Request for Purchase and Development Proposals

2227 & 2243 UNIVERSITY AVENUE

Between Franklin and Eucalyptus Avenues

16,000 Square Feet of Vacant Land

A unique commercial development opportunity in the University Neighborhood of Riverside

Issued by: Successor Agency to the Redevelopment Agency of the City of Riverside

Issue Date: SEPTEMBER 21, 2015
Due Date: NOVEMBER 30, 2015

CITY OF RIVERSIDE
RiversideCA.gov

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CITY OF
RIVERSIDE

Incorporated in 1883, Riverside is a Charter City with a unique blend of historic charm and modern city features. While rich in history, Riverside is investing in the future and has invested billions of dollars in infrastructure improvements to serve residents and businesses well into the future. The uniqueness of Riverside comes from its people, "Riversiders", and the strong collaborative partnerships that exist among civic, cultural, educational, and business leaders.

The award-winning City of Riverside is located approximately 60 miles (97 km) east of Los Angeles. The City is ranked #1 among all Inland Southern California cities in virtually every economic indicator; including number of jobs, number of businesses and assessed valuation. With a population of 314,034 people as of January 1, 2014, the City is ranked the 59th-largest city in the United States. The City is the 12th largest city in California, the 6th in Southern California, and the largest city in the Inland Riverside-San Bernardino-Ontario metropolitan area of Southern California. The City continues to be recognized for its ongoing achievements and has received numerous awards.

Some of the awards and recognition that Riverside has received include: No. 1 City for Small Business by Inc. Magazine (2014), No. 8 Coolest City in America by Forbes (2014), No. 1 for Job Growth in 2013 (ASU), No. 2 Spot for Tech in the U.S. (2013), 2012 Intelligent Community Site of the Year, and 2011 Can-Do City (Newsweek).

Riverside has seen tremendous investment over the last 10 years resulting in an increasingly affluent and educated population and diversified industry clusters; all vital qualities for economic stability and long-term prosperity. As an important financial and professional center, Riverside offers the support of many legal, accounting, brokerage, architectural, engineering and technology firms as well as banking institutions.

Riverside is home to four internationally recognized universities and colleges which support an estimated 50,000+ students. The University of California, Riverside, California Baptist University, La Sierra University, and Riverside Community College, offer specialized training, research partnerships, and a high-technology environment to support emerging and innovative companies. Businesses in Riverside benefit 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.

Riverside enjoys a rich heritage which is reflected in the City's architecture, cuisine, culture, and civic life. Riverside has evolved from a quiet agricultural colony into a dynamic, active city and is a hub for higher education, technology, commerce, law, finance and culture. Riversiders enjoy many artistic venues from excellent film, dance and symphony to art, museums, and theater which add a layer of depth to the City experience.

The Opportunity

The development site is approximately 16,000 square feet of vacant land located at 2227 and 2243 University Avenue near the State Route 91 Freeway between Downtown Riverside, the heart of the City and the cultural and urban hub of the Inland Empire, and University of California, Riverside, which is widely recognized as one of the most ethnically diverse research universities in the nation.

The City of Riverside as Successor Agency to the Redevelopment Agency of the City of Riverside (Successor Agency) currently owns five vacant land sites along University Avenue and is pleased to offer an exciting opportunity for the purchase and subsequent development of site #3, located between Franklin and Eucalyptus Avenues. This property consists of two (2) parcels of vacant land, identified as Assessor's Parcel Numbers 211-143-002 and 003 (Property), as shown on the attached Site Location Map (Exhibit A). University Avenue is one of Riverside's most important gateways with a four-lane thoroughfare linking Downtown Riverside and the University of California, Riverside (UCR) campus, a distance of two miles. University Avenue has excellent freeway access from the Interstate 215 and State Route 91 Freeways.

The Successor Agency conducted community meetings to obtain input from residents, property owners as well as business owners in drafting this Request for Purchase and Development Proposals (RFP). Based on the feedback received from the participants, the Successor Agency is seeking proposals for development of a high quality commercial project, which may include **retail, restaurant or office use or a combination of these uses** for the Property from qualified developers. A preferred development will encompass both parcels, and the Successor Agency prefers that the parcels be consolidated.

The Project Site

The Property is situated in a neighborhood that consists of a diverse, actively engaged community and is within the Eastside Neighborhood Plan (Plan). The intent of the Plan is to provide a blueprint to enhance and improve the quality of life in this neighborhood. The area lies in the heart of the eastern portion of the City, bounded by the State Route 91 Freeway on the west, Third Street on the north, Chicago Avenue on the east and Fourteenth Street on the south.

The neighborhood is a vibrant community primarily composed of single-family and multi-family residential areas. Commercial areas are primarily located along University Avenue and Chicago Avenue. The neighborhood is home to the Downtown Metrolink Station within the Riverside Marketplace Specific Plan area. Between University Avenue and Downtown Riverside is the Riverside Marketplace, which consists of a pedestrian intensive mix of restaurants, office and retail uses having an historic ambiance. The Marketplace area features a number of professional offices, restaurants and light industry and retail uses. The Plan seeks to preserve and enhance all of these components while allowing for growth and development of underutilized property in a manner that is sensitive to surrounding uses.

The neighborhood possesses an unparalleled community spirit. Residents wish to maintain their neighborhood as a diverse, family-friendly setting with a variety of housing opportunities featuring distinctive historic character, creating a livable and enjoyable environment. The residents strive to expand diversity with regard to culture, businesses, and education through continued accountable leadership and public participation. The future of the neighborhood also includes diverse educational and business opportunities in a livable community with housing for all income levels, expanded recreation, education, arts, and cultural activities.

1 UEI College

2 Town Center

3 Metrolink Station

4 SolarMax

Demographic Information (Source – ESRI)

Radius	3 Mile	5 Mile
Population		
2020 Projected Population:	123,843	245,252
2015 Population:	118,104	234,172
2015 Median Age:	28.9	30.8
Housing		
2018 Projected Households:	40,366	77,408
2015 Census Households:	37,007	71,098
2015 Avg. Household Size:	2.95	3.11
2015 Owner Occupied Units:	17,074	38,727
2015 Renter Occupied Units:	19,933	32,371
Income		
2015 Avg. Household Income:	$64,458	$70,866
2015 Med. Household Income:	$44,460	$50,497
2015 Per Capita Income:	$21,479	$22,609

Purchase Price & Terms

Purchase Price: The Property will be sold "as is" and at fair market value. Please note that the DOF will require a fair market appraisal to support the sales price. The proposer will have an opportunity to consider the appropriate value prior to entering into a Purchase and Development Agreement once a proposer has been selected by the Successor Agency. Please also note that the Purchase and Development Agreement is subject to the approvals of the Successor Agency, the Oversight Board for the City of Riverside as Successor Agency (Oversight Board) and the DOF.

Deposit Amount: Should the proposal be accepted by the Successor Agency, a deposit in the amount of 2% of the proposed purchase price, or $5,000, whichever is greater, will be required. The selected developer shall submit the required deposit amount upon execution of a Purchase and Development Agreement. Please note that the deposit is non-refundable after 90 days from the effective date of an executed Purchase and Development Agreement.

Closing Costs: The Successor Agency shall be responsible for one-half of the cost of escrow charges and CLTA standard form policy of title insurance. The selected developer shall be responsible for all recording fees, transfer taxes, and/or cost of documentary stamps and one-half of the cost of escrow charges.

Developer Conditions

The following conditions will be imposed on the selected developer in the form of a Covenant, Condition, and Restrictions agreement, which will be recorded on the Property:

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

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.

Site Maintenance: The selected developer will, at his or her sole cost and expense, maintain the appearance and safety of the Property; remove all graffiti from the Property within 24 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.

Transfer to Government Agency: The selected developer 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.

Preferred Development

The Property is located within a neighborhood that offers a unique mix of land uses ranging from high-density student-oriented apartments to a thriving center of commerce and entertainment as well as low density hillside housing. This area is home to the Marketplace, a retail and entertainment center, and the Metrolink Commuter Station. The Successor Agency would consider a high quality retail, restaurant or office or a combination of these uses for the Property.

The Property is located within the Commercial Retail Zone, which is intended to allow for a broad range of indoor oriented retail sales and service, and office uses as either stand-alone businesses or as part of commercial centers or office developments. The General Plan is Mixed Use – Neighborhood, which provides opportunities for primarily neighborhood-serving commercial uses with limited, low-intensity residential uses in a mixed-use environment to preserve the existing housing stock and residential character of neighborhoods, while allowing for development of new housing opportunities and encouraging pedestrian-oriented retail and service uses.

Additionally, the Property is located within Sub-District 1 of the University Avenue Specific Plan, which is intended to enhance small business uses such as neighborhood retail, restaurants, services and offices. The link below provides additional information regarding this plan. Each proposer is encouraged to review this document prior to submission of a proposal.

http://www.riversideca.gov/planning/cityplans-csp-universityave-sp.asp

Sample
Development Concepts

The development concept above along with the concepts shown on page 11 anticipate a development that promotes University Avenue's key role in the City as the major thoroughfare. New development along University Avenue is expected to be revitalized in conjunction with streetscape and other improvements. University Avenue is envisioned to become an active, lively, visually attractive thoroughfare, a "destination", used by the community, the University and visitors. In order to unify the area, a bold urban design, landscaping and architectural concept based on the history of the region is envisioned. These illustrations represent examples of the type of development the Successor Agency envisions — designs that provide the following characteristics: buildings and entrances located close to the sidewalk in extensively landscaped areas, ample parking in the rear of the site in a tree-shaded parking lot screened from the view of adjacent residences, and pedestrian—friendly frontage along University Avenue.

Additional Sample Development Concepts

Office Use

Retail Use

Request for Purchase & Development Proposals

Each proposer is required to submit a proposal clearly addressing all of the requirements outlined in this RFP. The details shall be limited to twenty (20) pages and must include a single person who will be the primary contact for the proposer. Résumés and company qualifications and experience, and brochure data may be added to the 20-page submittal, provided this information is located in an Appendix at the back of the proposal.

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

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

Please provide the information described below in your proposal. The responses must follow the order and reference the numbered categories provided below to facilitate the review and evaluation of the responses.

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1. <u>Development Narrative:</u> 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.

Development Experience

2. <u>Development Experience:</u> 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:

- Name(s), address(es), telephone number(s) and e-mail address (es) of the developer and identify the single person who will be the primary contact for the developer.
- Description of experience within the most recent ten-year period related to projects that are similar in nature to the proposed development.
- Names and addresses of the key team members including architect and general contractor. For each project reference, include the development team member's role in the completed project and the time period of his or her involvement.
- Photographs showing completed projects that are similar in nature to the proposed development including construction costs, completion dates, locations, land uses, scales, scope of services, and the role of the developer in these projects.
- Description of experience in completing projects of the scale and complexity of the proposed development.
- Any innovative aspects of previous development experience should be described in detail.
- Any relevant property management experience.

Financial Strength & Project Timeline

3. <u>Financial Strength:</u> The proposer shall provide bank and financial statements, lender pre-qualification letters or any other financial proof that can assist the Successor Agency in determining whether the developer has the capacity to secure the necessary financing or provide cash-on-hand to facilitate the purchase of the Property 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.

4. <u>Project Timeline:</u> The proposer shall indicate whether the following requirements are acceptable or propose a different timeline for due diligence/entitlements and construction period: 1) <u>Due Diligence/ Entitlements Period</u>—It is anticipated that the selected developer will review the condition of the Property within ninety (90) days after opening of escrow. For your convenience, a site map depicting the location of existing Public Utilities facilities and easements has been included as Exhibit B. The proposer shall provide a timeline for project entitlements. It is preferred that the selected developer obtain entitlements and close escrow as soon as possible, but no later than eighteen (18) months from the execution of the Agreement. 2) <u>Construction Period</u>—The proposer shall provide a timeline for the construction phase of the proposed development from the close of escrow including construction start and completion dates. It is preferred that construction of the proposed development be completed as soon as possible, but no later than two (2) years from the close of escrow.

5. <u>Preferred Development:</u> The proposer shall indicate whether the proposed development is compliant with the Preferred Development detailed on Page 10 or 11. If not, the developer shall indicate why the proposed concept is better suited for the site.

Selection Process

The Successor Agency will conduct the selection process and is the final decision-maker regarding this selection. The Successor Agency reserves the right to reject any or all proposals at any time. The Successor Agency further reserves the right to request clarification or additional information from individual proposers and to request some or all proposers to make presentations to Successor Agency staff, community groups, or others.

Selection Criteria: The Successor Agency commits to interviewing the top two responsive proposers at a minimum. The following criteria will be used for initial scoring purposes and to determine a proposer interview list:

- **Development Narrative (40%); Development Experience (30%); Financial Strength (10%); Project Timeline (10%); and Compliance with the Successor Agency's Preferred Development (10%)**

After the interviews, the Successor Agency will re-score the interviewee's proposal using the aforementioned scoring criteria. The subsequent re-scoring of proposals shall be the basis for the selection of a developer and a recommendation to the City Council, Successor Agency, Oversight Board and the DOF for final approval.

All submittals in response to this RFP become public property 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 secret or other proprietary information, such information must be clearly identified. Personal information should be labeled as confidential and will remain so. Please note that under California law, price proposals to a public agency is not a trade secret.

Inquiries

All requests for clarifications, changes, exceptions, deviations to the terms and conditions set forth in this RFP should be submitted in writing to:

Kaitlyn Nguyen
kpnguyen@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 any City Councilmember or City staff other than the individual indicated above, prior to award of a contract by City Council, is strictly prohibited and the Developer shall be disqualified from consideration.**

Please note: We shall not be liable for any expenses, which may include, but are not limited to, preparation of the proposals or related information in response to this RFP; negotiations with us 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 proposal. Additionally, we shall not be liable for expenses incurred as a result of our rejection of any submittals made in response to this RFP.

Instruction & Schedule

All proposals are due by or before 5:00 P.M. on November 30, 2015. This time and date is fixed and extensions will not be granted. We do not recognize the U.S. Postal Service, its postmarks or any other organization as its agent for purposes of dating the proposals. All proposals received after the deadline shown will be rejected, returned to sender and will not receive further consideration.

Questions may be submitted to kpnguyen@riversideca.gov by October 12, 2015 and responses will be posted to www.riversideca.gov/cdd/rfp.asp by October 26, 2015.

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

City of Riverside
Community & Economic Development Department
Attn: Kaitlyn Nguyen
3900 Main Street, 2nd Floor
Riverside, CA 92522
kpnguyen@riversideca.gov

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

EXHIBIT A: Legal Description & Site Location Map

LEGAL DESCRIPTION

The land referred to herein is situated in the State of California, County of Riverside, City of Riverside, and described as follows:

Lot(s) 2 and 3 in Block 6 of H.P. Kye's Tract, as shown by map on file in Book 7 Page(s) 27, of Maps, Records of Riverside County, California.

APN 211-143-02 and 211-143-03

(End of Legal Description)

Description: Riverside,CA Assessor Map 211.14 Page: 1 of 1
Order: 1 Comment:

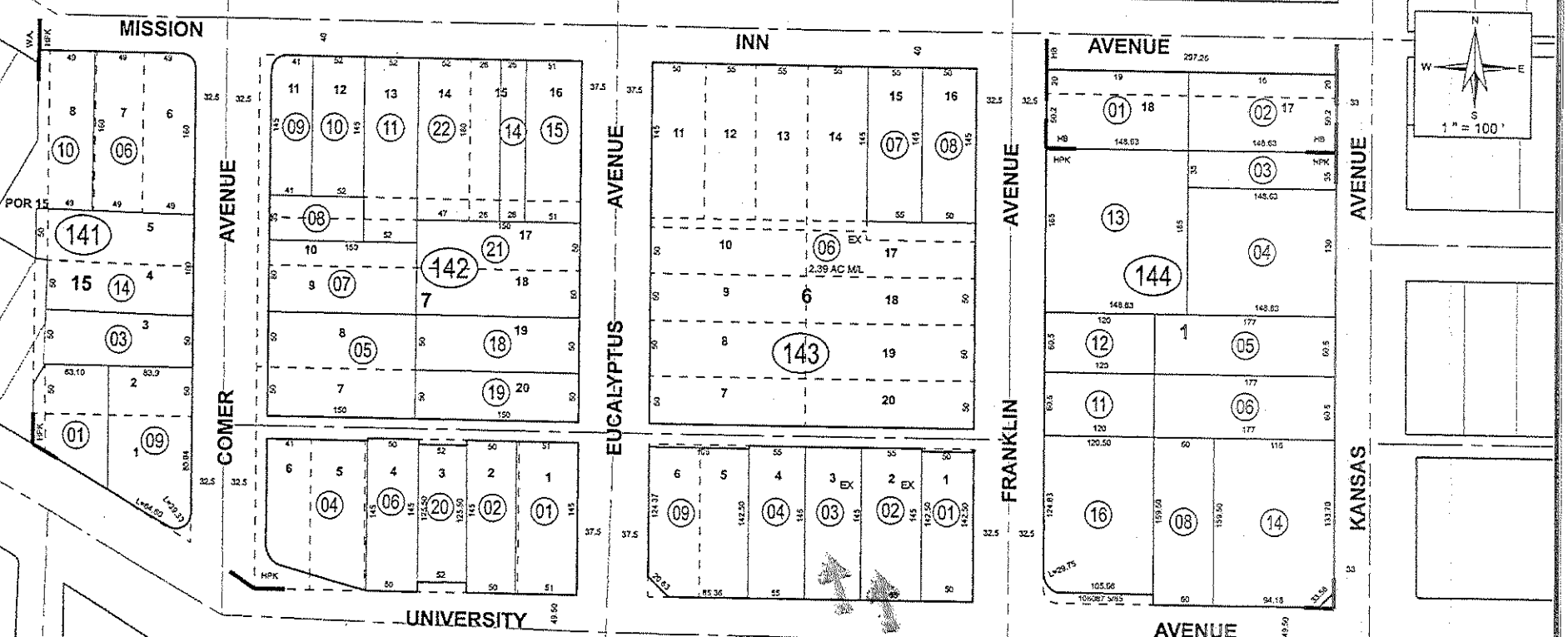
IIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY
ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL
Y NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

Y 2 6 2009

SEC 24 25 T 2S R 5W
CITY OF RIVERSIDE

T.R.A. 009-063

211-14
3-11



MB	7 /	27	SB H.P. KYES TRACT
MB	5 /	141	HAGINS BLOCK
MB	6 /	48	SB WHITES ADDITION

Date	Old Num	New Num
1/1/1977	2	9,ST
4/1/1980	141-7	141-10
4/1/1980	131-14	141-10
9/1/1981	144-7	14,ST
11/1/1982	142-3	20,ST
5/1/1985	144-9-10	15
5/1/1985	144-15	16,ST
5/1/1985	142-18-17	21
1/1/1987	4,5,6	141-11
10/1/2004	141-11	12-13
12/1/2006	143-5	9,ST
7/9/2007	12,13	141-14
4/22/2009	142-12-13	22

ASSESSOR'S MAP BK211 PG.14
Riverside County, Calif.

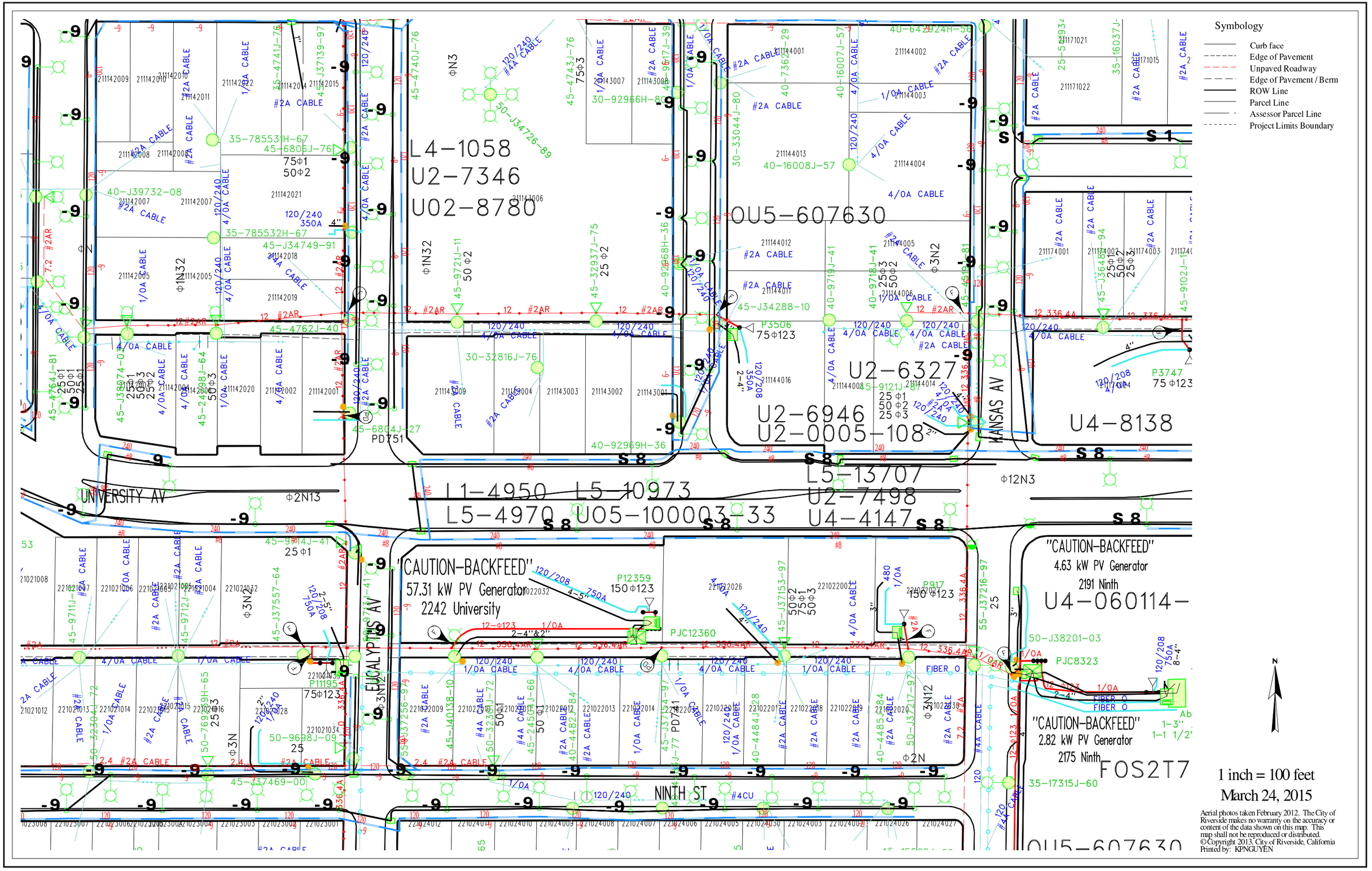
A Vatcharapass

April 2009

IMPORTANT: This is not a plat or survey. It is furnished as a convenience to locate the land indicated hereon with reference to streets and other land. No liability is assumed by reason of reliance hereon.

STEWART TITLE

EXHIBIT B: Utility & Easement Maps



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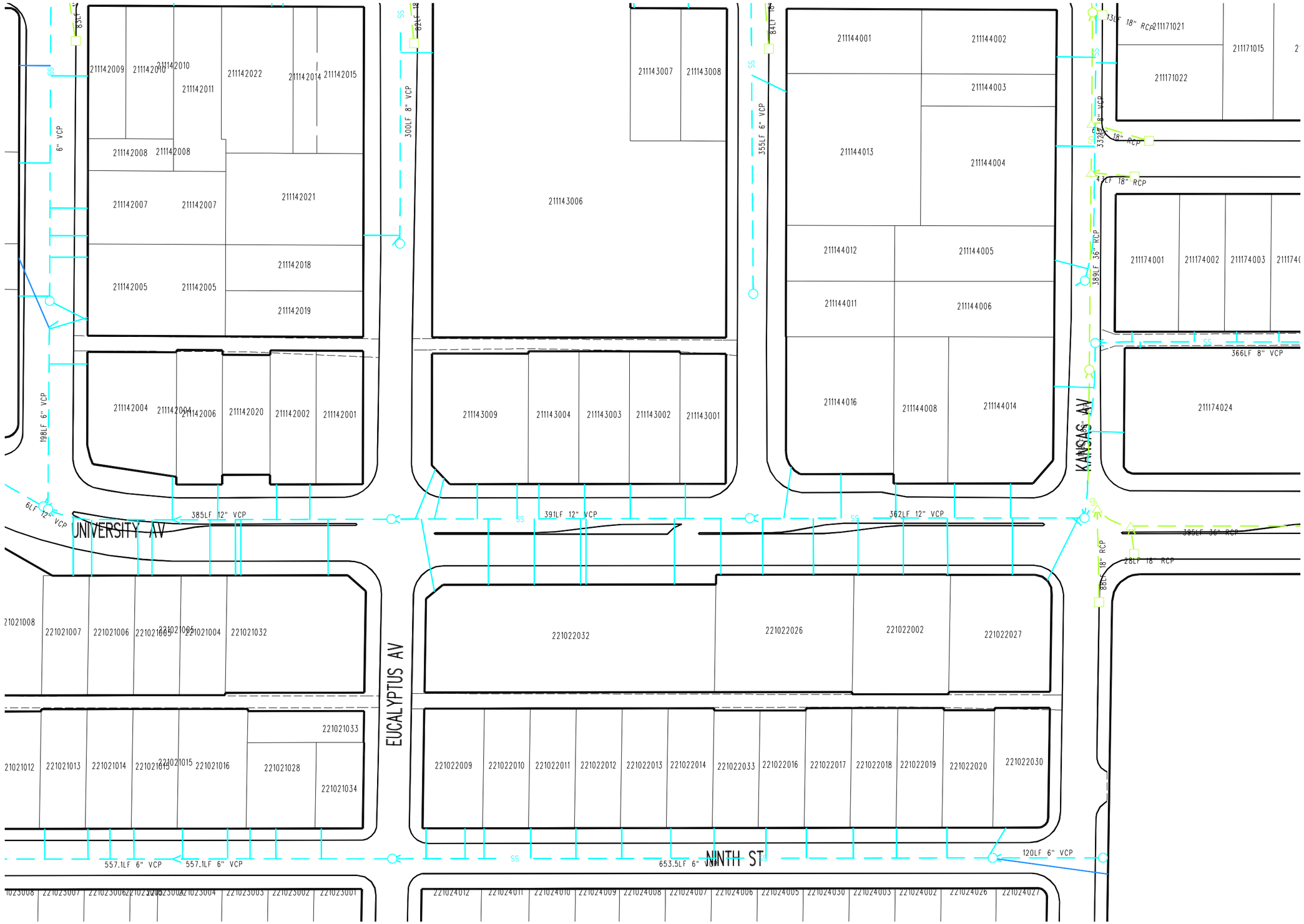

Symbology

- Curb face
- Edge of Pavement
- Unpaved Roadway
- Edge of Pavement / Berm
- ROW Line
- Parcel Line
- Assessor Parcel Line
- Project Limits Boundary
- Storm Drain
- Storm Drain Inlet
- Storm Drain Manhole
- Storm Drain Lift Station
- Sewer Main
- Sewer Force Main
- Sewer Main (Non-City Maintained)
- Sewer Siphon
- Sewer Lateral
- Sewer Lateral (Unknown Position)
- Sewer Cleanout
- Sewer Manhole
- Sewer Lift Station
- Sewer Plant
- Sewer End of Line

1 inch = 100 feet

March 24, 2015

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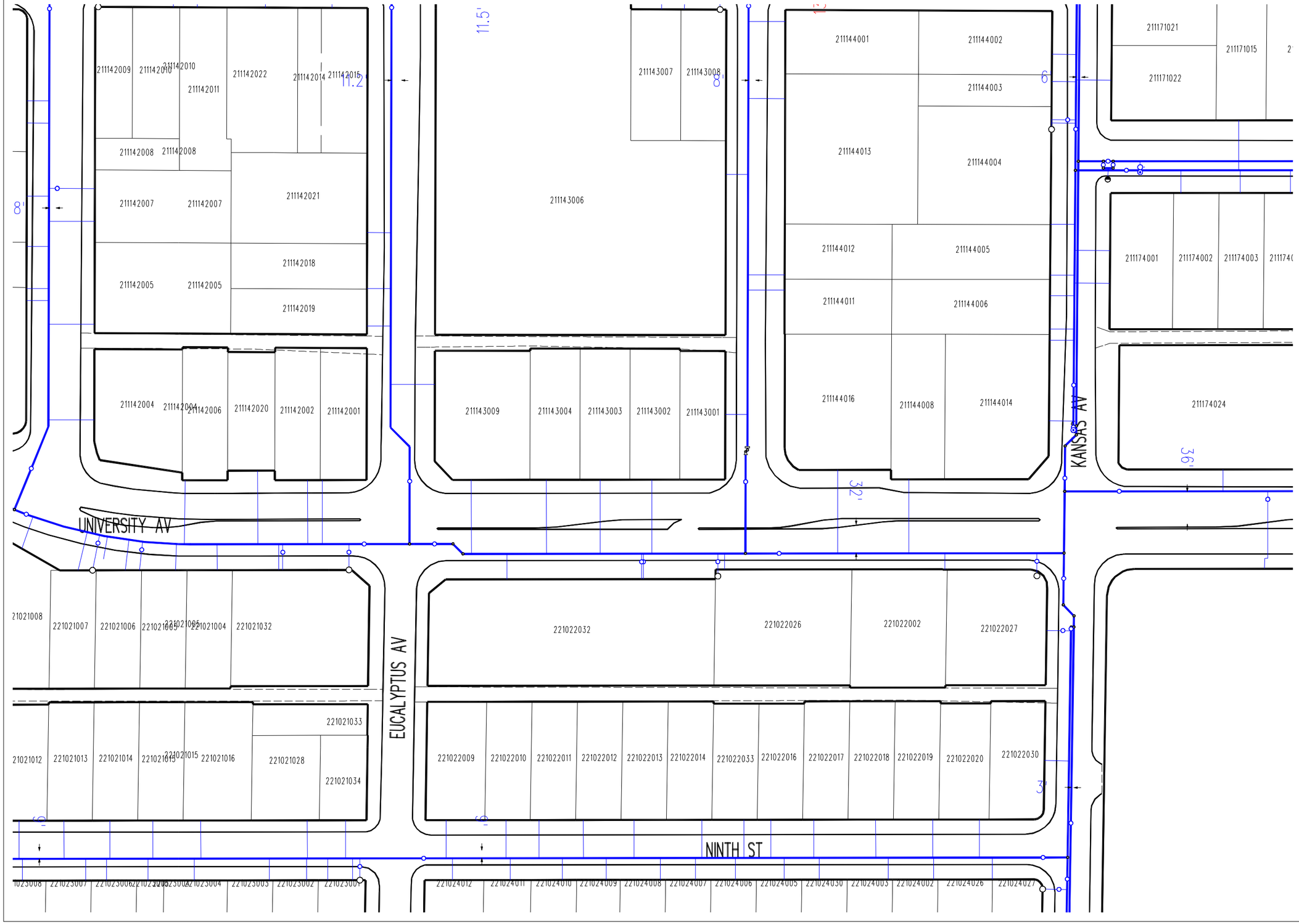

Symbology

- Curb face
- Edge of Pavement
- Unpaved Roadway
- Edge of Pavement / Berm
- ROW Line
- Parcel Line
- Assessor Parcel Line
- Project Limits Boundary
- Water Main
- Water Service Line
- Hydrant
- Valve (open)
- Valve (closed)
- Blow Off (endline)
- Blow Off (inline)
- Blow Off/ Pumper Outlet
- Pumper Outlet/ Blow Off
- Air Valve
- Manhole
- Pumper Outlet
- Dimension Arrow
- Booster Pump
- Well Pump
- Cathodic Test Lead
- Check Valve
- Pressure Regulator Valve
- Material Change
- Fittings
- Reducer
- Relief Valve

1 inch = 100 feet

March 24, 2015

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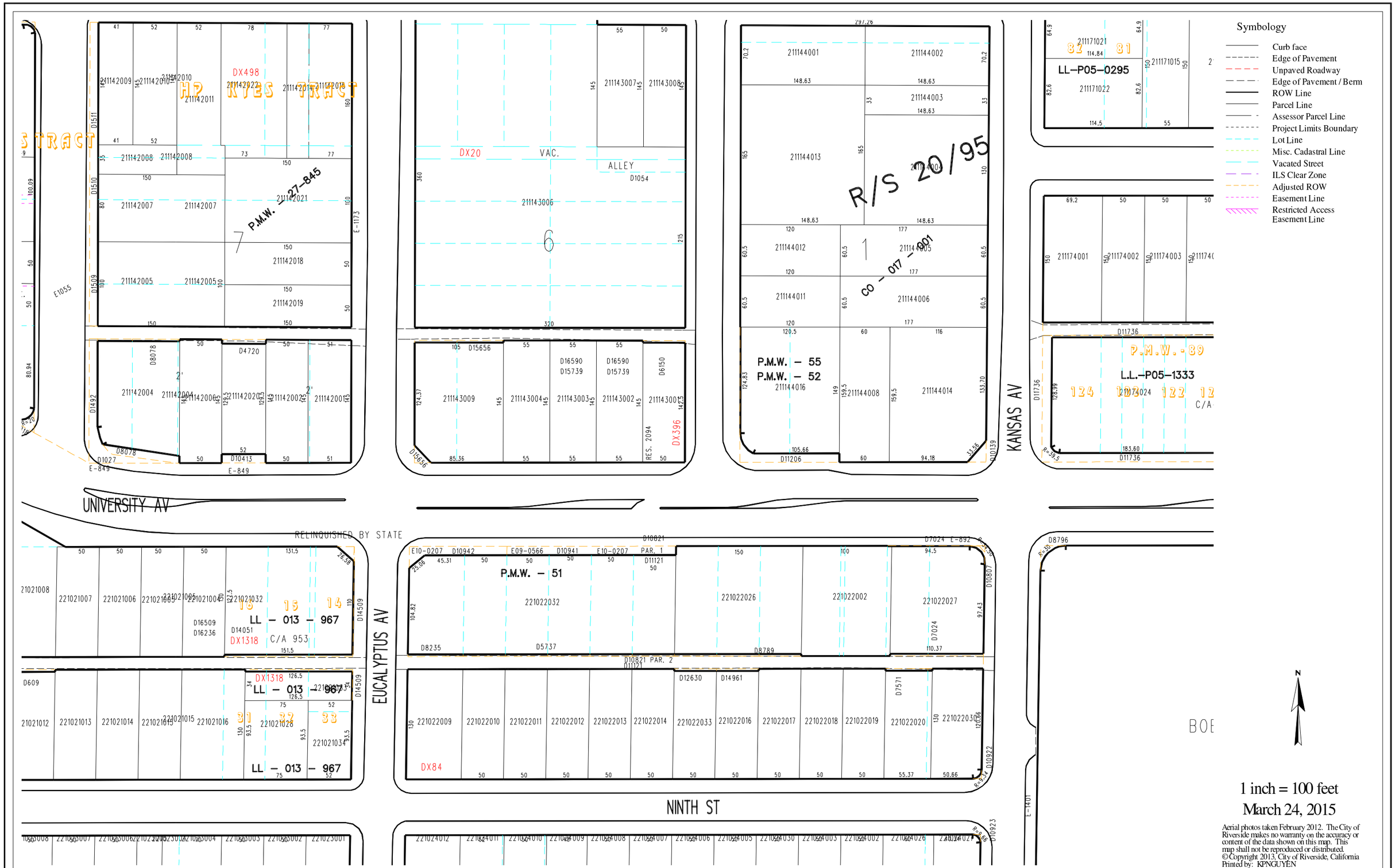
HP KYES TRACT
DX498
P.M.W. – 27-845
DX20
VAC.
ALLEY
R/S 20/95
CO – 017 – 901
P.M.W. – 55
P.M.W. – 52
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L.L.–P05–1333
KANSAS AV
UNIVERSITY AV
RELINQUISHED BY STATE
P.M.W. – 51
LL – 013 – 967
C/A 953
DX1318
EUCALYPTUS AV
DX84
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Misc. Cadastral Line
Vacated Street
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