



SEASIDE  
MAINGATE  
MIXED-USE  
PROJECT

Request for  
Proposals

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# 1. Introduction/Invitation

The City of Seaside (the City) is pleased to offer an opportunity to qualified development teams to respond to this invitation for selection of a master developer to develop a prime mixed-use site on California's Central Coast. The site, totaling approximately 60 acres, has direct access to Highway 1 via a full interchange, with immediate access to the major streets bordering this site.

This vacant site provides excellent development opportunities related to the area's location as the north gateway to the Monterey Peninsula, west gateway to the Fort Ord National Monument and immediately proximate parcel to California State University at Monterey Bay; a growing State university. The project objective is to create a high quality, commercial and mixed-use project consistent with the City's General Plan and market conditions.

The City is seeking a development team to undertake the planning, financing, marketing and development of this premier property. The development team is expected to include members that have expertise to design, develop and market the project and must include a qualified urban design/architectural firm with experience in designing large-scale, commercial and mixed-use projects.

Based upon this Request for Qualifications/Request for Proposals (RFQ/RFP) selection process as fully described herein, the City anticipates selecting a preferred Developer/Development Team and entering into an Exclusive Negotiating Rights Agreement (ENRA) leading to development of the project.

## 2. Background

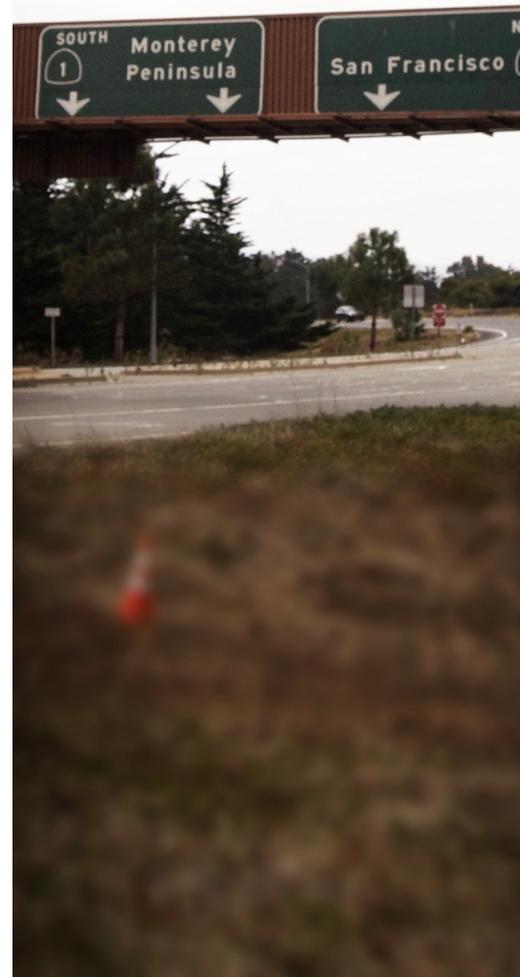
The site, the "Seaside Main Gate Project", (the Project), is generally bordered by Highway 1 to the west, open space and existing military structures on lands that are currently planned for housing and office development to the north, recreational facilities of the California State University at Monterey Bay (CSUMB) to the east and lands within the City of Seaside planned for mixed uses to the south.

The City of Seaside is located adjacent



to Monterey Bay, approximately 115 miles south of San Francisco and directly north of the City of Monterey. Highway 1, the major north-south transportation route along the central coast, passes through Seaside, linking it to other cities on the Monterey Peninsula and Santa Cruz County to the north. Salinas, the largest city in Monterey County, lies 15 miles northeast of Seaside. The City of Seaside encompasses 7.94 square miles. The City's current population is approximately 35,000; the City's population is projected to increase to 42,903 with buildout projected in the General Plan. The population totals over 133,000 within approximately a five-mile radius of the City.

Formerly a part of the now closed Fort Ord, the Seaside Main Gate property is in the final process of being deeded to the City for development by the Fort Ord Reuse Authority (FORA) and the U.S. Army. Since its closing in 1992, the former Army Base has seen the creation and growth of the neighboring California State University at Monterey Bay (CSUMB), as well as the development of new housing and commercial development. To serve the former Base, millions of dollars have already been invested in new roads and infrastructure, with more major improvements planned in the future. Since the initial closure of the Base, the City has been successful in acquiring the 36-hole championship Bayonet and Blackhorse Golf Courses from the Army, as well as redeveloping the Seaside Highlands Housing area, a former Army property. Other redevelopment projects in the development or planning stages on the former base within the City's jurisdiction include a military family residential development area currently under construction, a 330-room destination resort hotel with 170 timeshare units and 125 single-family homes adjacent to the golf courses, as well as plans for the Main Gate parcel and surrounding mixed use development areas. In the surrounding area, significant redevelopment is also underway or planned for the near future. Immediately east of the site, and at the northern limits of the current City boundary is CSUMB, a State university campus. In addition to existing educational campus facilities, CSUMB plans include housing for approximately 3,000-3,500 staff, as well as government employees and their families. Another major development area located immediately north of the site is the proposed Marina University Villages Project Area, planned for mixed used development including over 1,230 housing units, as well as office, visitor and commercial uses. Other residential or mixed use projects approved or planned in the former Fort Ord and in the project vicinity include the Cypress Knolls Senior Housing Project and the Marina Heights residential project in Marina and the East Garrison housing and limited mixed



use project in Monterey County.

## UNIQUE DEVELOPMENT OPPORTUNITY

The project site is both an opportunity and a resource to link varying area uses. The Fort Ord Reuse Plan considers this site to be a high concentration and activity center. The Reuse Plan states that the site is considered key to the redevelopment of former Fort Ord, helping to “establish the image and character for reuse of the base.” It is seen as a “highly desirable development location” due to its excellent highway access and proximity to developed areas on the Monterey Peninsula.

The property is located within the Seaside City limits. The City has an approved redevelopment plan for the area and also has recently updated its General Plan and certified the General Plan EIR, designating this site as regional commercial to accommodate the anticipated regional shopping center uses. The General Plan has been approved by FORA as being in compliance with the Fort Ord Reuse Plan. The City has also committed sufficient potable water for development of approximately 650,000 square feet of commercial building space on the site.

The site provides the opportunity for:

- a physical and visual presence in the Monterey Bay region;
- a highly desirable development location due to its highway frontage and proximity to a Highway 1 interchange and to the CSUMB campus;
- a site with developed freeway access as well as improved access from 2<sup>nd</sup> Avenue (which was recently upgraded to a four-lane road); and
- a location for businesses that can benefit from the major residential development activities in the surrounding area.

## DEVELOPMENT CONSIDERATIONS

FORA and the City of Seaside have diligently worked on this redevelopment effort since the Base closure and have successfully laid the initial groundwork for redevelopment. Past accomplishments include the adoption of the Base Reuse Plan and EIR, approval of a Redevelopment Plan for this area, as well as a recently approved City General Plan Update and EIR. Approved City planning and environmental documents support a commercial center in this area of the City. As part of the required FORA consistency analysis for the General Plan Update, the General Plan Update was found to be consistent with the FORA Base Reuse Plan. Additionally, the City and CSUMB have agreed to a Memorandum of Agreement (attached) that outlines development parameters including access off 2nd Avenue across property CSUMB controls.

The total approximately 60-acre area site is bound by 2nd Avenue, Highway 1, Lightfighter Drive and 1st Street. The 60 acres includes the 49.25 acre major portion of the site along 2nd Avenue, as well as the 11.28 acre western portion of the site along Highway 1 (between 1st Avenue and Highway 1). Additional land is

available in the CSUMB portion of the site along 2nd Avenue. The CSUMB portion of the site has improved access via 2nd Avenue already partially constructed. Pending future decisions by CSUMB, this portion may be either be retained by CSUMB with an access easement granted by the University or it may (preferably) be developed as a walkable, mixed-use and commercial “front” onto 2nd Avenue. A portion of this property will also involve an agreement with State Parks (the western portion of the site between 1st Avenue and Highway 1). While the City’s expectation is that this western portion of the property will be transferred and available for development concurrent with the main parcel, development teams are requested to consider development under two options (at 60 acres for the entire site, or at 49.25 acres without this western portion); please refer to submittal requirements further in this document.

Additional areas to address for redevelopment of this site are:

- The City approved a Specific Plan for this parcel on August 5, 2010. The plan, available at <http://www.ci.seaside.ca.us/documentcenter/view/1610>, was developed prior to the 2008 recession and focused primarily on a regional shopping center and hotel. Given the evolution of market conditions since the 2008 plan, the City anticipates a successful project will include a smaller percentage of retail uses and the inclusion of office and attached residential uses, along with an appropriately scaled and sited hotel. While still retaining the parcel’s excellent Highway 1 development opportunities, the City anticipates overall development intensities will not exceed the approved Specific Plan, and will demonstrate current best practices with regard to walkability and mixed use, particularly in light of CSUMB’s updated Master Plan, available at <https://csumb.edu/campusplanning/campus-master-plan-2016#documentation>.
- FORA has recently adopted Regional Urban Design Guidelines. These guidelines are available at FORA’s website: [www.fora.org](http://www.fora.org).
- Design standards exist to protect the Highway 1 scenic corridor and site design must also consider views and urban design from neighboring CSUMB property. These design standards are available at <http://designfortord.org/>.
- Existing utilities will have to be upgraded. Future development will be required to pay development fees to FORA and infrastructure and public service fees to the Marina Coast Water District and to the City, as applicable.

### 3. Summary of Offering

The City of Seaside invites Developers/Development Teams, to submit their qualifications along with their responses to this RFQ/RFP. This RFQ/RFP is intended to result in the selection of a development team to undertake the planning, financing, marketing and development of prime property along Highway 1 between two major interchanges, in the Northern entryway to the Monterey Peninsula, on California’s Central Coast.

The City welcomes creative responses to this RFQ/RFP that best express the approach/qualifications/responses of the Developer/Development Team to create a quality commercial and mixed-use project. It is requested, however that the proposals clearly include the elements described in the format and order identified within this document. In general, lengthy responses and detailed development proposals are not desired. Refer to the Submittal Requirements of this document.

## DEVELOPMENT OBJECTIVES

**Contemporary Planning** - The City understands retail market conditions have changed significantly since the Specific Plan was created in 2008 and approved in 2010. The City still desires a significant retail component and a hotel for the site, but also desires a more sustainably mixed-use project, with walkability and connectivity to CSUMB's campus. Whereas the approved Specific Plan envisions an inwardly-focused "lifestyle center", solely reliant on cars to deliver customers, the successful development team will deliver a project mix that accommodates regional retail traffic and facilitates the commercial, office, hospitality and residential needs of a growing university.

**Development Entity** - The City is looking for a qualified Developer or Development Team to undertake the planning, permitting/entitlement, and development of this commercial property. The City prefers a Master Developer/Development Team, or an entity comprised of members of the land Developer/Development Team, who is also willing to commit to being the vertical project builder for the project.

**Timing** - The City desires that the Property be developed as soon as possible, consistent with market realities, requirements for entitlements, work necessary to create a satisfactory market setting, the conveyance schedule, and community goals.

**Financial/Other Objectives** - The City is seeking a commercial / mixed-use development that will be consistent with its City mission of economic revitalization and job creation. In addition, the City has certain financial/business objectives with respect to the subject property, such as receiving fair and reasonable compensation for the land. The City is also interested in assurances that the Developer/Development Team will advance all necessary funds and will assume primary responsibility for the implementation of required development and infrastructure needed at the property, including payment of required impact fees.

# 4. Developer/Development Team Submittal Requirements

The City welcomes a creative response to the RFQ/RFP in a format the developer believes best expresses the qualifications of the development team. It is required, however that the packages submitted clearly include the elements described in this section. In general, lengthy responses are not expected. In addition, detailed development proposals or graphical land use or architectural renderings are not required. However, the

teams' responses should be developed to clearly communicate the respondent's approach for developing Main Gate Project.

## THE FOLLOWING ARE THE RFQ/RFP SUBMITTAL REQUIREMENTS:

**Executive Summary.** An Executive Summary should identify the team members, highlight the team experience in projects of this size and type and outline the Development Team's objectives and approach to the development of this site. The summary should identify the person who will serve as the principal point of contact with the City and will be authorized to make representations on behalf of the entity.

**Objectives/Approach/Concept Plan.** This section should outline the Development Team's approach to developing the Main Gate Project and meeting the goals and objectives of the project as defined above and in the City General Plan.

An illustrative concept plan (or multiple concept plans, if desired) is required to allow the City to determine (i) whether the respondent generally understands the development considerations outlined in these planning documents as discussed in this RFQ/RFP, (ii) whether the developer can meet the City's policy goals and objectives contained in the City General Plan and FORA Reuse Plan and/or is proposing major deviations from these objectives; and (iii) whether the developer's approach to development is consistent with the City's desires for redevelopment of the Main Gate Project.

**Development Entity.** Development Teams will provide the roles and responsibilities of each proposed team member. The primary team member information should include company name; legal status; company or corporation number; company address including zip code; full names of company officers and their addresses, including zip code. Development Teams will also provide names and addresses of all categories of consultants to be included, such as architects, engineers, land use planners, contractors, real estate brokers, property managers, financial consultants, and financial institutions.

**Previous Development Experience.** Development Teams responding to this solicitation must demonstrate significant participation and success in developments, construction, and marketing projects of this type, inclusive of successful developments in close proximity to universities. Experience working with a public entity is desirable and should be featured as part of any response to this solicitation. Team experience with base reuse and related development is also desirable although not required. Submittal information on previous projects should include project description; project references; a statement regarding the duration of the development team's involvement and identification of principal team members and roles. (References for previous projects should include the principal investors/City representatives, roles and contact information including phone number).

**Marketing Experience and Marketing Approach to this Project.** Development Teams submitting under this solicitation must demonstrate significant experience in the marketing of a regional retail site. Descriptions of other similar projects successfully completed shall also be included. References must be provided and will be contacted. Additionally, the rationale behind the mix of commercial/retail uses and marketing base should be provided. The City desires to understand the underlying marketing approach and vision that the Developer/Development team sees for this site.

**Financial Capability To Implement Project.** Development Teams must submit credible current information regarding their financial capability to successfully pursue and complete the project on a timely basis. All such information will be handled with strict confidentiality and will only be used by members of the selection panel in the determination process. In addition to the references cited above, development teams must provide a listing of at least two banking references. References should include contact persons' phone numbers.

**Conceptual Development/Vision Plan for Project.** With regard to the project objectives set forth above, submittal responses must include the following:

Provide a conceptual development program, including an illustrative site plan, accompanied by a preliminary schedule for entitlements, land acquisition and construction for the finished project. The Development Concept should include a narrative, accompanied by simple graphic description, such as a conceptual / illustrative plan. While the City's expectation is that this western portion of the property will be transferred and available for development concurrent with the main parcel, development teams are requested to consider development under two options (at 60 acres for the entire site, or at 49.25 acres with this western portion as a potential future phase). Please refer to attached map to identify these parcels.

The City does not expect the submission and presentation of elaborate and detailed site planning and architectural renderings at this stage of the selection process. Simple concept plans or "bubble" plans are acceptable. While it is recognized that the development concept will evolve, the submittal should also include depictions or style boards of similar projects that convey the vision and key identify of the proposed project. The conceptual development program should be accompanied by photos of similar projects developed by members of the respondent's development team and/or development prototypes (including photos and summary data) developed by other entities, that the respondent envisions would be suitable to develop at the site.

Include a narrative that responds to the City primary objectives, including identification of those that are achievable and those that are problematic, and reasons why. The response should address any specific concerns relative to City/Agency's objectives, and whenever possible, include examples of how these concerns may be resolved.

The conceptual plan should address how the basic tenets of urban design can be met in your plan and how they may have been met in previous projects, particularly in regard to the design perspective from Highway 1 and from neighboring CSUMB.

The Plan should also address your approach to provide various site specific uses to help create a sense of place and vibrancy and make the Seaside Main Gate project a destination for City and regional residents and visitors. Describe how these types of uses have been incorporated and/or financed in other projects undertaken by your team.

As noted above, the City desires to understand the underlying marketing approach and vision that the Developer/Development team sees for this site.

## 5. Developer/Development Team Selection Criteria and Procedure

### DEVELOPMENT TEAM SELECTION PANEL

Responses to this RFQ/RFP will be reviewed and evaluated by the City's Development Team Selection Panel. The Panel will report to the City Council. The Selection Panel will be comprised of the City Manager, representation from the City Council as directed by the Council, and City, CSUMB and FORA staff members. In addition, the City anticipates contracting with a financial consultant for the project selection process. The City Council will make the final selection of the Master Developer for the site.

### SELECTION PROCESS

The City recognizes the time and expense that typically goes into preparing responses to public agency RFQ's and RFP's. Therefore, the City has designed a selection process to focus on the factors that the City will use to assess potential master developers and to manage the process so that the proposals are evaluated promptly. The selection process will include this initial RFQ/RFP submittal followed by a selection of a short list of developers. The purpose of the initial RFQ/RFP phase will be to identify a short list of developers who have the qualifications, experience, resources, and the necessary vision to develop Main Gate Project for the City. It is anticipated that 4 to 5 developers will be short listed although the final number short-listed will be the City's decision. After the short list stage, additional information will be requested of developers more specifically related to financial data as well as other information considered to be necessary by the City to make a qualified selection. After review of this data, the City Council will interview qualified candidates and make a selection. The specific components of the selection process are further discussed below.

In the first stage of the process, interested Development Teams will submit documentation in response to this RFQ/RFP. Written submittals delivered by the deadline will be reviewed and evaluated based on the Evaluation Criteria for Qualifications included herein.

During the second stage, members of the City's selection panel will evaluate the submittals. At their discretion, they may contact references and industry sources, investigate previous projects and current commitments, interview some or all of the references, visit some or all of the developments cited in the submittals, and take any other information into account in their evaluation of the responses. The City also reserves the right to request clarification or additional information from respondents. Based on their evaluations, a list of the best-qualified Development Teams ("short list") will be selected by a City Selection Panel.

In the final stage, the City will submit a request for additional information to those selected for the "short list" of Development Teams. The purpose of this phase is to provide more specific information regarding their approach, plan and financing for the proposed development of the Main Gate Project. This stage is intended to give the developer an opportunity to provide a realistic framework for its approach to the reuse and redevelopment of Main Gate Project as well as an opportunity for the short-listed developers to provide a proposed financial structure for redevelopment of the property. These responses will address the development objectives for the Main Gate Project, City business objectives, the developer's financial and management commitment, and site specific and community development issues. After review of the additional RFP materials by the City Selection Panel, those best-qualified Development Teams will be invited to an interview with the City Council and City Selection Panel.

After the interviews, one Development Team may be awarded the right to enter into an Exclusive Negotiation Rights Agreement (ENRA) with the City. The selected development team and City will develop a Memorandum of Understanding outlining the business terms proposed for the ENRA. During the term of the ENRA, the City and the development team will negotiate for preparation of a Disposition and Development Agreement (DDA).

Criteria for selecting the successful development team follows on the next page.



## OUTLINE OF DEVELOPMENT TEAM SELECTION CRITERIA

- Demonstrated experience of the Development Team and its members in the successful redevelopment, operation and economic performance of commercial developments of comparable size, scale and complexity.
- Demonstrated ability of the Development Team to implement projects of comparable size and scope in a timely manner. Ability to move quickly through the process to building and leasing.
- Proposed conceptual vision for the site and demonstration in the conceptual planning of understanding of meeting the City's planning objectives for the Seaside Main Gate Project.
- The Development Team's proven financial capability to develop and complete projects of a comparable size.
- Ability to attract a mix of national, regional and local tenants. Demonstrated understanding of the market through the identification of tenant mix and market knowledge presented in the response.
- The quality of the urban design aspects of the previous projects by Development Teams. Consideration of the design elements of the neighboring University property as well as design features visible from Highway 1.
- Experience in working with the public sector in public/private real estate development projects as well as experience in military base reuse development is desirable. Experience working with a public or quasi-public entity is also desirable and should be featured as part of any response to this solicitation.
- Establishment of clear lines of responsibility within the Development Team on which the City can rely during project negotiations and implementation.
- Understanding of the regulatory approval process, as reflected in the experience of the development team and its advisors and consultants, and the team's expectations of project schedule.
- Other factors as appropriate.

## SCHEDULE FOR DEVELOPER SELECTION

The following is a schedule for the selection process:

Release of RFQ/RFP August 29, 2016

**Pre-Submittal Meeting October 10, 2016**

**Interested Development Teams will have the opportunity to attend a pre-submittal meeting on Monday, October 10, 2016 at 10:00 AM.** The meeting will be held at the City Hall of the City of Seaside, 440 Harcourt Avenue, Seaside California. All interested Development Teams are strongly encouraged to register for and attend the pre-submittal meeting. A tour of the site will follow the meeting. City staff will not be available for individual tours although the site is highly accessible and available for inspection on an individual basis.

**Submittal Deadline December 5, 2016 10:00 AM**

### **8 Copies Of All Material Submitted Are Required**

Selection Panel Review of Submittals/Short listing **December, 2016**

Request for Additional Materials to Short-listed Developers **December, 2016**

Response To Additional Material Request **January, 2017**

City Council Presentations/Developer Selection **February, 2017**

## CITY PLANNING PROCESS

Seaside is actively looking to develop this property and will work cooperatively with the selected Development Team toward project realization. The general major planning actions anticipated with future development of the site include preparation of Specific Plan and EIR, adoption of the Specific Plan by the City, FORA Consistency Determination and City approvals for entitlements.

# 6. Additional Property Information

The previously approved Specific Plan is available at: <http://www.ci.seaside.ca.us/documentcenter/view/1610>

Eight copies of this RFQ/RFP must be submitted by 10:00 AM on December 5, 2016 to:

**Seaside Main Gate Developer Selection Committee**

**c/o City Manager Craig Malin**

**440 Harcourt Avenue**

**Seaside, California 93955**

Refer to Conditions of Request included as an attachment to this RFQ/RFP for additional requirements for submittal, including fee requirements and other conditions.



# WAIVER AND CONDITIONS OF REQUEST

## WAIVER

- ✓ Waiver: The City of Seaside reserves the right to select a limited number of proposals for interviews or to select without conducting interviews. The City reserves the right to disqualify any submission which does not completely comply with the submission requirements. The City reserves the right to reject any and all submissions at its sole and absolute discretion. Developers assume the total cost for submitting a response to this Request.
- ✓ By submitting a response to the RFQ/RFP, each respondent expressly waives any and all rights that it may have to object to, protest or judicially challenge the following:

The site inspection;

The Solicitation, including, but not limited to the Conditions of the Request and Selection Procedure sections of the RFQ/RFP; and The RFP evaluation and award process, including but not limited to the qualifications of the Developers/Development Teams, evaluation of initial proposals, selection of finalists, evaluation of responses to the RFQ/RFP, or other aspects of the Developer/Development Team selection and award.

## CONDITIONS OF REQUEST

- ✓ It should be noted that it is the City's policy to implement a full cost recovery program for costs associated with the development of Seaside Main Gate Commercial Project, including the period from the issuance of this RFP/RFQ to the execution of the DDA, and the subsequent processing that enables its implementation.
- ✓ This RFQ/RFP is not a contract or a commitment of any kind by the City of Seaside or its Redevelopment Agency Successor and does not commit the City nor Successor to award an exclusive development option or to pay any cost incurred in the submission of a response. The City, at its sole discretion, reserves the right to accept or reject in whole or in part, submittals received in response to this request, to negotiate with any qualified source, or to cancel in whole or in part this RFQ/RFP. Failure to provide any of the requested data within the specified submission period may cause the City, at its sole discretion, to reject the submittal or require the data to be submitted forthwith.

- ✓ All submitted materials in response to the RFQ/RFP shall remain valid for a period of six months from the date of submission. The RFP will become the property of the City and will become public documents. Documents will become public if and when they are submitted to any advisory body reporting to the City Council, or a legislative public body.
- ✓ The qualifications of the Developer/each member of the Development Team are important criteria in the selection process. After selection, the Developer/Development Team will not be allowed to substitute any members of the Developer/Development Team without prior approval by the City. The City, at its sole discretion, reserves the right to accept or reject proposed changes to the development team.
- ✓ All facts and opinions stated within this RFQ/RFP and in all supporting documents and data, including, but not limited to, statistical and economic data and projections, and anticipated dates of land conveyance, are based on the best available information from a variety of sources at this time. No representation or warranty is made with respect thereto. The selected Developer/Development Team will be responsible for accepting or verifying the accuracy for all information presented herein and conducting all feasibility analyses required to undertaking the development.
- ✓ In the interest of a fair, equitable selection process, Developers/Development Teams shall not have or obtain any prohibited conflicts of interest. City reserves the right to require the Developer to provide information regarding such conflicts should it appear to City that such conflict may exist.
- ✓ Submitted proposals must comply with all existing legal commitments to third parties, which have previously been entered into by the City of Seaside and/or FORA relative to the Property.
- ✓ All information submitted by the respondents in regards to this RFQ/RFP will become the property of the City and will become public documents. Respondents can request that information they believe to be proprietary in nature remain confidential; however, the City has sole discretion over this matter. All materials deemed confidential or proprietary by the respondents can be marked "confidential" and separately submitted to the City's financial consultant. The City's consultant will review the documents and convey its conclusions regarding the documents in a manner that will seek to maintain their confidentiality. However, given the uncertainty of Public Record Law; the City, its Consultants, Attorneys, etc. will be held harmless in case of disclosure, required, accidental or otherwise.
- ✓ No real estate commissions or other fees will be paid.