

Parcel Group 6: Carlos Bee Quarry



**Route 238 Corridor Lands Development** 

# **Executive Summary**

## **Opportunity**

The City of Hayward is offering approximately 30 acres of vacant land in the Hayward Hills for purchase and development of a variety of townhome, multi-family, and student housing product types. This site, known as Parcel Group 6: Carlos Bee Quarry is a single parcel bound by Highland Blvd. to the north, Carlos Bee Blvd. to the south, existing residential development to the west and a PG&E utility corridor to the east.

The developed Carlos Bee Quarry neighborhood shall utilize the existing General Plan and Zoning designations to develop a neighborhood with relatively high densities and intensities to create a walkable neighborhood with complete streets. The neighborhood will provide open space and park amenities that take advantage of approximately 12.25 acres of passive open space that includes undeveloped areas, and land set aside to preserve riparian areas and protect steep slopes. The neighborhood will have a minimum 1.5-acre park as well as a new segment of the Hayward Foothill Trail. Small scale retail or commercial spaces may be included.

To provide developers with a level of certainty, the City Council approved a Master Site Plan entitlement which outlines the preferred use for this site.

The City seeks to select a qualified, developer or development team to form a public/private partnership with the City for the development of this site.

#### **Selection Process**

The City will select a developer based on the selection criteria detailed in this Request for Proposals (RFP) along with the results of the City's due diligence and reference checks.

The selected developer will be required to make a non-refundable deposit of \$10,000 for the exclusive right to negotiate with the City for Parcel Group 6. The form of this agreement can be found in the Document Library.

The developer will also be required to execute a Reimbursement Agreement under which the developer will be required to reimburse the City for costs incurred by the City that are related to the City's disposition of Parcel Group 6. The developer shall deposit with the City \$40,000 for the City's related costs and will replenish the deposit, if necessary, as well as be reimbursed for any unused portion. The form of this agreement is can be found in Document Library.

## **Important Dates**

#### MANDATORY PRE-SUBMITTAL MEETINGS

Thursday, December 12, 2019

9:00 to 10:30 AM Conference Room 2A 777 B Street Hayward, CA 94541

#### Thursday, January 9, 2020

9:30-10:30 AM Conference Room 2A 777 B Street Hayward, CA 94541

#### PROPOSAL DUE DATE

Seven (7) hard copies and one electronic PDF copy of your proposal are due at 4:00pm on **Thursday, January 30, 2020** clearly marked with "Parcel Group 6—Carlos Bee Quarry Proposal." Responses must be delivered via mail or hand delivery to:

Jennifer Ott
Deputy City Manager
Route 238 Corridor Lands Development
City of Hayward
777 B Street, 4th Floor CMO
Hayward, CA 94541

## **Staff Contacts**

This process will be managed by the following City Staff:

Jennifer Ott
Deputy City Manager
Jennifer.Ott@Hayward-ca.gov

Please contact Jennifer Ott at <u>Jennifer.Ott@hayward-ca.gov</u> with any written questions regarding to this RFP. The City's responses to these questions will be shared with all participants that have provided written confirmation of their intent to submit to Jennifer Ott at the email address provided above.

# **Background**

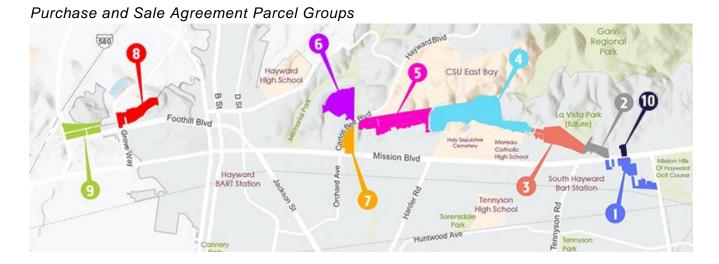
## **About the City of Hayward**

Comprising 45 square miles, the City of Hayward is an economically and ethnically diverse city of approximately 160,000 residents known as the "Heart of the Bay" because of its location at the juncture of an extensive network of freeways (I-880, I-580, SR 92), two BART stations, numerous AC Transit bus lines, an Amtrak station and its own Hayward Executive Airport. The City is centrally situated in Alameda County – 25 miles southeast of San Francisco, 14 miles south of Oakland, 26 miles north of San Jose, and 10 miles west of the valley communities surrounding Pleasanton with easy access to San Francisco, Oakland, and San Jose international airports as well as Silicon Valley.

## **About the Route 238 Corridor Lands**

In the mid-1960s, the California State Department of Transportation (Caltrans) purchased more than 400 parcels of property for construction of a 14-mile Route 238 Corridor Bypass Freeway to run through the City and parts of unincorporated Alameda County. Due to opposition to the project, Caltrans abandoned the freeway plan. In January 2016, the City entered into a Purchase and Sale Agreement with Caltrans to manage the disposition and development of former right of way for the now defunct Route 238 Bypass. This land is divided into 10 Parcel Groups that must be disposed of by 2022. Two Parcel Groups have sold (i.e., Parcels 1 and 10) and five are under exclusive negotiation agreements (i.e., Parcels 2, 3, 4, 5 and 7). The remaining three, including Parcel Group 6, will be disposed of by the City via a request for proposals.

The larger public purpose of this project is to ensure the productive development of vacant land in a manner that maximizes land value while balancing the desires and need for amenities for the surrounding neighborhood and larger community. The land sale proceeds from this project will be used to fund public benefits.



# **Development Vision & Opportunity**

Since 2017, the City has been preparing a Master Development Plan (MDP) that captures the development visions of the City Council and the Hayward community for the development of approximately 30 acres of vacant land in the Hayward Hills. On November 5, 2019, the City Council approved the MDP. A copy of this MDP is available in the Document Library.

Additionally, the City Council has certified an Addendum to the City's 2040 General Plan Environmental Impact Report (GP EIR). This Addendum assumes a maximum of 500 townhome & multi-family residential units and 500 student beds/125 student units (assuming quad-style units). The City will allow some flexibility in the distribution of these units as long as they conform with the certified Addendum to the General Plan Environmental Impact Report (GP EIR), which can be found in the Document Library.

Pursuant to the adopted MDP, the development of Parcel Group 6 shall take advantage of its Sustainable Mixed-Use (SMU) General Plan and zoning designations to create a dense and sustainable residential neighborhood. The development should consist of a mix of residential product types such as townhomes, multifamily apartments, condominiums, and student housing. The project **must** be consistent with the General Plan and zoning ordinance and include a minimum of 125 units of privately financed, dedicated student housing. Final entitlements shall allow for the potential for some neighborhood servicing commercial/retail or community space no larger than 10,000sf.

The new neighborhood will provide open space and park amenities that take advantage of approximately 12 acres of passive open space of preserved riparian areas and steep slopes. The neighborhood will have a minimum of 1.5 acres or more of public parks within the developed area, as well as a new segment of the Hayward Foothill Trail.

The neighborhood will be serviced by two points of access via Overlook Avenue and a new signalized intersection at Carlos Bee Blvd. The selected developer will be required to construct these necessary points of ingress and egress.

The City recognizes that sustainable mixed-use developments can contribute in a positive way to a community in reducing the number of car trips necessary. The new neighborhood will help achieve this through a development financed transportation demand management plan. The selected developer will be required to provide privately or partner with CSUEB to provide transit services to Downtown Hayward, Hayward BART, and other AC Transit connections.

Future developers shall utilize the existing General Plan and Zoning Designations. The City will not entertain any General Plan amendments, changes in use, and density.

## **Status of Ownership and Conveyance**

The City currently owns Parcel Group 6 via Director's Deed Grant number DD-033529-01-01 pursuant to the Purchase and Sale Agreement between the City and Caltrans. This includes Assessor Parcel Number (APN) 445-0180-001-00. Copies of the deeds are included in the Document Library

#### **Environmental Clearance and Entitlements**

The City Council certified an addendum to the GP EIR, clearing the MDP at a project level. The remaining City entitlements for the development of Parcel Group 6 include:

- Site Plan Review
- Tentative Map
- Final Map

The Mitigation Monitoring and Reporting Program (MMRP) for the addendum to the GP EIR can be found in the Document Library.

## **Biological Resources**

Vegetation within Parcel Group 6 generally consists of sparse seasonal grasses with scattered trees and brush. The center of the site is barren due to past quarry operations; however, a drainage area with riparian forest boarders the northern side of the site. Another small area of exotic woodland is located near the northeastern corner of the site. Large blue gum trees are located on the steep slopes that form the sites boarder to the west. The Addendum to the GP EIR adequately evaluated the biological resources impacts of the MDP and determined that potential impacts would be less-than significant and additional mitigation is not required. More information regarding these biological resources can be found in the Document Library.

## Infrastructure and Utilities

Parcel Group 6 is vacant and contains limited site servicing roadway and utility infrastructure. Other than a 6" water main and a 200-foot wide PG&E overhead easement to the south, there are no public utility easements within the parcel. New development will be required to install new roadway and utility infrastructure, including a new signalized intersection at Carlos Bee Blvd. An engineer's estimate of the infrastructure and utility improvements needed for the site can be found in the Document Library. These estimates are for information only and developers are encouraged to conduct their own due diligence of the property to determine infrastructure and utility cost estimates.

# **Development Requirements**

There are several development requirements that the developer will need to meet in addition to any applicable regulatory requirements. For Parcel Group 6, they involve the following requirements:

## **Planning Requirements**

Future development will be consistent with the existing 2014 General Plan and will be able to rely on the GP EIR Addendum for the proposed project presented in the MDP for any subsequent approvals. The City will not entertain any General Plan amendments or zoning changes.

The current General Plan and Zoning designations of Sustainable Mixed Use allow for higher density development (25-55 du. ac) within Parcel Group 6.

#### Diversity in Residential Product Type

Given the permissive land use designations, the City highly encourages any development to provide a diversity and mix in residential product types. If feasible, future development may also include neighborhood servicing commercial/retail up to 10,000sf.

#### Student Housing

This site is located approximately 2,000 feet from the campus of CSUEB, a university that is struggling to house its students. Any development on this property shall include a minimum of 150 units of student housing. This development shall remain privately owned by the developer or their student housing partner.

## Development Characteristics

The new neighborhood shall be designed to blend in with the surrounding environment, to maximize bay views, and to minimize impacts to the adjacent existing neighborhood. Taking advantage of the Sustainable Mixed-Use zoning, development will be denser than surrounding neighborhoods. Furthermore, the development shall strive for sustainability elements and an aggressive transportation demand management program. The development must utilize wildfire defensible landscaping where possible.

In determining appropriate creek/riparian setbacks, the selected developer will also be required to comply with Alameda County Flood Control District's criteria for developments along a watercourse to the extent feasible and approved by the City's Public Works Department. Additionally, the developer shall work with the City to determine appropriate creek restoration activities.

## 238 Foothill Trail and Parkland Dedication Requirements

Parcel Group 6 is within the Hayward Foothill Trail Special Design District (SD-7). This district requires the establishment of a continuous trail through all of the Route 238 Corridor Lands Parcel Groups as outlined in HMC Section 10-1.2640. The trail location will require approval by the City and the Hayward Area Recreation and Park District (HARD).

The developer will be responsible for constructing a trail loop within Parcel Group 6 and connecting the trail to Parcel Group 5. Connections to these trails may be done via existing sidewalks on Carlos Bee Blvd.

Additionally, the developer shall construct and deed to the City at a minimum a new 1.5-acre neighborhood park. The park design and programming will require approval by the City and the Hayward Area Recreation and Park District (HARD)

The developer will be required to dedicate land or pay an in-lieu fee for creation of parkland (See Section 10-16-00 of the Municipal Code). Developments under 50 units may pay the fee, developments above 50 may dedicate land, pay the fee or a combination of both, at the City's discretion. The amount of land or fee required varies depending on unit type, shown in Table 2.

Table 1 - Parkland Dedication Requirements

Unit Type	In-Lieu Fee/Unit	Land Dedication/Unit (Square Feet)
Single Family Detached	\$11,953	748
Single Family Attached	\$11,395	713
Multi-Family	\$9,653	604

The City is conducting an update to its fee schedule and it is possible the in-lieu fees set forth in Table 2 will increase.

## **Homeowners Association and Special Assessments**

The City will require the future HOA to include in its Covenants, Conditions, and Restrictions (CC&Rs) to provide adequate regulation of on-street parking, as well as for the on-going security and monitoring of the new neighborhood.

The City will require the future development to levy a property-based assessment, fee or special tax via Homeowner's Association (HOA), Landscape and Lighting District (LLD), or other mechanism to provide funding for the on-going maintenance and protection of the Hayward Foothill Trail segment and neighborhood park and the operations of the TDM program and transit service to BART.

## **Affordable Housing Requirements**

In November 2017, the City Council passed an update to the Affordable Housing Ordinance (AHO). The AHO applies to all residential development projects consisting of two or more dwelling units. For Parcel Group 6, the selected developer will be required to satisfy these AHO requirements through the construction of on-site affordable units. On-site requirements for affordable units in ownership residential projects is 10% of the total number of dwelling units. For rental residential projects this percentage is 6%. A copy of the AHO can be found in the Document Library.

## **Green Development**

The City is committed to building a sustainable future. The developer will incorporate green building and landscaping elements in the proposed project. Pursuant to the Hayward General Plan's Green Building and Landscaping Requirements (LU-1.8) the development shall:

- Reduce the use of energy, water, and natural resources
- Minimize the long-term maintenance and utility expenses of infrastructure, buildings and properties
- Create healthy indoor environments to promote the health and productivity of residents, workers, and visitors
- Encourage the use of durable, sustainably-sourced, and/or recycled building materials
- Reduce landfill waste by promoting practices that reduce, reuse and recycle solid waste

Additionally, all units must comply with the California Building Standards Commission's new requirement to make all new homes solar powered. This can be accomplished either by installing solar panels on new homes or through constructing a solar power system to serve the new development.

## **Infrastructure Upgrades**

The developer will be required to construct all of the necessary water, stormwater, sewer, and street improvements to serve the new development.

Proposed developments shall not include gas utilities (electric only) to promote a more sustainable project.

Additionally, the developer is required to construct a new access point via a signalized intersection at Carlos Bee Blvd. through the current PG&E easement. Additional traffic circulation, safety and engineering analysis will be required to complete this work.

Currently the estimated cost of these improvements is \$9,520,000. An outline of the anticipated infrastructure requirements is presented in the MDP and an estimate of the associated costs can be found in the Document Library. These cost estimates are for information purposes only and the developer will be responsible for developing and verifying their own infrastructure cost estimates.

The developer will also be responsible for contributing their pro rata share of the traffic mitigation improvements as outlined in the Addendum to the GP EIR.

## **Transportation Demand Management (TDM)**

In keeping with the goals of the Sustainable Mixed-Use General Plan Designation, any development within Parcel Group 6 will require a robust Transportation Demand Management (TDM) Plan. The plan must detail strategies on how the development will promote walking, biking, and taking transit to reduce trips in single occupied vehicles. A minimum of 10% trip reduction is required for this development.

TDM plans must also include transit access to Downtown Hayward and Hayward BART. This may be accomplished through partnerships with CSUEB and/or AC Transit. Car share, electric bike share, and free transit passes for residents are examples of additional TDM strategies the City expects from this development. Lastly, the TDM plan must include strict on-street parking regulations, enforcement, and address any potential spillover impacts to the adjacent neighborhoods.

## **Hayward Resident Priority Preference Plan**

Properties developed as a part of the Route 238 Corridor Lands Development project shall include a priority preference for Hayward residents to purchase or lease unit in instances where all other financial considerations are equal.

To meet this requirement, the developer must propose a Hayward Resident Priority Preference Plan for the leasing and sale of housing units in their development, pursuant to applicable state and federal Fair Housing laws.

#### Additional Considerations

For further discussion on the development requirements of the MDP and RFP, proposers are strongly encouraged to watch the Planning Commission and City Council work sessions and public hearings on this Parcel Group. Links to these videos can be found at <a href="https://www.hayward-ca.gov/pg6">www.hayward-ca.gov/pg6</a>.

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# **Transaction Process**

The City will enter into an Exclusive Negotiation Agreement (ENA) with the selected developer. The negotiating period shall be eighteen (18) months resulting in an approved Disposition and Development Agreement (DDA) (i.e. price and terms of payment for land and development obligations). The developer may extend this negotiating period by 90 days no more than twice. Each extension must include written notice as well as an additional non-refundable cash deposit of \$10,000 which shall be credited towards any purchase price resulting from an executed DDA.

The ENA prohibits any assignments or transfers of the rights under the ENA to another developer and limits the City's obligations to negotiating exclusively the terms of the DDA with each developer and to considering approval of the development application. There are no obligations to approve the DDA or development application.

The City will determine the method and timing of conveyance during the negotiations of a DDA. Any conveyance shall meet the terms and conditions precedent to close including but not limited to financing, tentative map, construction contracts, and others as determined by the City.

The developer will be required to deposit \$10,000 for the exclusive right to negotiate with the City for this Parcel Group. In the event the developer and City enter into a DDA, this Initial Deposit shall be credited against any cash purchase price of said Parcel Group. Additionally, the developer will be required to execute a Reimbursement Agreement under which the developer will be required to reimburse the City for costs incurred by the City that are related to negotiations for the disposition of this Parcel Group. The developer shall deposit with the City \$40,000 for said costs and will be reimbursed for any unused portion.

A form of the ENA and Reimbursement Agreement can be found in the exhibits to this RFP.

## **Role of Developer**

The developer will become the City's private development partner and maintain primary responsibility for the following aspects of development of Parcel Group 6:

- 1. Establishing a fair, effective, and collaborative partnership with the City and Hayward community.
- 2. Proposing and negotiating a DDA Term Sheet with the City, based on the response to this RFP, to attach to the ENA immediately following selection of developer.
- 3. Negotiating and obtaining approval of a DDA for Parcel Group 6 with the City during the ENA process.
- 4. Preparing and obtaining approval of a site plan and TDM Plan for Parcel Group 6 during the ENA process, tentative and final map, and any other required entitlements during the DDA process and prior to closing.
- 5. Designing, permitting, and constructing infrastructure, landscape and buildings during the DDA process, including obtaining site improvement, design review, and building permit approval from the City and other relevant public agencies.
- 6. Obtaining financing for the predevelopment, infrastructure, and development process.

## **Role of City**

The City will maintain primary responsibility for the following aspects of development of Parcel Group 6:

- 1. Negotiating a DDA Term Sheet with the developer to attach to the ENA.
- 2. Negotiating exclusively and in good faith with the developer regarding a DDA for Parcel Group 6 during the ENA process.
- 3. Actively participating in the preparation of the site plan and TDM Plan by developer and consider approval of the site plan and TDM Plan during the ENA process.

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# **Submission Requirements**

#### **Section 1: Cover Letter**

Submit a cover letter that introduces the development team and highlights the proposed project concept.

## **Section 2: Statement of Qualifications**

#### **Description of Project Team**

Identification of the development entity's:

- Name, street address, mailing address, telephone number, facsimile number, and email address.
- Legal form of the organization (e.g., corporation, partnership, joint venture, other), and identify development entities comprising the development organization and persons with the authority to represent and make legally binding commitments for the development entity.
- Principal point of contact and relevant experience.
- Members of the development team including architects, engineers, contractors, financial or equity partners, lenders, and any known participating developer entities.
- Resumes outlining the relevant experience for each team member.
  - At least one team principal must have a minimum of ten (10) years of experience in real estate development

#### Relevant Development Experience

List and description of at least three (3) development projects highlighting the development entity's experience in developing and managing comparable development projects in California, with emphasis on the following:

- The precise role that the entity and principals of the entity played in each project's development.
- Project description, including dates of commencement/completion, location, concept, land uses, size and cost.
- Financial structure of the project, including amount and source of equity and debt financing.
  - Please provide specific information on sources of pre-development funds, construction financing, long-term financing, equity funding or financing, or other working capital.
- Architecture, landscape design and photographs of projects.
- Experience with the implementation of affordable housing requirements pursuant to inclusionary housing requirements.
  - Include a discussion on how the requirements were met and who on the development team has experience in this area.
- Experience with the development and implementation of Transportation Demand Management Programs.
- Experience with infrastructure development.
- Length of time to complete such projects.

- Public/private ventures, including experience working with California local government entities.
- Experience developing student housing in the University of California or California State University System.
- · Lessons learned; and,
- Contact information for references for each project discussed.

## **Section 3: Conceptual Proposal**

#### Project Understanding and Approach

Describe your understanding of Parcel Group 6 and your approach to meeting the City's goals and objectives outlined in this RFP and MDP.

#### Proposed Development Concept

All proposals should include a written description of the proposed development concept, including layout, size, key design elements and materials, scale of development (number and type of residential units, including affordable units, and the amount of area devoted to trails and open space), and information describing the proposed character and quality of the development. Applicants should discuss how the developer plans to meet each of the development requirements described above. The narrative should also include a description of the affordable housing, open space dedication, and agreement with the DDA requirement to create a financing mechanism for trail maintenance, TDM operations, and geological hazard abatement.

Proposals must include sections covering how the developer will satisfy the Development Requirements identified in this RFP.

#### Community Outreach and Engagement Plan

Describe how you will engage the surrounding neighborhoods and Hayward community throughout the development process.

#### **Graphic Illustrations and Elevations**

All proposals should provide graphic illustrations of the proposed development, consisting of preliminary site plans, and sample elevations from comparable projects. Graphics should also depict auto and pedestrian circulation patterns, landscaped areas and recreation/public areas. If construction of the development will be phased, please provide a phasing plan graphically.

All drawings should be submitted in 11 x 17-inch format.

## **Section 4: Review of Bayview Concept**

Submit a project understanding and impact statement regarding the feasibility of developing the Bayview concept as presented in a separate Bayview Village Proposal document prepared by the Hayward Area Planning Association that accompanies this RFP, with more information provided in the Document Library. Please address overall impressions, opportunities, constraints, and financial feasibility of the Bayview Village concept.

# Section 5: Preliminary Financing Plan, Pro Forma Analysis & Purchase Offer

The proposals must include an estimate of total project development revenues and costs, and a preliminary pro forma analysis of net income expected, including an unleveraged internal rate of return calculation. Additionally, proposals should include a preliminary financial plan and a statement of market conditions for the proposed project in order to establish and justify the developer's pro forma and cash flow assumptions. The anticipated sales price range or, if applicable, rental cost range for residential units should be included.

Proposals should contain the developer's proposed purchase price for acquisition of the Site from the City.

Please state any impact of the Hayward Resident Priority Preference Plan on the overall purchase price.

## **Section 6: Financial Capacity of Developer**

Proposals should provide evidence that the development entity has the financial capacity to carry out the proposed project, and should include the following information:

- Financial statements of the most recent calendar or fiscal year, for the development entity or for each of the principal parties (in the case of a company formed specifically for the project).
- Letters from the developer's lenders attesting to the developer's capacity to undertake this project, including the available capacity of lines of credit.
- List and explain any litigation or disputes that the development entity, or any named individual in the proposed project, is involved in that could result in a financial settlement having a materially adverse effect on the ability to execute this project.
- List of all projects that the development entity is currently involved in and highlight those that are located within Parcel Group 6's market area.
- State whether the development entity, or any of the named individuals in the proposed project, ever filed for bankruptcy or had projects that have been foreclosed.
   If yes, please list the dates and circumstances.

Any confidential financial information shall be submitted in an envelope labeled "CONFIDENTIAL FINANCIAL INFORMATION" that will be provided to the City's economic consultant for review and evaluation.

## **Section 7: Anticipated Schedule of Performance**

Provide a timeline showing projected start-dates and completion-dates for developer due diligence and all major design and site planning activities, including use and design approvals, completion of construction drawings and building permits, property acquisition, and start and completion of construction.

## **Section 8: Acceptance of Conditions**

By submitting a response to this Request for Proposals, the developer acknowledges and accepts all rules and conditions specified in this RFP.

# **Submittal Timeline**

#### Release of RFP

Copies of this RFP will be released on **Thursday**, **November 21**, **2020** and will be available at www.hayward-ca.gov/PG6.

## **Pre-submittal meetings**

The City will hold two pre-submittal meetings:

Thursday, December 12, 2019

9:00 to 10:30 AM Conference Room 2A 777 B Street Hayward, CA 94541

Thursday, January 9, 2020

9:30-10:30 AM Conference Room 2A 777 B Street Hayward, CA 94541

#### **Submittal Date and Location**

Seven (7) hard copies and one electronic PDF copy of your proposal are due at 4:00pm on **Thursday**, **January 30**, **2020** clearly marked with "Parcel Group 6—{developer's Name} Proposal." Responses must be delivered via mail or hand delivery to:

Jennifer Ott
Deputy City Manager
Route 238 Corridor Lands Development
City of Hayward
777 B Street
Hayward, CA 94541

Please contact Jennifer Ott at <u>Jennifer.Ott@hayward-ca.gov</u> with any written questions regarding to this RFP. The City's responses to these questions will be shared with all participants that have provided written confirmation of their intent to submit to Jennifer Ott at the email address provided above.

# Proposal Review, Evaluation, and Selection

## **Tentative Review Timeline**

## Review of Responses—February 2020

Responses to this RFP will be reviewed and evaluated by a team of staff according to the criteria outlined below.

#### Interviews of Short List—February 2020

A short list of developers will be invited to participate in an interview with a panel of City staff. Staff is tentatively holding February 26, 2020 for interviews of the selected short list of developers. Please reserve these dates in the event your team is short-listed.

#### Recommendation & ENA Authorization—March 2020

Staff will return to the City Council for a public hearing for the approval of an ENA with the preferred developer for Parcel Group 6. This will include the final, negotiated Term Sheet.

#### **Selection Criteria**

Evaluation of proposals will focus on the capability of the respondent, the strength of the proposed development concept, and the price offered for the Parcel Group.

The criteria below will be used to assess the responsiveness of each proposal. The City reserves the right to utilize any other relevant criterion as determined by the City.

#### **Developer Experience**

- Technical capability and relevant experience of the project management team;
- Experience with complex projects that include public land acquisition, disposition and development agreements, infrastructure development construction and management.
- Sufficient staff and consultant resources to deliver the project.
- Track record of local hiring and participation of locally owned businesses in development projects.
- Demonstrated ability to solicit and incorporate stakeholder feedback from community organizations, businesses and residents.
- Demonstrated experience in incorporating green building standards and TDM into design and operation of a project.
- Demonstrated experience of working successfully with public entities.

#### **Project Approach and Concept**

- Conceptual plan and project description setting forth the proposed uses, layout of structures and circulation (pedestrian and vehicular), and location and treatment of open space.
- Consistency of the proposed project concept with the MDP and development performance standards described above.
- Fit and synergies of the proposed buildings and uses with surrounding land uses and City vision expressed in the General Plan and MDP.
- Any other public benefits Respondent is offering as part of the proposal.

 How the proposed project will further one or more economic opportunities under SB 470.

#### Feasibility

Demonstrate the likelihood of respondent and proposed concept meeting the City objectives in an expedient manner.

- Evidence of financial capacity, resources, and relationships, and clear corporate/organizational structure;
- Probability of obtaining necessary approvals based on the project's design, density and regulatory constraints.
- Cash flow projections that demonstrate the project, once operational, will meet all debt service or other operation expense obligations.

Staff will be evaluating proposals along with the results of the City's due diligence and reference checks.

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# **Disclosures and Reservations**

#### **Disclosures**

The information contained in this RFP regarding the development site is believed to reliable; however, interested parties should rely on their own experts to verify site conditions. The City makes no warranties relating to this property, including its fitness for any particular use. All information provided in this RFP, in any subsequent response to inquiries, in any of the attached exhibits, is provided for convenience and should not be independently relied upon in evaluating the property subject to this RFP.

All proposals submitted to the City are subject to public disclosure. A record shall not be withheld from disclosure unless it is clearly exempt under applicable laws, or unless the public interest is served by not making the record public clearly outweighs the public interest serviced by disclosure of the record. The City, in accordance with Government Code Section 6250-6270, has ten (10) days to respond to any request for public documents by indicating whether or not the documents exist and will be made available. Materials submitted that may be confidential in nature should be labeled as such. The City will attempt to maintain the confidentiality of materials, namely financial information, to the extent permitted by law.

Any sale of the property mentioned herein will be "AS IS", "WHERE IS", and with all faults. The DDA will include standard City requirements concerning disposition, including but not limited to a requirement that the developer release the City from claims associated with the Property and indemnify the City and related entities and persons for all environmental and other claims arising from or related to the Property or the DDA.

## **City Reservations**

The City reserves the right to select the proposal, which, in its sole judgment, best meets, the needs of the City. The highest proposed purchase price will not be the sole criterion for recommending the selection for negotiations. The recommended selection of the evaluation committee is final and subject only to review and final approval by the City Manager and the City Council.

The City reserves the right to reject any or all proposals and to waive technicalities and informalities when such waiver is determined by the City to be in the City's best interest. The City reserves the right to retain all accepted proposals, including proprietary documentation; regardless of which proposal is selected. No proposals will be returned to proposers.

The City reserves the right to request any supplementary information it deems necessary to evaluate proposer's experience or qualifications. This may include supplemental financial information, additional interview(s), and/or additional presentation by the proposer.

The City reserves the right to reconsider any proposal submitted at any stage of the procurement. It also reserves the right to meet with select proposers at any time to gather additional information. Furthermore, the City reserves the right to delete or add functionality (i.e., modules and components) until the signing of a DDA.

The City reserves the right to cancel, in part or in its entirety, this RFP, including, but not limited to: selection schedule, submittal date, and submittal requirements. If the City cancels or revises this RFP, the City will notify all proposers in writing.

The City reserves the right to revise the RFP prior to the date that proposals are due.

The City will communicate changes through addendum to this RFP. All registered proposers will be notified of revisions to the RFP. The City reserves the right to extend the date by which the proposals are due.

The City reserves the right to split any offer of this property between multiple proposals when such split award is determined to be in the best interests of the City.

The City reserves the right, in its sole discretion, to reject any and all proposals and to waive informalities and irregularities in any proposals received. Failure to furnish all information requested or to follow the format requested herein may disqualify the proposer, in the sole discretion of the City. False, incomplete, misleading or unresponsive statements in a proposal may also be sufficient cause for a proposal's rejection.

This RFP does not commit the City to award a contract, sell any property, or enter into an agreement. All proposals submitted in response to this RFP become the property of the City and public records, and as such, may be subject to public review.

The City shall not be liable for any pre-contractual/agreement expenses incurred by prospective vendors or selected developers/contractors, including but not limited to costs incurred in the preparation or submission of proposals. The City shall be held harmless and free from any and all liability, claims, or expenses whatsoever incurred by, or on behalf of, any person or organization responding to this RFP.

Selection of a respondent by the City does not require the City to enter into an ENA or other agreement with such respondent. The City may, in its discretion, and prior to entering into an ENA, engage with another respondent, reissue an RFP, or otherwise dispose of the property without reservation.

The City reserves the right to cancel, in part or in its entirety, this RFP including, but not limited to: selection procedures, submittal date, and submittal requirements. If the City cancels or revises the RFP, all interested firms will be notified.

The City is distributing this RFP to real estate brokers but will not be responsible for payment of broker's fees for the sale of the property. Brokers are welcome to solicit interest from potential buyers but must seek compensation from potential buyers and not the City.

# **Document Library Index**

All of these documents can be found at www.hayward-ca.gov/PG6

- 1. Form of Exclusive Rights to Negotiate Agreement
- 2. Form of Reimbursement Agreement
- 3. Parcel Group 6: Carlos Bee Quarry Master Development Plan
- 4. Addendum to Hayward 2040 General Plan Environmental Impact Report
- 5. Mitigation Monitoring and Reporting Program (MMRP)
- 6. Director's Deed
- 7. Biological Resources Analysis
- 8. Infrastructure Improvement Engineer's Estimate
- 9. Affordable Housing Ordinance
- 10. HAPA Bayview Concept