land, the City seeks a residential, or commercial, or mixed-use residential/commercial development that promotes the continued economic development of the downtown area on 1.5 acres of the Property. The proposed private development should compliment the adjacent state-of-the-art Main Library, which will be developed by the City of Riverside.
All proposals are due by 5:00 p.m. PST on July 8, 2019. Any development proposals received after the required time and date specified for receipt shall be considered late, and will not be evaluated for award. Qualified developers who have demonstrated experience and qualifications necessary to purchase and develop the Property are encouraged to submit.

**Schedule of Events**

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<tr>
<th>Event</th>
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<tr>
<td>1. RFP Distribution:</td>
<td>March 25, 2019</td>
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<td>2. Mandatory Pre-Proposal Conference:</td>
<td>May 2, 2019</td>
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<td>3. Deadline for Written Questions on the RFP:</td>
<td>May 24, 2019</td>
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<td>4. Proposals Due:</td>
<td>July 8, 2019</td>
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<td>5. Review of Proposals:</td>
<td>July 2019</td>
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<td>6. Potential Interviews:</td>
<td>August 2019</td>
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<td>7. Anticipated Proposer Selection:</td>
<td>September 2019</td>
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Please contact Nathan R. Freeman, Senior Project Manager, at nfreeman@riversideca.gov with any questions.
A mandatory pre-proposal conference will be held on May 2, 2019 at 1 PM on the 5th Floor of City Hall, which is located at 3900 Main Street, Riverside, CA 92522.

The pre-proposal conference will be a great opportunity for potential proposers to meet City staff, receive detailed information regarding the adjacent new Main Library, learn developer expectations and ask proposal-related questions.
Upon City Council approval, the following developer conditions will be imposed on the selected proposer in the form of a Covenant, Condition, and Restrictions agreement, which will be recorded on the Property:

1. **Proposed Use:** The proposed use(s) for the Property must be compliant with all local, state, and federal zoning code, laws and regulations.

2. **Restricted Uses:** The following uses are restricted for the Property:
   - Adult-oriented business or adult entertainment establishment;
   - Sale of alcohol, except as allowed by the City after review and approval and permitted by the appropriate governmental agency; and
   - Sale of weapons.

3. **Site Maintenance:** The selected proposer will, at his or her sole cost and expense, maintain the appearance and safety of the Property; remove all graffiti from the Property within 72 hours of its appearance; maintain in good order all landscape irrigation systems; and promptly remove and replace all dead and diseased landscaping material on the Property.

4. **Transfer to Government Agency:** The selected proposer shall not sell, lease, convey, assign, or otherwise transfer fee interest in the Property to any governmental or non-governmental tax exempt entity that would result in the Property becoming exempt from the payment of real property taxes.
Each proposer is required to submit a development proposal clearly addressing all of the requirements outlined in this RFP. The details of the statement shall be limited to twenty (20) pages and must include the single person who will be the primary contact for the proposer. Résumés and company qualification brochure data may be added to the 20-page document, provided this information is located in an Appendix at the back of the statement.

Should the proposer have concerns about meeting any of the requirements, the proposer shall include a clearly labeled subsection with individual statements specifically identifying any concerns and exceptions.

Though the proposer may submit a development proposal organized according to his or her preference, the submittal must be clear and concise, and contain the following required information.

1. **Development Narrative**: The proposer shall provide a preliminary development narrative, which shall include, but not be limited to, the type of uses or mix of uses for development, a proposed layout for the Property including a site plan and conceptual elevations, a pro-forma, project statistics with building square-footage and height, parking, phasing, an anticipated investment amount, community benefit including estimated annual sales tax revenue, property tax revenue and number of jobs to be generated, a detailed list of intended users and projected occupancy dates, a long-term investment strategy, and an anticipated duration of holding period. If no intended users have been identified, please identify the development as speculative.
2. Development Qualifications and Experience: The developer shall provide a summary of qualifications and experience in developing complex projects that required interaction with a broad range of interested parties from both the public and private sectors. The following information is required from the developer:

- The proposer shall provide name(s), address(es), telephone number(s) and e-mail address(es) of the developer and identify a single person who will be the primary contact for the developer during the selection process.

- The proposer shall provide a description of qualifications and experience within the most recent ten-year period. Additionally, the proposer shall provide names and addresses of the team members including architect, general contractor and subcontractors and their role in each of the completed projects and the time period of his or her involvement.

- The proposer shall identify any litigation, mediation, or arbitration, regarding the performance of any services similar to the services, in which the company has been involved in the past five years. If the services require a license or certification, the proposer shall include any claims or disciplinary action taken against company or any of company’s key personnel within the past five years.

- The proposer shall provide bank and financial statements, lender pre-qualification letters or any other financial proof that can assist the City in determining whether the proposer has the capacity to secure the necessary financing or provide cash on hand to facilitate the purchase of the Property at fair market value at the close of escrow and the subsequent development of the Property. The proposer shall also provide a list of assets for collateral he or she is willing to pledge (as necessary) for financing purposes.
3. **Statement of Financial Capability**: the proposer shall provide a description and evidence of financial capability of the entity submitting the response to this RFP including ability to: 1) provide necessary capital to fund predevelopment activities; 2) purchase the Property; 3) secure construction and permanent loan financing; 4) provide required equity either directly or with capital partners; and 5) provide funding for ongoing operations.

4. **Development Timeline**: the proposer shall provide a timeline for due diligence, entitlements and construction period.

5. **Purchase Price**: The appraised value of the Property is approximately $35 per square foot. The proposer shall indicate its purchase offer for the Property. Deposit amount: Should the proposal be accepted by the City, a deposit in the amount of 2% of the purchase price will be required. Closing Costs: The City shall be responsible for one-half of the cost of escrow charges and CLTA standard form policy of title insurance. The selected proposer shall be responsible for all recording fees, transfer taxes, and cost of documentary stamps and one-half of the cost of escrow charges.

6. **Library Parking**: the new Main Library will need a minimum of 120 parking spaces on the Property. The proposer shall indicate the number of parking stalls the proposer will construct and grant **via an easement** (as well as maintain) to the City of Riverside Main Library for exclusive use in perpetuity by the Main Library and how the construction, dedication, and ongoing maintenance of these parking spaces to the Main Library for public use will affect the Purchase Price of the Property.

7. **Affordable Housing Scoring Bonus**: should the proposer include a housing component in its proposed development, the City may include up to a 10% scoring bonus for proposing up to 20% of the housing mix as "affordable".
The City will conduct the selection process. During the selection process, the City reserves the right to request clarification or additional information from individual proposers and to request some or all proposers to make presentations to City staff or others.

Selection Criteria: At a minimum, all qualified submittals will be evaluated based on the following criteria as previously described in numbers 1 through 7 (on pages 12-14):

- Development Narrative (30%)
- Developer Qualifications and Experience (20%)
- Financial Capability (10%)
- Development Timeline (10%)
- Purchase Price (20%)
- Library Parking (10%)
- Affordable housing component (up to 10% scoring bonus)

Interviews: Selected proposers may be contacted for in-person interviews with the selection committee.

City Council Approval: Please note that the selected proposal will require a Purchase and Sale Agreement for the disposition and development of the Property. The Purchase and Sale Agreement will be subject to the City Council for approval.

All proposals submitted in response to the RFP become the property of the City and under the Public Records Act (Government Code § 6250 et. seq.) are public records. As such, all proposals may be subject to public review at least ten (10) days before selection and award. If a proposer claims a privilege against public disclosure for trade secrets or other proprietary information, such information must be clearly identified in the submittal. Personal information should be labeled as confidential and will remain so. Please note that under California law, price proposal to a public agency is not a trade secret.
All requests for clarifications, changes, exceptions, deviations to the terms and conditions set forth in this RFP should be submitted in writing to:

**Nathan R. Freeman**  
nfreeman@riversideca.gov

To ensure fairness and avoid misunderstandings, **all communications must be in written format and addressed only** to the individual set forth above. Any verbal communications will not be considered or responded to. Written communications should be submitted via e-mail to the address provided above. All questions received by the due date will be logged and reviewed and if required, a response will be provided via an addendum to the RFP. **Any communications, whether written or verbal, with the Mayor, any City Councilmember, or City staff other than the individual indicated above (specific to this RFP), prior to award of a contract by City Council, is strictly prohibited and the proposer shall be disqualified from consideration.**

Please note: the City shall not be liable for any expenses, which may include, but are not limited to, preparation of the submittals or related information in response to this RFP; negotiations with the City on any matter related to this RFP; and costs associated with interviews, meetings, travel or presentations incurred by any developer in relation to the preparation or submittal of the statement. Additionally, the City shall not be liable for expenses incurred as a result of its rejection of any submittals made in response to this RFP.
As previously noted, proposals are due by or before **5:00 P.M. on July 8, 2019.** This time and date is fixed and extensions may not be granted. The City does not recognize the U.S. Postal Service, its postmarks or any other organization as its agent for purposes of dating the submittal. All submittals received after the deadline shown will be rejected, returned to sender and will not receive further consideration.

Questions may be submitted to nfreeman@riversideca.gov by **May 31, 2019** and answers will be posted to www.riversideca.gov/cdd/RFP.asp by **June 7, 2019.**

Mail (or hand-deliver) six (6) hard copies and one (1) electronic file of development proposals to:

**City of Riverside**  
**Community & Economic Development Department**  
**Attn: Nathan R. Freeman**  
**3900 Main Street, 5th Floor**  
**Riverside, CA 92522**  
nfreeman@riversideca.gov

Please note: The City reserves the right to amend, extend, withdraw, or cancel this RFP. The City also reserves the right to reject all responses to this RFP at any time prior to an agreement being executed. Furthermore, the City reserves the right to request or obtain additional information about any and all submittals.