

ATTACHMENT A

Pasadena Community Development Commission

HERITAGE SQUARE DEVELOPMENT OPPORTUNITY *Request for Qualifications*

The City of Pasadena is soliciting a qualified development team for the development of a mixed-use project located at the northeast corner of Fair Oaks Avenue and Orange Grove Boulevard. The project is to be developed as a mixed income, mixed age housing project. A portion of the project (20,000 square feet) is to be dedicated to ground floor commercial uses and a portion to community space (2,000 square feet). It has been determined that this project will require construction of underground parking.

This RFQ seeks responses from highly qualified and financially capable development teams for the design, financing, construction and property management for this development. At a minimum, it is expected that the development team shall include a developer, architect, landscape architect, general contractor, property management firm and financial partner.

Property: The project site is located in northwest Pasadena at the intersection of Fair Oaks Avenue and Orange Grove Boulevard. The area is well-served by public transit and within walking distance of a major franchise drugstore and market. The site is just minutes from Colorado Boulevard which provides retail and commercial uses as well as entertainment venues and a significant number of restaurants at both Paseo Colorado and the Old Town Pasadena district. The site is owned by the Pasadena Community Development Commission (City redevelopment agency).

Development Objective: Design of the project is not finalized but the current concept is a mixed-use project that reflects rental/ownership mix of 67% to 33%. The majority of the housing would be provided for senior tenancy as rental and ownership units. The balance of the units should include housing types and occupancy for a range of income groups which should include affordable, workforce and market rate. The affordable units will comprise the majority of the housing component with senior housing designated as the majority of the housing component. A portion should also be designated for non-seniors. The development would include up to 20,000 square feet of commercial space and 2,000 square feet to be dedicated to community space.

Selection: Through this RFQ process, an evaluation by an appointed Review Committee will identify the most qualified development team(s). The recommendations shall be forwarded to the City Council for review and authorization for staff to enter into negotiations. Formal negotiations with the selected development team are expected at the end of this process.

Project Manager: Brian Williams, Assistant City Manager (626) 744-6936

RFQ Pre-Submission Conference: October 22, 2007

Proposal Submission Due Date: November 12, 2007 at 5:00 p.m.

Proposal Submittal Location: 100 North Garfield Avenue (City Hall), Room S228, Pasadena, CA

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I. Background

Pasadena

The City of Pasadena is located in the heart of the San Gabriel Valley, just 15 minutes north of downtown Los Angeles. The City is nestled at the base of the San Gabriel Mountains and is home to approximately 145,000 residents. Mention the City of Pasadena and most people are reminded of the Tournament of Roses Parade and the Rose Bowl. However, the City also has a history of corporate and academic pursuits with NASA's Jet Propulsion Laboratory, the California Institute of Technology and Art Center College of Design. The City of Pasadena is also well known for an exceptionally high quality of life for its residents and the diversity of neighborhoods that comprise the City as a whole.

Pasadena currently offers residents and visitors a vibrant mix of cultural, shopping and entertainment activities and destinations. The City has excellent recreational opportunities for every interest. Residents are offered many services that serve to enhance the quality of life and to create an environment which encourages participation by our residents and an investment in maintaining the lifestyle and sophistication that represents the City of Pasadena. Pasadena is urban living at its best.

Pasadena is composed of integrated neighborhoods that represent a range of housing types. Each neighborhood is well-served by transportation, medical services and goods and services necessary for daily living. There are also many employment opportunities within the City which creates a very desirable jobs-housing balance that is the goal of many other municipalities within the region. The character and scale of the residential neighborhoods is very attractive. And, the housing types which range from historic single-family homes to the urban living in mixed-use developments within the downtown, has attracted a socially rich and diverse residential population.

It is the goal of the City of Pasadena to preserve and improve the established residential neighborhoods and to protect the established character, quality and identity of the neighborhoods. This goal is to be achieved by maintaining and improving the quality of the existing housing stock and our neighborhoods. The City also desires to provide an adequate supply and range of housing opportunities throughout the community by assisting in the development of new housing opportunities.

Project Description

The City of Pasadena seeks a developer to design and construct a mixed-use project on an approximate 2.82 acre site. The project is to reflect a rental/ownership housing mix of 67%/33% respectively. It is required that the project include housing types for a range of income groups which should include affordable, workforce and market rate. The affordable units must comprise the majority of the housing component. While senior housing is designated as the majority of the housing component, a portion will also be designated for non-seniors. The development will also include 20,000 square feet of commercial space and 2,000 square feet to be dedicated to community space.

II. Process for Selecting a Developer

The City will follow a three-step process in selecting the developer. The process is outlined as follows:

Step 1: A formal *Request for Qualifications (RFQ)* has been sent to a list of developers maintained by the City of Pasadena and advertised broadly. The time for responding to the *RFQ* shall be thirty (30) days. The due date for proposal submissions is 5:00 p.m. on November 12, 2007. Proposals may be mailed or hand delivered to the City Manager's Office, Pasadena City Hall, 100 North Garfield Avenue, Room S228, Pasadena, California 91109. Any proposals received after this date and time will not be accepted nor reviewed.

Step 2: The City shall appoint a Committee to review the RFQ responses. The committee shall submit recommendations to the City Council for review and selection of the firm with which exclusive negotiations are to be initiated.

Step 3: Staff shall enter into exclusive negotiation with the selected developer to arrive at a "*Draft*" Development Agreement. The negotiation process shall be documented. The Development Agreement will then be forwarded to the City Council for approval.

III. Subject Site

The site is located at the northeast corner of the intersection at Fair Oaks Avenue and Orange Grove Boulevard. The Fair Oaks/Orange Grove intersection is well-served by commercial/retail uses. The southeast corner is occupied by a fairly new, full-size CVS Drugstore. The southwest corner is a major development that contains a Vons Market, Starbucks and several smaller retailers. The northeast corner is developed with small, fast-food type restaurants. There is major residential development occurring to the south of the Heritage Square site on the block bounded by Peoria Street to the north, Esther Street to the south, Raymond Avenue to the east and Fair Oaks Avenue to the west.

IV. Resources

Posted on the City's website are the following planning documents available for reference:

- Fair Oaks-Orange Grove Specific Plan
- City of Pasadena General Plan, including the Housing Element
- City of Pasadena Design Guidelines

**V.
Financing**

The City's financial contribution to the project is limited to the land valued at \$13.4 million. If the developer intends to secure public funding from other sources such as New Market Tax Credits, this is also to be explained in the financing section with an estimated timeline as to when the public financing is to be secured and the procedure required to apply for the funds.

**VI.
Pre-Submission Conference**

Attendance at the pre-submission conference is not mandatory however interested parties are strongly encouraged to attend. The pre-submission conference is scheduled for October 22, 2007 and shall be held in Room 237, Pasadena City Hall, 100 North Garfield Avenue, Pasadena, California 91109. The conference is scheduled to begin at 10:00 a.m.

The purpose of this conference will be to clarify the contents of the Request for Qualifications in order to eliminate any misunderstanding or confusion regarding the City's requirements, representations and process. Any doubt as to the requirements of this Request for Qualifications or any apparent omission or discrepancy should be presented to the City at or before the scheduled conference. Subsequent to receipt of any written requests for clarification, the City will determine the appropriate action, if any, and issue a written statement to the Request for Qualifications. Optional site visits may be arranged by appointment only during the week of October 22-26, 2007.

**VII.
Submission Requirements**

The proposal must specifically identify all members of the development team (developer, architect/planner, non-profit partner if applicable, rental manager, property management firm, and general contractor/construction manager, if selected at the time of submission). A single contact person must be designated for all correspondence and notifications.

At a minimum the proposal submissions must include the following:

1. **Team Description:** A narrative description must be provided for each member of the developer team. The description should include the primary role to be undertaken by each respective member, previous experience with similar projects, past projects on which the team members have collaborated and specific experience with public financing and tax credit allocations.
2. **Statement of Interest:** A statement that confirms interest by the team in undertaking this development project. The statement of interest should also demonstrate the team understanding of the project and the local residential market.

3. **Portfolio of Projects:** A detailed presentation of the projects similar in size, scope and cost that demonstrate the qualifications and experience of the team in a project of the type and size requested by this RFQ. The related project descriptions must reflect residential and commercial, mixed-use developments as well as underground parking construction. The project description should also demonstrate the team's experience in developing and managing senior housing, both rental and ownership, and affordable family housing. A short summary of the current status of any current project(s) that highlight the above-referenced development project parameters. Any development projects completed within the City of Pasadena should be described in detail.
4. **Stakeholder Collaboration:** The proposal must state specifically the approach to be taken in collaborating with the residents of the neighborhood and the larger community.
5. **Organization & Management:** The organizational communication and management procedures both internally and with the designated staff of the City of Pasadena must be described within the proposal response. This section should include the identification and role of the lead person for each firm or discipline represented on the development team and to be involved in the implementation and development of the site. At a minimum the resume, background and experience of the developer, contractor and manager of the project upon completion (if known at the time of the proposal submission) must be included in this section. The experience of the development team with workforce issues, labor disputes and/or challenges, and any other issues related to the construction phase, should also be explained. If a joint venture is proposed for this development project, the role and responsibility of each member of the joint venture must be explained in detail.
6. **Financial Statements:** Independently prepared financial statements for the firm that will assume financial responsibility for the development project must be included in the proposal response. If the firm requires that the financial statements remain confidential, this information must be submitted in a separate, sealed envelope clearly marked "**CONFIDENTIAL**".
7. **Disclosures:** Each member of the development team is required to disclose any defaults or foreclosures for any previous or current development projects, whether for the team or an individual member. The team members must disclose collectively and individually any bankruptcies or lawsuits that resulted from any current or previous development project. If the currently composed team, or any individual member of the team, is currently in default, the details must be disclosed in the proposal. An explanation of any of the above-mentioned issues may be provided in the proposal.

The development teams are encouraged to provide any "*relevant*" information that will assist the City Council and staff in the proposal evaluation process. However, bulky promotional materials, not directly related to the Heritage Square Development Project, are discouraged.

Submissions must be organized to include the following categories and information:

1. Names, addresses, telephone, facsimile numbers and email addresses for all team members. An organizational chart, that identifies key personnel, assigned responsibilities, relationship to the project and the designated lead person for each firm associated with the development project, must also be included in the proposal submission.
2. Qualifications for all team members, including assigned responsibility for the development project, must be included in the proposal. The development teams are required to submit detailed information regarding experience in developing mixed-use projects of similar size, composition and cost. Development teams are strongly encouraged to provide detailed information for previous projects with a composition that is primarily senior occupancy and affordable family and workforce housing. These development summaries should include a description of the project, dates of the project, status and contact information. It should also be noted if the project was delivered on schedule and within budget.

All proposal submissions must be in the actual possession of the City of Pasadena at City Hall, 100 North Garfield Avenue, Room S228, on or prior to 5:00 p.m. on November 12, 2007. Late submissions shall not be received or considered. Submissions must be delivered in a sealed package with the statement, "**Pasadena Heritage Square Project**" and with the name and address of the principal contact for the development team. An original and twelve (12) copies, formatted as 8-1/2 x 11, plus one PDF copy of the proposal on CD, are required.

VIII. Selection Process

The City will appoint a Committee to evaluate all proposals received in response to this RFQ. The Committee will evaluate the responses based on the factors described below. Committee members will score each response in order of preference. The scores assigned by each Committee Member is to be based on the individual member's reasonable judgment as to how closely the proposal complies with the project criteria and the development parameters as requested by the City.

Evaluation Criteria for RFQ Submissions

The Committee will select one or more teams to be recommended for consideration by the Pasadena City Council. The following are the criteria to be applied in evaluating the proposals to determine which development teams most closely meet the development potential and composition desired by the City for the Heritage Square project.

1. **Project Understanding:** The proposal demonstrated a clear understanding of the complexity of the development project with the residential and commercial composition with rental, ownership and subterranean parking requested by the City.

2. **Consultant Team Qualifications:** Proven ability that the development team has the experience and professional skills and resources to successfully develop this mixed-use project on schedule and within budget and to manage and operate the project upon completion.
3. **Individual Experience:** The experience of the individual team members to be assigned to this project is commensurate with the professional skills required for successful completion. At a minimum, the individual skills required must include previous projects which demonstrate successful development, financing, design, construction, marketing, operation and property management for projects similar in size and scope to that required for Heritage Square project.
4. **Financial Strength:** Evidence of financial capacity to undertake this development project, including experience in securing public funding such as New Market Tax Credits, etc.
5. **Success of Previous Projects:** The extent to which the development team or individual members have successfully completed previous projects referenced in the proposal.
6. **Approach:** The development team demonstrates an approach which is effective and with a clear decision-making process. All aspects of the project are linked to successful completion within the development parameters required by the City.

IX. Inquiries

Any questions regarding this Request for Qualifications should be directed to Brian Williams, Assistant City Manager at (626) 744-4333, who shall serve as the Project Manager. The Project Manager may require any and all questions to be submitted in writing. The response to questions and any information or resources that result from the inquiries is to be shared with all other development teams.

X. Proposed Selection Schedule

The City intends to proceed in accordance with the schedule noted below. However, the City reserves the right to alter the schedule at any point in the process but agrees to provide adequate notice to respondents should the schedule be amended.

Schedule

RFQ Release	October 11, 2007
Pre-Proposal Submission Conference	October 22, 2007
Site Visit, Informational Meetings	October 22-26, 2007
Final Date for Written Questions	October 24, 2007
Final Addendums and Changes to RFQ	October 31, 2007
RFQ Response Deadline:	November 12, 2007
Recommendation to City Council	December 10, 2007

Exhibit A

Project Site Boundary Map

Exhibit B

Special Terms and Conditions

Reservation of Rights by City of Pasadena – The issuance of this RFQ and the acceptance of submission do not constitute an agreement by the City of Pasadena that any contract will actually be entered into by the City of Pasadena. Any costs incurred by respondents in preparation of a response to this RFQ or future RFQ are completely the responsibility of the respondents. Any of all disputes arising under this RFQ and any contract negotiated as a result of this RFQ shall be governed by the laws of the State of California.

No Partnership/Business Organization – Nothing in this RFQ or in any subsequent development agreement, lease, or any other contract entered into as a result of this RFQ shall constitute, create, give rise to or otherwise be recognized as a partnership or formal business organization of any kind between or among the City of Pasadena or the Team.

Employment Restriction and Indemnity – No person who is an officer, employee, contractor or consultant of a Team shall be an officer or employee of the City of Pasadena. No rights of the City of Pasadena's civil service, retirement or personnel rules accrue to Team, its officers, employees, contractors, or consultants. The successful Team shall have the total responsibility of all salaries, wages, bonuses, retirement, withholdings, worker's compensation and occupational disease compensation, insurance, unemployment compensation other benefits and taxes and premiums appurtenant thereto concerning its officers, employees, contractors, and consultants. Team shall save and hold the City of Pasadena harmless with respect to any and all claims for payment, compensation, salary, wages, bonuses, retirement, withholdings, worker's compensation and occupational disease compensation, insurance, unemployment compensation other benefits and taxes and premiums in any way related to Team's officers, employees, contractors and consultants.

Civil Rights Reserved- Notwithstanding any other provision of the Request for Qualifications, the City reserves the right to:

- Waive any immaterial defect or informality;
- Extend or otherwise revise the submission date
- Reject any or all submissions or portions thereof;
- Reissue a new or revised Request for Qualifications; and
- Request one or more teams to submit a more detailed submission

This RFQ does not commit the City of Pasadena to enter into a contract or development agreement, to pay any cost incurred in the preparation of a submission in response to this request or in subsequent exclusive negotiations. Further, this RFQ does not convey to any team any contract property rights.

Property Rights/Disclosure of Information – All materials submitted in response to this RFQ and submissions subsequent thereto, shall become the property of the City of Pasadena upon delivery. By tendering a response to this RFQ, teams agree that the

content of every other submission is confidential and proprietary and waives any right of access to those submissions during the review period. The foregoing waiver shall not apply to the submission selected under this RFQ, if any, or to the submission of any developer contesting, protesting or otherwise challenging an award or recommendation, once made. Any developer tendering a submission in response to this RFQ further acknowledges and understands that the City of Pasadena is a public entity required to abide by public record laws and shall not be liable for disclosures required by law.

Submission Rejection/Right to Disqualify - Submission of terms, condition and/or agreements may result in rejection if such terms, conditions, or agreements are deemed unacceptable by the City in its sole discretion. The City of Pasadena reserves the right to disqualify any team who fails to provide information or data specifically requested herein or who provides materially inaccurate or misleading information or data or who attempts to influence the selection process outside the procedures established herein. The City of Pasadena reserves the right to disqualify any team on the basis of any real or apparent conflict of interest. This disqualification is at the sole discretion of the City of Pasadena.