

Cover Sheet for Bid/Request for Proposal
RFP # 030058
Development, Design, and Construction of
Commercial/Retail and Public Space Enhancements for the
ReTRAC Train Trench Cover
Issued by:

City of Reno Redevelopment Agency

If you are submitting a Bid or a Response to a Request for
Proposal, Please

1. Appropriately Label your documents in a sealed envelope or box;

and
2. Deliver the sealed documents to the Office of the
City Clerk;

and
3. Be certain that your submittal is date and time
stamped by the office of the City Clerk.

DUE NOT LATER THAN 2:00 PM December 1, 2009.

1 East First Street, 2nd Floor Reno, NV 89505

REQUEST FOR PROPOSAL

RFP # 030058

Development, Design, and Construction of Commercial/Retail and Public Space Enhancements for the ReTRAC Train Trench Cover For

City of Reno Redevelopment

**Proposal Due Date: 12/1/2009
Proposal Due Time: 2:00 PM PST**



1. PROPOSAL SCHEDULE

The City of Reno Redevelopment Agency (“The Agency”) will adhere to the following schedule in undertaking the selection process for RFP # 030058. The schedule is subject to modification at the discretion of the Agency.

Request for Proposal issued:	7/29/2009
Proposal Deadline:	12/1/2009

2. INTRODUCTION

2.1 Reno Overview

With a population of over 211,000, Reno is the largest city in Northern Nevada. It is located in the southern part of Washoe County, situated on the eastern slope of the Sierra Nevada Mountains in an area called the Truckee Meadows. Reno rests at 4,400 feet above sea level and gets over 300 sunny days each year.

Reno is America's Adventure Place! The Truckee Meadows and surrounding area provide unlimited indoor and outdoor recreational activities. Spectacular Lake Tahoe and the largest concentration of ski areas and facilities in the world are all within a 50 mile radius. Biking, camping, hunting, fishing and mountain climbing are all activities Reno residents and visitors enjoy.

2.2 Background

The \$262 million Reno Transportation Rail Access Corridor (“ReTRAC”) project was completed in 2007. The project eliminated 11 existing at grade railroad crossings over a 2.3 mile stretch through the downtown area by constructing a trench and lowering the tracks.

The ReTRAC cover is the final step of the City’s project. It completely covers the two block stretch between Commercial Row and 3rd Street and Virginia Street and West Street with structurally enforced concrete. The cover commenced construction in 2008 and the project is a priority of the Redevelopment Agency Board and City Council.

2.3 Scope of Proposal

The Agency is issuing this Request for Proposal (RFP) to solicit proposals from firms with demonstrated success, documented experience, and the qualifications to provide for development of commercial/retail space, along with public enhancement, and amenities on the cover.

The City of Reno Redevelopment Agency anticipates developing approximately 30,000 square feet of commercial/retail space on either side of the two blocks that make up the cover. The cover was designed to provide pedestrian enhancements in the center with retail/commercial components on either side. The proposed tenant mix is of utmost importance in this process. In depth information on the specifics of the tenants the applicant will supply is important.

Proposers should include commercial/retail space that will utilize this newly created space to its highest and best use appropriate for the core of a vibrant downtown. They should also include amenities to create a pedestrian pavilion area down the center of the cover. Social gathering areas and entertainment venues should also be considered. Design should respect the character of the other development surrounding the cover.

2.4 Submittal Requirements on Financial Capacity

Development Program

Proposer should submit a development program, a leasing strategy, and a financing plan that demonstrate project feasibility. Identify the gross building area and rentable area. The program should state how parking will be provided to satisfy tenant requirements. Written expressions of interest (such as Letter of Interest) from potential tenants should be included, if available. The time line for the project's construction should also be included.

Comparable Projects

Proposer should submit information regarding experience with a maximum of three projects comparable to the proposed development (scope and scale) within the last 10 years. Include dates of completion, size, total development cost, financing sources (identifying amount of funding by each), location, the role of the Proposer in each (such as contractor, development, construction manager, etc) and references, including names, affiliations, and phone numbers.

Construction budget and financing plan

Proposer should provide a preliminary construction budget and a financing plan. What additional information is needed to complete a budget? What are the sources of information for the construction estimate?

Proposer should identify specific sources of debt/equity capital, including relationship to the proposer (outside lender, parent company, etc.) and contact information. Can a construction loan be obtained and will significant preleasing be required? Who will provide the equity financing and what is the equity requirement expected to be? If an equity partner is anticipated, who might that be? Limited financial resources should be assumed to be available from the Agency.

Proposer should submit written statement(s) from their financing source(s) describing past projects which the source has financed for the proposer, detailing the amount of capital, the size of the proposed project and any other pertinent

information which will assist the Agency in determining the availability of equity or construction loan/mortgage capital to fund the proposed project.

Permanent financing and pro forma to support

Proposer should submit a pro forma that supports the ability of the development program to service debt. Rent projections should be provided for each tenant space. Operating projections should be itemized and identified which expenses are paid by the tenants and which are paid by the landlord. State the projected net operating income. State the expected amount of the permanent loan, the loan to value ratio and debt service coverage.

Proposer's financial capacity and capability

In order to evidence access to equity capital and financing resources to carry out the proposed project, provide the information indicated below for each of the key members of the Proposer's team. Proposer must clearly designate those financial submittals which it in good faith determines to be trade secret or confidential proprietary information protected from disclosure under applicable law. To the extent permitted by law, the Agency will attempt to maintain the confidentiality of such financial submittals. However, such confidentiality cannot be assured.

Financial Statements: Financial statements prepared by an independent accounting firm for the past two years of each principal and joint venture partner, including statement of changes in financial position and statements of any parent organizations and any materially relevant subsidiary units.

Real Estate Portfolio: Composition of current real estate portfolio, listing the following for each project: project name, type, location (city, state), project size (rentable area), date completed, value, role (developer, operator, property manager, etc.), and ownership interest. Identify any projects with non-performing loans.

History of Financing Commitments: Recent history (preferable within the last 2-3 years) in obtaining financing commitments, detailing type of project, financing source, amounts committed, etc.

Two (2) copies of the respondent's Financial Capacity materials must be received under sealed, separate cover marked "Confidential" by:

Mr. Tim Kelly, Principal
Keyser Marston Associates
55 Pacific Avenue Mall
San Francisco, CA 94111

The end result of this RFP will identify a Successful Proposer who will be awarded the contract with Agency for the development. Management and operation of the retail is to be handled by the developer in partnership with the Agency.

It should also be noted that a Real Property Acquisition, Development and Reimbursement Agreement existing on the project states that if Commercial & West LLC are not selected for the RFP then \$1.2 million is due to them for the land they dedicated to develop the covers. At this point in time a funding source for the payment has not been identified and might partially or wholly be included in the developer agreement with any of the companies who are selected during the RFP process. Terms for this will be further discussed once the selection process has been narrowed down. A copy of the agreement can be obtained from the City Clerk's office using the reference B2 B-3094.

2.5 Developer's Responsibility

The Developer is responsible to develop the Site in accordance with the applicable City and Agency approvals, including but not limited to paying prevailing wages to all workers performing work and having a Labor Agreement in place; Pay for all additional on site improvements and infrastructure; manage and pay for all entitlements, permits, and fees as required; commit an amount equal to 2% of the construction budget for the design, installation, and maintenance of a public art component; identify and provide for parking of building tenants; parking may be secured via nearby parking structures; and comply with any additional terms set forth in a disposition and development agreement.

2.6 Selection Committee

The proposals will be evaluated by a Selection Committee composed of the following individuals:

Donna Dreska
Executive Director

Mark Lewis
Redevelopment Administrator

Jessica Jones
Economic Development Manager

Peter Wallish
Economic Development Manager

3. GENERAL TERMS AND CONDITIONS – TECHNICAL SPECIFICATIONS

3.1 Terms

1. All Proposers are required to inspect the project site prior to submitting their proposal in order to determine all requirements associated with the Request for Proposal. By submitting the Proposal, the Proposer represents that he/she has visited the site, verified the location of adjacent utilities and easements; examined the surveys of such site, if any, and become familiar with all conditions under

which the work is to be performed, and there shall be no adjustment to proposal terms for reason of site conditions, inaccuracy of surveys or other documents submitted to Proposer or mistaken location of utilities. Failure to inspect will not relieve the Proposer from the necessity of furnishing and installing, without additional cost to Agency, materials and equipment or performing any labor that may be required to carry out the intent of the contract. To make an appointment for a more thorough site visit, please contact:

Jessica B. Jones, AICP
Economic Development Manager
Redevelopment Agency
Jonesje@cityofreno.com
p 775-334-2065
f 775-334-3815

2. The Agency may modify the written RFP, prior to the date fixed for submission of the proposals, by issuance of written addenda to all parties who acquired an RFP.
3. Proposer questions concerning this RFP must be submitted in writing to:

Jessica B. Jones, AICP
Economic Development Manager
Jonesje@cityofreno.com

Oral communication with any Agency employee or representative is not binding on Agency and in no way shall modify the RFP or the obligation of Agency or the Proposer.

4. The Agency may discuss or negotiate all elements of the proposal with successful Proposer. For purposes of negotiation, the Agency may establish a competitive range of acceptable proposals comprising the highest rated proposals. After the submission of a proposal, the Agency will not permit a Proposer to revise its proposal. In conducting negotiations, the Agency will, to the extent permitted by law, not disclose any information derived from the proposals submitted by a competing Proposer. If the Agency elects to accept a proposal, it will award to the Proposer whose proposal provides the best value to the Agency, as determined by the Agency, based upon a thorough evaluation of all factors set forth in this RFP. The Agency retains the right to modify the terms and conditions in the Request for Proposal or reject terms and conditions proposed by the successful Proposer prior to the execution of the contract if it, in its sole discretion, deems necessary to ensure a Project satisfactory to it.
5. Proposals shall remain in effect for a period of one year following the specified closing date.

6. Proposals not conforming to the RFP requirements shall be rejected without further consideration or evaluation. Variations, if any, shall be implemented at the sole discretion of the Agency, and will apply equally to all prospective proposals. Errors and omissions may be grounds for rejection, or may be interpreted in favor of the Agency. The Agency will have the right to waive formalities.
7. The Agency will consider the successful Proposer to be the sole point of contact with regard to contractual matters.
8. Any costs incurred by a Proposer in preparation of its proposal shall be at "no charge" to the Agency.
9. The Agency will not be obligated to return any proposals submitted and such proposals become the property of the Agency.

3.2 Conditions

1. Construction Progress

The successful Proposer shall be required to meet regularly with designated Agency officials to review project and construction progress. The Agency and/or its representatives shall be given free access to the construction site and facility throughout the period of the contract. The schedule agreed upon during the Definitive Agreement shall not be deviated from unless both parties are in agreement.

2. Subcontractors

Prior to entering into a contract, the Proposer shall identify to the Agency subcontractors to be used on the project. All contracts entered into with a subcontractor must abide by terms of this RFP and final contract.

3. Change of Work

The Agency prior to implementation must approve all changes affecting the scope of the Project in writing. This includes any additions or deletions to the Project.

4. News Releases

News releases or advertising pertaining to this project or RFP shall not be made without prior written approval of Agency. Any contractual agreement entered into as a result of this RFP does not entitle the successful Proposer to use the trademark, logo, seal, or any copyrighted material of Agency whether common law or otherwise.

5. Indemnification and Insurance Coverage

Insurance requirements will be determined at the time the successful proposer is identified and will be detail in the Development Agreement.

3.3 Architectural and Design Considerations

Overall Design Goal

The design, construction, and maintenance of the facility shall comply with all applicable federal, state, and local government codes and regulations applicable to this type of construction in effect for Reno, Nevada. It shall be the responsibility of the successful proposer to identify these codes and ordinances and insure compliance. Additionally, the facility shall incorporate the downtown redevelopment standards, and all other applicable documents located in the resource documents and information section unless express written consent is granted by the agency for a specific exception.

Buildings

1. It is the goal of the Agency to bring the unfinished area to a higher and better use by constructing commercial/retail buildings that will house office, retail, and restaurant type establishments, along with open public spaces.
2. The buildings must be aesthetically pleasing and complementary to surrounding new investments. The Agency will reserve the right to approve the architectural design of the building. However, the Agency's approval of the architectural design will not be unreasonably withheld.

Tenant Capabilities

1. It is the goal of the Agency to create core retail that brings visitors and residences alike to the downtown area. The ability for the applicant to complete this goal is of the utmost importance.

Site Design

1. All new development will require landscaping that shall create a pleasing and functional outdoor environment. Outdoor spaces shall be designed and landscaped for pedestrian circulation, outdoor activity, general leisure, and aesthetic appeal. All plant materials proposed for the site shall be hardy and suitable for the specific growing conditions to which they are subjected. It shall be the responsibility of the successful Proposer to contact and coordinate all requirements with the applicable utility companies and to pay all costs associated with the same.
2. Since the downtown area is used day and night security is an extremely important design element. Special consideration shall be given to lighting the site and providing good visibility.

4. INSTRUCTIONS TO PROPOSERS

4.1 Availability of Documents

Any document pertaining to this proposal will be available in electronic format through the Agency and/or its website at www.cityofreno.com. Any and all

addendums to the project including revised technical requirements and proposal schedule changes will be made available through the website.

4.2 Proposal Package

Submit one (1) original (clearly marked as “Original”), one (1) electronic copy, and ten (10) hard copies of the Proposal in a sealed package clearly marked “RFP – Development, Design, and Construction of Commercial/Retail and Public Space Enhancements for the ReTRAC Train Trench Cover.”

4.3 Delivery of Proposal Package

The Proposal may either be delivered by hand or sent to The City of Reno, City Clerk’s Office, which is serving as an agent for the Redevelopment Agency on this item, through U.S. Mail or other available courier services to the address below. Include the RFP title, which is “Development, Design, and Construction of Commercial/Retail and Public Space Enhancements for the ReTRAC Train Trench Cover Proposal,” on any package delivered or sent to the City and on any correspondence related to the Proposal. The Proposer remains responsible for insuring that its Proposal is received at the time, date, place, and office specified. City Clerk’s Office and the Agency assume no responsibility for any Proposal not so received. **Proposals received after the time specified in the RFP, will not be considered. All Proposals received after the specified time will be returned unopened.**

All proposals should be sent in attention to The Office of The City Clerk:

For Hand Delivery:	For Mail Delivery:
City of Reno City Clerk’s Office City Hall, 2 nd Floor 1 East First Street Reno, Nevada 89505	City of Reno City Clerk’s Office PO Box 1900 Reno, NV 89505

Proposals shall be received no later than December 1, 2009 at 2:00 pm (PST).

4.4 Addendum

An addendum acknowledgement section will be included for any addendum issued to Proposers prior to the proposal deadline. An authorized Proposer representative must sign all addenda and return them, along with the proposal, on or before the proposal deadline. Failure to do so may be grounds for rejection of the proposal response.

4.5 Proposal Modification

Proposals submitted prior to the proposal deadline may be withdrawn or modified as long as they are received by City Clerk’s Office acting as an agent of the Agency prior to the scheduled opening of the proposal. The Proposer may modify or withdraw the proposal at any time prior to the proposal deadline, as long as written notice is received. Verbal communication for this purpose will not be accepted or allowed. Only letters or other formal written requests for modifications to previously

submitted proposals will be accepted as long as they are addressed the same as the proposal and received prior to the scheduled proposal deadline. The written request must be received in a sealed envelope with the RFP title and “Modification to Development, Design, and Construction of Commercial/Retail and Public Space Enhancements for the ReTRAC Train Trench Cover” clearly marked on the outside of the envelope. No proposal modifications will be accepted after the proposal deadline. A proposal that has been withdrawn may be resubmitted any time prior to the proposal deadline.

4.6 Errors and Omissions

It is expected that the Proposer will comply with the true intention of this RFP taken as a whole. The Proposer shall not take advantage of any errors or omissions to the detriment of the required services. The Proposer shall immediately notify the Agency in writing, should any discrepancies, errors, or omissions in the instructions or specifications be suspected. The Agency shall address any such issues presented with written instructions to be followed by all Proposers.

5. EVALUATION PROCEDURE AND CRITERIA

5.1 Proposal Acceptance

The Agency has the right to reject any or all Proposals, or any part thereof, to waive informalities, may either invite one or more respondents for interviews or, choose not to proceed with development of the site at this time. There is no guarantee that the Agency will decide to move forward with any proposed project based on the RFP submittals.

5.2 Proposer Qualifications

A Proposer must demonstrate that it or its designated manager/operator has the financial resources, personnel, management and operational experience necessary for the successful operation of the services specified in this RFP. A Proposer must demonstrate success with other development projects of a similar nature, providing favorable recommendations from former clients. Documentation of a Proposer’s financial solvency is mandatory.

5.3 Proposer Presentations

The Agency reserves the right, but is under no obligation, to request and require a formal presentation of a Proposal, by its Proposer, at a time and date to be determined by the Agency.

5.4 The Right to Inspect

The Agency reserves the right to thoroughly inspect and investigate the qualifications of the Proposer and any proposed subcontractors, including, but not limited to, the establishment, facilities, business reputation, and equipment. This right will continue throughout the life of the Contract that may result from this RFP. The Agency may reject any Proposal, regardless of cost to the Agency, if it has been determined that

the Proposer lacks any of the essentials to assure acceptable standards of performance.

5.5 Evaluation of Proposals

An evaluation team will assess all Proposals. The Agency will determine the selection of the proposals based on this evaluation. The Proposal deemed most advantageous to the Agency and the City will be selected. Factors considered in the award will include cost and the following factors presented in the RFP:

Needs and Expectations (50%)

1. Understanding the Agency goals for the project;
2. Compliance with RFP requirements and specifications;
3. Design and overall land use;
4. Provided tenant mix;
5. Financial benefit to the Agency; and
6. Development Schedule.

Experience and Qualifications (30%)

1. Adequate financial resources;
2. Experience and expertise in projects exhibited by the project team; and
3. Positive recommendations from former clients.

Other (20%)

1. Any other relevant factor that a private business would consider while selecting a Proposer;
2. All expenses/fees submitted must reflect the prevailing wage for the City of Reno.

6. PROPOSAL FORMAT AND CONTENTS

6.1 Proposal Format

The proposal must be submitted in the format outlined in the following sections, with each section and appendices completed in full.

1. Cover Letter
2. Table of Contents
3. Summary of Proposal Information
The Proposer must include a detailed summary of the overall approach to the development of the project.
4. Experience and Qualifications
The Proposer must provide the following information:
 - a. The names, address, telephone, fax number, financial statements of the business entity and primary contact person of the company.

- b. Resumes and/or background information and experience of key management and operational staff who will be assigned to provide service outlined in the RFP, including but not limited to:
 - i. Technical training and education;
 - ii. General experience;
 - iii. Specific experience with services being requested; and
 - iv. Qualifications and abilities to perform the services being request.
- c. An Organizational staffing plan for the personnel who will perform the services outlined in this RFP. The name, address, telephone number, name(s) of principal(s) assigned to negotiate for Proposer and the individual who shall manage the construction of the project. If the Proposer is a corporation, limited liability company, partnership, or limited partnership, the Proposal should include the names of the principals, officers, and directors, members and managers, partners or general partners, including a brief description of the participation of each. If the Proposer is a subsidiary or affiliate or parent, the same information shall be given for the parent, affiliate or subsidiary as the case may be.
- d. Provide a statement of qualifications for all professional consultants and contractors. Include a list of projects of similar size and scope and resumes of key personnel. In order to be considered firms must be:
 - i. Licensed to practice in the State of Nevada; and
 - ii. Registered and authorized to do business in the State of Nevada.
- e. List of three (3) references of clients, including company name, address, telephone number, fax number, primary contact, and type of services the company has performed for these clients.
- f. The company's most recent Annual Report and its financial statements for the past three (3) fiscal years, including Balance Sheets and Statements of Revenue and Expenses, or other documentation that demonstrates financial solvency.
- g. Company background, including years in business, volume of clients, number of employees, areas of expertise, and a list of relevant services the company provides.
- h. Outline of the preventative maintenance routinely performed on equipment that will be using to provide the services being requested.

6.2 Financial Engineering

The Proposer shall:

1. Provide a detailed development and operations budget projection with the appropriate supporting materials and documentation for the projects.
2. Provide a detailed cash flow analysis of revenues and expenses for the time period proposed for the Project. Include year by year projections of the following: gross rental income, vacancy rate, net rental income, other income, utility expense, personnel expense, routine maintenance expense, janitorial expense, reserve for major repairs, management fees, debt schedule, insurance expense and the Agency land rental fee, if applicable. Include financing costs and debt service in the cash flow projections.

Include assumptions for rental rates, and projected timing and magnitude of rental increases along with an appropriate vacancy factor. Also provide a breakdown of routine operating and maintenance expenses. Provide an estimate of major maintenance expenses over the life of the Project and describe how they will be funded via a maintenance reserve or other mechanism.

3. Provide a guaranteed maximum price for the project.
4. Provide a description of cash and non-cash benefits accruing to the Agency.
5. Provide a detailed construction proforma.

6.3 Construction Schedule

1. Provide a detail project plan listing the critical path and its milestones.
2. Provide for a detailed Change Order Processing plan.
3. List potential obstacles for this type of project and how the Proposer would solve them.

6.4 Vendor Signature

Signed letter of intent for submittal with the complete understanding of the RFP requirements and standards.

7. RESOURCE DOCUMENTS AND INFORMATION

7.1 Resource documents and information that might be helpful to your proposal and provide background are available as follows:

1. City of Reno Redevelopment District No. 1 Streetscape Master Plan
2. City of Reno, Redevelopment District No. 1 Plan
3. ReTRAC Corridor Study
4. Downtown Retail Study

7.2 Other projects that are of interest to the City for certain design and use elements are the Ferry Building in San Francisco, California and the Oxbow Market in Napa, California.

7.3 After the consultant is chosen it is expected that they will enter in to a Definitive Agreement with the Agency.

Aerial Photo of Site

