

**REDEVELOPMENT AGENCY OF THE CITY OF SEASIDE
SEASIDE, CALIFORNIA**

REQUEST FOR QUALIFICATIONS AND PROPOSALS



"THE SHOPPETTE"

**MONTEREY ROAD/COE AVENUE CONVENIENCE STORE RENOVATION,
LEASE AND MANAGEMENT**

May 29, 2009

Qualifications and Proposals Due July 20, 2009

TABLE OF CONTENTS

1.0	Introduction.....	p. 3
2.0	Project Setting.....	p. 3
3.0	Property Characteristics.....	p. 4
4.0	Land Use and Entitlement Process.....	p. 4
5.0	City/Agency Goals and Objectives.....	p. 4
6.0	Additional Agency Requirements.....	p. 5
7.0	Proposal Submission.....	p. 5
8.0	Evaluation Process.....	p. 6
9.0	Schedule.....	p. 7

Exhibits and Attachments

- Exhibit 1: Regional Location Map
- Exhibit 2: Vicinity Location Map
- Exhibit 3: Site Aerial Photo
- Exhibit 4: Property Photographs

- Attachment 1 – Exclusive Negotiating Agreement Form
- Attachment 2 – Proposed Lease Form
- Attachment 3 – First Source Hiring Agreement
- Attachment 4 – Waivers and Conditions of Request
- Attachment 5 – Fees and Charges Schedule
- Attachment 6 – Fort Ord Reuse Authority (FORA) Fees

1.0 Introduction

This Redevelopment Agency of the City of Seaside (Agency) Request for Qualifications and Proposals (RFP) seeks a fully qualified lessee/operator to renovate the existing "Shoppette" property (the Shoppette) at the western terminus of Coe Avenue on Monterey Road in the former Fort Ord area of Seaside. The site consists of approximately 5.24 acres of land and an existing approximately 5000-sq. ft. abandoned convenience store (the property) including an abandoned fuel service area with canopies. The property is owned by the Agency. Proposals are sought for renovation of the property to the level of full productive use. Proposals shall state the proponent's commitment to make a substantial private investment in the property to be capitalized at a fair rate of return based upon a lease term not to exceed ten years.

The Agency shall consider proposals demonstrating experience in developing and operating similar projects of high quality in a timely manner. Proponents shall demonstrate proven financial capacity and the ability to fund pre-construction costs (e.g., legal, environmental, design, and permit fees), as well as the costs of actual construction.

The selected developer shall enter into an Exclusive Negotiating Agreement (ENA) with the Agency for a period not to exceed six months. A copy of a sample form ENA is included as Attachment 1 to this RFP. During the this period, the selected developer shall undertake project design, complete environmental review, obtain land use entitlements and perform all necessary due diligence evaluations. The ENA shall either successfully culminate in the execution of a lease with the Agency or be terminated according to its terms. A copy of a sample form lease is included as Attachment 2.

2.0 Project Setting

Located on the Monterey Peninsula, Seaside is approximately 115 miles south of San Francisco. It is immediately adjacent to the cities of Monterey and Del Rey Oaks to the south, Sand City to the west, Marina to the north and unincorporated Monterey County to the east. (Exhibit 1: Regional Location Map). The City encompasses a total area of approximately nine square miles, 6.44 of which lie within the former Fort Ord military reservation.

Seaside is a diverse community of approximately 34,000 residents. Because of severe water limitations, projected growth for the community and surrounding areas is limited. The City's general plan provides for a population of approximately 39,000 at build out. Additional moderate commercial development/redevelopment and population growth is planned in adjacent areas.

Much activity occurs in the former Fort Ord area. The growing campus of California State University Monterey (CSUMB), supporting facilities for the Defense Language Institute at the Presidio of Monterey and residential areas of the Ord Military Community are important components of the Seaside community. Of significance, the Seaside Resort Development project is proposed near the Shoppette property.

3.0 Property Characteristics

The property is adjacent and to the east side of State Route 1, the Cabrillo Highway. However, the Shoppette is not a typical highway commercial site. The property is not fully visible from State Route 1. Highway access is approximately one half mile to the south. The property's orientation is not toward the highway, but rather toward nearby residential areas to the north and east.

Interested parties are referred to the property photographs included in Exhibit 4 to this RFP. The property was formerly developed by the military as an approximately 5000-sq. ft. Army and Air Force Exchange Service convenience store with four fuel pumping islands serving the Fort Ord community. The use has been abandoned for approximately ten years. It is the Agency's understanding that the underground storage tanks have been removed and that the property has been remediated. The Agency makes no representations or warranties with regard to environmental conditions of the property.

Immediately across Monterey Road lies the 380-unit, single family residential Seaside Highlands project. There are several hundred additional homes, both civilian and military, within a short driving distance of the property. However, the Agency makes no representations as to the potential market area, its size or other characteristics. Each proponent shall determine the feasibility of any proposal with caution based upon its own independent market investigation.

4.0 Land Use and Entitlement Process

The Seaside General Plan and Zoning Ordinance designate the property as "Community Commercial." These documents are available for review at Seaside City Hall or on the City's website www.ci.seaside.ca.us. "Gas station" and "convenience store" are conditionally allowed uses in the Community Commercial zoning district. A use permit approved by the City Planning Commission will be required. Development standards have been established by the Zoning Ordinance, including those for "service stations" (section 17.42.210) and "convenience food stores and markets" (section 17.42.070). A standard search procedure may be performed on the Zoning Ordinance at the City's website by key word or section number. Additional information is available from the Planning Division located at Seaside City Hall.

Any use of the property shall be subject to environmental review consistent with the California Environmental Quality Act (CEQA) and standard entitlement procedures as required by the Zoning Ordinance and state law.

5.0 City/Agency Project Goals and Objectives

The City/Agency's objectives, if feasible, are to provide a convenience commercial facility to the nearby neighborhoods, increase the city's tax revenue base, create quality jobs for the local workforce, make use of a potentially valuable community asset and enhance the overall appearance of the community. The selected developer/lessee of this property shall design, renovate, operate and maintain a high quality convenience store primarily serving the residents of the local area.

In addition, the City/Agency is committed to “green” development principles. The selected developer/lessee shall incorporate design and resource efficiency measures consistent with the standards of the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) certification program.

6.0 Additional Agency Requirements

A non-refundable \$1,000 (one thousand dollars) submittal fee, pursuant to the City of Seaside's current schedule of fees and charges, shall be required with each proposal submitted to partially cover staff review and processing costs. Prior to Execution of an ENA, the Agency shall require a deposit in the amount of \$100,000 (one hundred thousand dollars) from the selected developer to cover project processing costs, including but not limited to, the Agency's legal and related review fees. Funds shall be deposited in an Agency account and used to fund developer obligations through constant replenishment, as provided in Section 6 of the draft ENA, Attachment 1.

The Agency shall require payment of prevailing wages during renovation and adherence to the City's First Source Hiring Agreement. A copy of the First Source Hiring Agreement is included as Attachment 3.

7.0 Proposal Submission

The Agency encourages proposals in a format best expressing the proponent's qualifications. Proposals shall include the elements described in this section in the order requested. Proposals shall be clear and concise.

a) Executive Summary: Identify all development/lessee team members. Highlight their experience with projects of this size and type. List the person who shall serve as the project manager authorized to represent the developer. Include an overview of the proposed convenience store project and discuss the team's financial capacity to accomplish it.

b) Development/Lessee Team Background: Provide qualifications of the principal developer and development team. Outline the roles and responsibilities of each proposed team member.

Include all firm names, legal statuses, addresses, and full names of officers and other participants. State the names and addresses of all consultants, including architects, engineers, attorneys, financial advisers and others. State the involvement of all involved financial institutions and other debt or equity sources. If the firm is a joint venture, provide information on each partner and a description of prior working relationships.

State and fully describe all previous relevant development experience. For the developer/lessee and architect, describe all projects completed within the last seven (7) years. Include the following information for each such project;

Project name and location
Project description

Current status of the project
Participants
Financial structure
Community response to the project
Photographs and/or other descriptive graphic materials
References

c) Proposed Project Description: Describe the proposed convenience store renovation project. State the proposed estimated financial investment and the resulting estimated completed project value. Include conceptual drawings of the proposed project, including a preliminary site plan and conceptual architectural elevations.

d) Operation and Management Program: State the proposed convenience store operation and management program. Include a general description of goods and services (with or without fuel service) provided along with proposed hours of operation, number of employees and related information. State proposed branding program.

e) Financing and Ownership: Describe project financing. Provide descriptions of successful past financing of similar projects. Provide supporting documentation, as appropriate. Describe ownership, land, debt, equity, and all public incentives that comprised the financing plans for these past projects.

f) Financial Capability to Implement Project: Demonstrate the financial capability of team members. Submit the last three (3) years audited personal and/or corporate financial statements of the members of the team that would be expected to make an investment in the project. For publically traded companies, reference to the most recent 10-K or 10-Q shall suffice. Information requested in this section may be submitted in a separate envelope and marked "Proprietary and Confidential Information."

g) Provide a financial pro forma and detailed renovation cost summary including sources of funds, both debt and equity.

h) References: Provide appropriate references. References shall be checked.

Refer to Attachment 7: Waivers and Conditions of Request, for additional requirements for submittal including fee requirements and other conditions.

8.0 Evaluation Process

Proposals shall be reviewed by a panel comprised of Agency staff and others. Evaluation shall be based on proposal completeness, qualifications, and financial capacity. Additional criteria shall include, but not be limited to, the following:

a) Demonstrated experience operating and managing similar projects in a high quality manner

- b) Prior experience working with redevelopment agencies or cities in contractual relationships similar to those required by the Agency
- c) Quality of proposed renovation design
- d) Incorporation of "green building design" and "green" management practices
- e) General acceptance of the terms and conditions of the proposed ENA and lease documents

Depending on the number of responses received the Agency may, in its absolute discretion, interview a limited group of the most qualified proponents selected based upon knowledge of the Agency's goals for this project and for economic development in Seaside. Following these interviews, staff shall recommend the most qualified developer to the Agency Board.

Proponents shall submit one (1) unbound original, eight (8) bound copies, and one (1) CD in PDF print-ready format in a sealed package. The Agency shall not be responsible for submissions not properly identified.

Proposals must be received by the Agency no later than 5:00 p.m. on Monday, July 20, 2009. Late proposals shall not be accepted. All proposals and documents submitted become the property of the Agency. Submittals, whether mailed or delivered in person shall be addressed to:

Richard Glenn
Redevelopment Project Manager
Redevelopment Agency of the City of Seaside
440 Harcourt Avenue
Seaside, CA 93955

Faxed responses shall not be accepted.

9.0 Schedule

An RFP pre-submittal Meeting shall be held on June 15, 2009 at 2:00 p.m. in the Seaside City Council Chamber at 440 Harcourt Avenue, Seaside, California. The meeting shall be followed by a visit to the property. Attendance at the pre-submittal is highly encouraged. Agency staff has limited ability to otherwise communicate directly with proponents.

All questions or requests for clarification during the solicitation phase of this project shall be directed in writing to Richard Glenn, Redevelopment Project Manager at (831) 899-6886 no later than June 19, 2009.

The following schedule represents target goal dates, subject to the need of the Agency to modify, in its absolute discretion.

Event	Date
RFP Issued	May 29, 2009
RFP Pre-submittal Meeting	June 15, 2009
RFP Questions & Requests for Clarification Due - <u>Prior to Pre-submittal Meeting</u>	June 15, 2009
Responses to RFP Questions & Requests for Clarification	June 30, 2009
Proposals Due	July 20, 2009
Interviews/Presentations	August 4, 2009
Agency Presentations/Developer Selection	August 20, 2009