



City Manager – Economic Development Division

# Civic Center Request for Proposal

City Council Meeting  
November 4, 2019





# Civic Center RFP Background

City Manager – Economic Development Division

**June 20, 2019** – Informed by City Council action, the City issued a Request for Proposals (RFP) for the YWCA Adaptive Reuse and New Civic Center Development Opportunities that included:

- Defined building envelopes for the YWCA block and the W&P Site utilizing a setback of 45 ft. and a height limit of 60 ft., with angled facades
- Elimination of any on-site parking requirements
- Requirement that the ground floors be accessible to the public
- Prior to the release, the Draft RFP was available for public input from May 15-28
- A specific use was not identified; rather staff sought proposals from groups that are experienced in historic renovation



# RFP PROJECT GOALS AND OBJECTIVES

City Manager – Economic Development Division

- **Renovation and preservation** of the YWCA building
- **Enhance and activate** the dynamic environment of the Civic Center District while respecting the dominance and monumentality of major civic buildings, and the scale and form of existing historic structures.
- **Civic Center Design** - Reflect and respect the architectural and spatial context of the site and surrounding historic district.
- Develop a **high quality building** and a use that is commensurate with the historic integrity of the YWCA Building/Site.
- Ideally, establish a long-term, **fair market value ground lease or sale** (as determined by an appraisal) of the YWCA Building/Site and the Water and Power site. However, the City is willing to consider alternatives that result in an overall superior project. In the event of a lease or sale, the ground floor use must be accessible to the public.
- **Maximize the site's potential** in a creative and complementary manner.



# RFP Evaluation Criteria

City Manager – Economic Development Division

- **Development Entity/Capacity**
  - > Demonstrated experience in successful financing, development, operation and economic performance of comparable projects
- **Development Plan**
  - > Extent to which the submittal meets the project goals and objectives described in this document
  - > Ability to effectively design the project within the development parameters as described in the RFP
- **Economic and/or Public Benefit to the City of Pasadena**
- **Transaction Terms**
  - > Proposed development schedule and phasing required to complete the project
  - > Quality and feasibility of proposed business offer
  - > Ability to complete the transaction in a timely fashion



# Proposals Received

City Manager – Economic Development Division

## Ten Proposals:

- Belmont Village Senior Living, 31 Locations
- Carpenter & Company, Inc., Boston MA
- Continental Assets Management, Arcadia, CA
- Dieden-Acevedo Development Partnership, LLC, LA Area
- Edgewood Realty Partners, LLC, South Pasadena, CA
- Genton Cockrum Partners, Pasadena, CA
- Green Bridge Investment Partners, Beverly Hills, CA
- HRI Properties, LLC, New Orleans, LA
- Orton Development, Inc., Emeryville, CA
- Ratkovich Company / National Community Renaissance LA CA



# Proposals Received

City Manager – Economic Development Division

## 1. **Belmont Village Senior Living**

- > Founded in 1997 Belmont Village Senior Living is a privately owned developer, owner and operator of high quality seniors housing and care communities having a presence in the Los Angeles metro area with seven operating communities. Belmont develops its own projects and maintains ownership long-term. Proposal is for a Senior Assisted Living community with memory care.
- > Proposing to raze the YWCA building and reconstruct a portion of it and add 142k sq. building having 175 units of residential care for elderly with independent living, assisted-living, and memory care units over a 120 subterranean space garage on YWCA Site.
- > No proposal for the Water and Power site.



# Proposals Received

City Manager – Economic Development Division

## **2. Carpenter & Company, Inc., Boston MA**

- > In existence since 1898 firm involved in real estate development, ownership and management developing hotels, mixed-use and retail properties.
- > In the last 15 years alone, Carpenter has successfully developed projects valued at more than \$1.5 billion. Carpenter has recently completed the Four Seasons Hotel and Residences in Boston, and is currently developing a Four Seasons Hotel and Residences in New Orleans. Proposing the reuse and historic restoration of the YWCA building to create a new hotel setback 45 ft. from Garfield Avenue with a height of 60 ft. for a 125-150 room full-service Four Seasons hotel.
- > The Water and Power site proposal includes the development of approximately 25 Four Seasons residences.
- > An approximately 100-125 car garage will be constructed underneath the hotel and residences with a possible underground connection across Holly St.



# Proposals Received

City Manager – Economic Development Division

## **3. Continental Assets Management, Arcadia, CA**

- > Founded in 1989, a private real estate investment and development company with a long-term approach to investing in all real estate asset classes.
- > Currently owns 6 hotels and 3 Multi-family Affordable Housing Properties: Sheraton, Hilton Garden Inn, Home2 (Hilton) Fairfield, Lido House Autograph Collection and a Residence Inn. MF/AF: Hacienda Heights, Kapolei, HI and Arcadia.
- > Proposing the reuse and historic restoration of the YWCA building to create a new four star 167 room hotel setback 45 ft. from Garfield Avenue with a height of 60 ft.
- > Hotel parking will be valet only.
- > Either a 5 story, 120 market rate unit building or a 6 story 139 affordable housing unit building is proposed on the W&P Site.



# Proposals Received

City Manager – Economic Development Division

## 4. **Dieden-Acevedo Development Partnership, LLC**

- > Diane Acevedo is a local developer with 38 years' experience increasing economic investment in underprivileged communities.
- > Proposing to rehabilitate the YWCA Building as a museum honoring Julia Morgan along with other high-achieving women, and the addition of an 122,000-square-foot, 4-story building providing “market-rate” housing that can be affordable to serve: tech, office, and a public cafe restaurant which together would become a 170,260-square-foot building.
- > The new building would consist of approximately 100 affordable housing units approximately 59,650 square feet of tech office facilities, and restaurant having a height of 60 ft.
- > The W&P site proposal: a 97,330-square-foot, 5 story office building for Department of Water and Power. Parking to be located in surrounding lots and structures.



# Proposals Received

City Manager – Economic Development Division

## **5. Edgewood Realty Partners, LLC, South Pasadena, CA**

- > Edgewood Realty Partners (“Edgewood”) is a real estate investment firm with 25 years of real estate investment experience encompassing over \$700 million in assets.
- > Edgewood and its affiliate The Kutzer Company have worked on 20 properties in Pasadena, including 14 historic buildings.
- > The proposal is the historic restoration of the YWCA Building and adapt for use as a 164-room boutique hotel operated by Palisociety.
- > Palisociety located in: West Hollywood, Santa Monica, Melrose Ave., Seattle, Culver City, Westwood Village, Miami Beach and San Francisco.
- > The new L-shaped building has a 57 ft. height and has a greater setback than the 45 ft. as identified in the Olin Report; no on-site parking is proposed.
- > A 70,000 sq.ft. 5 story building with approximately 250 parking spaces is proposed for the W&P Site.



# Proposals Received

City Manager – Economic Development Division

## **6. Genton Cockrum Partners, Pasadena, CA**

- > Genton Cockrum Partners are office, hotel and multifamily developers in partnership with Atwater Infrastructure Partners LLC (“Atwater”), established in 2015 who is a national developer and provider of private capital for infrastructure projects.
- > Currently developing \$350 M Four Seasons Residences Los Angeles and \$140 M San Pedro Courthouse Redevelopment with County of Los Angeles ground lease.
- > Previous office redevelopment investments include bLackwelder in West Los Angeles sold in 2019 for \$185.0 M and Six25 Fair Oaks in South Pasadena sold in 2018 for \$30.7 M.
- > \$300 M in project experience in P3 financings, Historic Tax Credit financings, and New Market Tax Credits with \$250 M in pipeline
- > Proposing to renovate and preserve the YWCA Building as creative office space with the construction of a 4 level 30,000 sq.ft office building having a setback of 45 ft. and height of 57 ft. connected to a 5 level, 199 space above ground parking structure. City offices are the proposed use for the new office.
- > A similar proposal is envisioned for the W&P Site with the construction of a 30,000 sq.ft. building used for City offices and served by a 128 space 5 level above ground parking structure.



# Proposals Received

City Manager – Economic Development Division

## **7. Green Bridge Investment Partners, Beverly Hills, CA**

- > Greenbridge has amassed a large investment pool comprising of friends and family.
- > To date, over \$100 M of capital has been spent on projects across the country, acting as General Partner on the purchase, turnaround and success of each project.
- > Past projects include:
  - Seattle Design Center - \$60 M on a 437k sq.ft. adaptive reuse showroom building converting to new creative office building.
  - Shops on Hill – two corners on Hill St. and Washington Blvd. restored and re-leased two historic buildings.
  - South Pasadena – 625 Fair Oaks in process of entitling 86 senior housing/independent living units on the rear of the lot adjacent to the office building
  - Tarzana Office Building – completing an \$11 M full interior and exterior renovation
- > Proposing to redevelop the YWCA Building into 3 story 150 room hotel similar to an ACE hotel with a membership Sports Club. Use the W&P Site for tennis courts related to hotel.



# Proposals Received

City Manager – Economic Development Division

## **8. HRI Properties, LLC, New Orleans, LA**

- > HRI Properties, LLC is a national real estate company engaged in the ownership, development and management of upscale-branded and independent hotels, luxury apartments, mixed-use properties, and mixed-income housing communities in the top 40 urban markets.
- > Founded in 1982, HRI has completed over 90 large-scale projects with over 6,700 apartment units and condominiums, 6,170 hotel rooms, and 1.4 million square feet of office/retail space representing more than \$3.0 billion of development costs. HRI currently owns and manages 25 operating assets, manages 43 properties for third parties, and has 3 large-scale development projects under development in Pittsburgh, Tampa, and Austin.
- > Proposing to restore YWCA Building per the Secretary of the Interior's Standards and adapt the hotel functions as closely as possible to the original building for 179 room hotel with 165 rooms in new 83,000 sq.ft. bldg. having a 45 ft. setback and height of 60 ft. Hotel parking will be valet only.



# Proposals Received

City Manager – Economic Development Division

## **9. Orton Development, Inc., Emeryville, CA**

- > Specialize in large-scale rehabilitation and redevelopment projects, with subspecialties in environmental remediation, historic preservation, and public-private partnerships.
- > Over the last thirty years, ODI has developed over twenty million square feet spanning more than eighty projects, including factories, offices, warehouses, retail, medical, educational, and live-work projects.
- > Proposing historic rehab of the YWCA Building for commercial/retail/residential mixed-use having an accessible lobby that offers retail use per the National Park Service standards for Historic Preservation.
- > Nothing is proposed for the W&P Site.



# Proposals Received

City Manager – Economic Development Division

## **10. The Ratkovich Company jointly with National Community Renaissance**

- > Since 1999, TRC has developed over 18M sq. ft. of commercial real estate valued at over \$2.7B.
- > TRC has restored and repositioned 17 historic structures including the Oviatt Building, the Wiltern Theatre, the Fine Arts building, Chapman Market and the Hercules Campus, that includes the enormous structure built to produce the “Spruce Goose” airplane and now home to Google’s YouTube brand.
- > TRC is proposing 2 Alternatives: Alternative #1, Option 1: Historic rehab of YWCA Building for creative office with surface parking; Option 2: Historic rehab of YWCA Building and the construction of a new 59,000 sq.ft. office bldg. Alternative #2 rehab of YWCA Building and construct new 142 room hotel on site with an 80 space subterranean garage.



# Proposals Received

City Manager – Economic Development Division

## **10. National Community Renaissance**

- > National CORE is a non-profit builder specializing in affordable, multifamily, mixed-income, senior, work force and special needs housing.
- > National Core has over \$850M in assets, has produced nearly 10k housing units and currently serves over 27k residents, including Marv's Place, a supportive housing community located in Pasadena and completed in 2016.
- > National Core's proposal for the W&P Site: Plan A (preferred) - 94 units for low income families earning up to 60% of the AMI with 46 units for permanent supportive housing for households who are homeless or at-risk of homelessness and a 95 space semi-subterranean garage. Plan B - same residential unit and income mix, but introduces up to 15,000 sq. ft. of leasable office space for use by a single governmental department tenant on a semi-subterranean level of the WP Building with an 87 space 2 level subterranean garage.
- > Each of the developments will have a 45 ft. setback from Garfield Avenue and a height of 60 ft.



# Proposals deemed most advantages to the City and most responsive to stated goals of RFP

City Manager – Economic Development Division

- Carpenter & Company, Inc. – hotel/residents
- Continental Assets Management – hotel/housing
- Edgewood Reality Partners, LLC – hotel/office
- HRI Properties, LLC - hotel
- The Ratkovich Company/National Community Renaissance - office or hotel/affordable housing

All of the above proposals comply with the City Council direction on setback and height



# Proposals deemed less advantageous to the City and less responsive to stated goals of RFP

City Manager – Economic Development Division

- Belmont Village Senior Living's proposal would result in the demolition of the existing historic asset.
- Dieden-Acevedo offered very little to illustrate its economic viability.
- Genton Cockrum Partners proposal would result in construction of two above ground parking structures in the Civic Center, which staff believes is not the best use for the Civic Center.
- Greenbridge did not address the overall Development Plan criteria as written in the RFP.
- Orton's proposal offered a comprehensive response to the RFP, other proposals offered a more definitive approach in terms of use for the YWCA Building.



# Recommendation

City Manager – Economic Development Division

## Direct staff to:

- Conduct interviews with the top 5 teams
- Engage qualified consultants to undertake a more rigorous analysis of the five recommended proposals
- At the conclusion of analysis, return to the City Council for appropriate direction



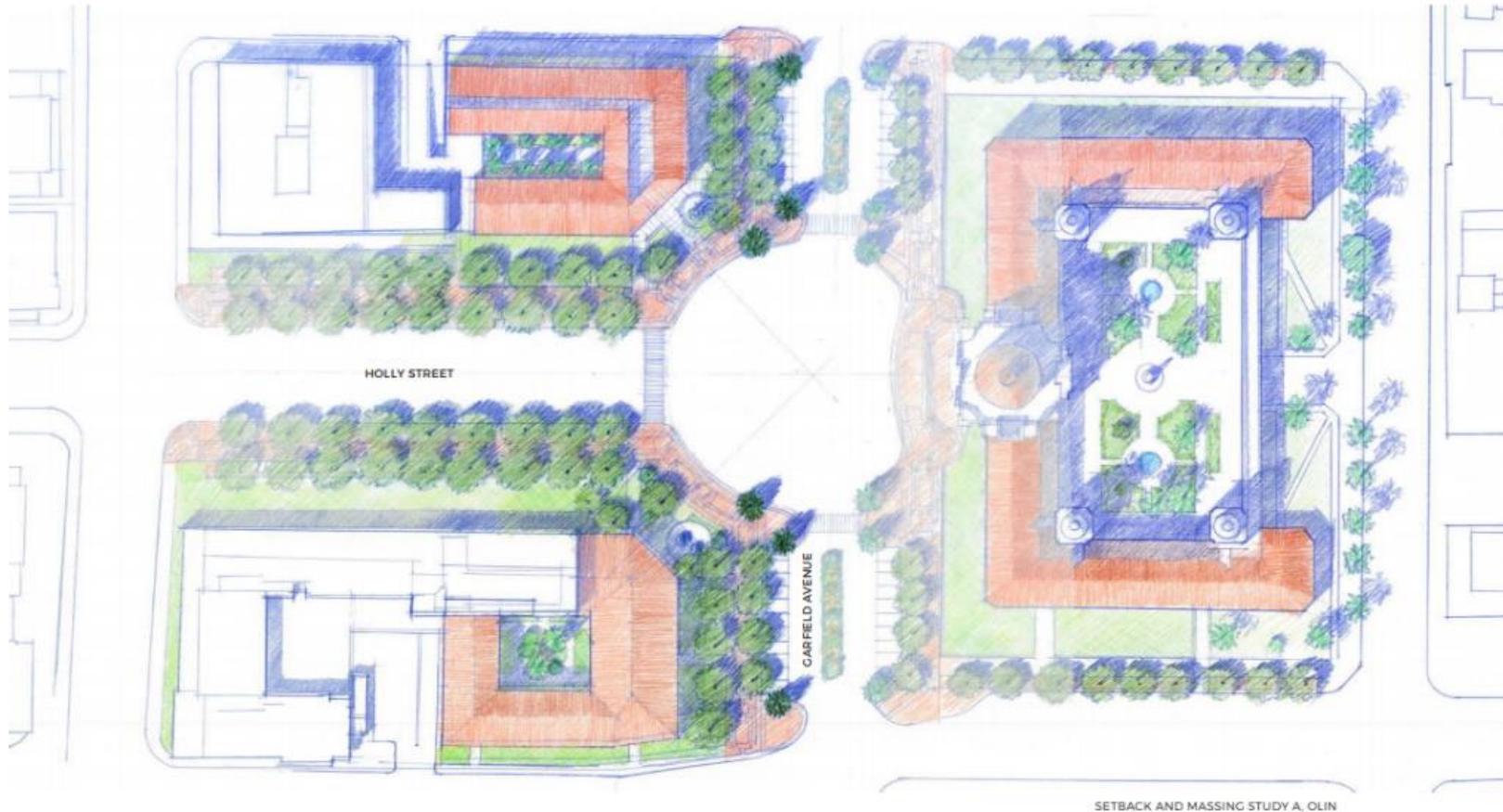
# Questions

City Manager – Economic Development Division



# Olin Report 45' Setback and 60' ht.

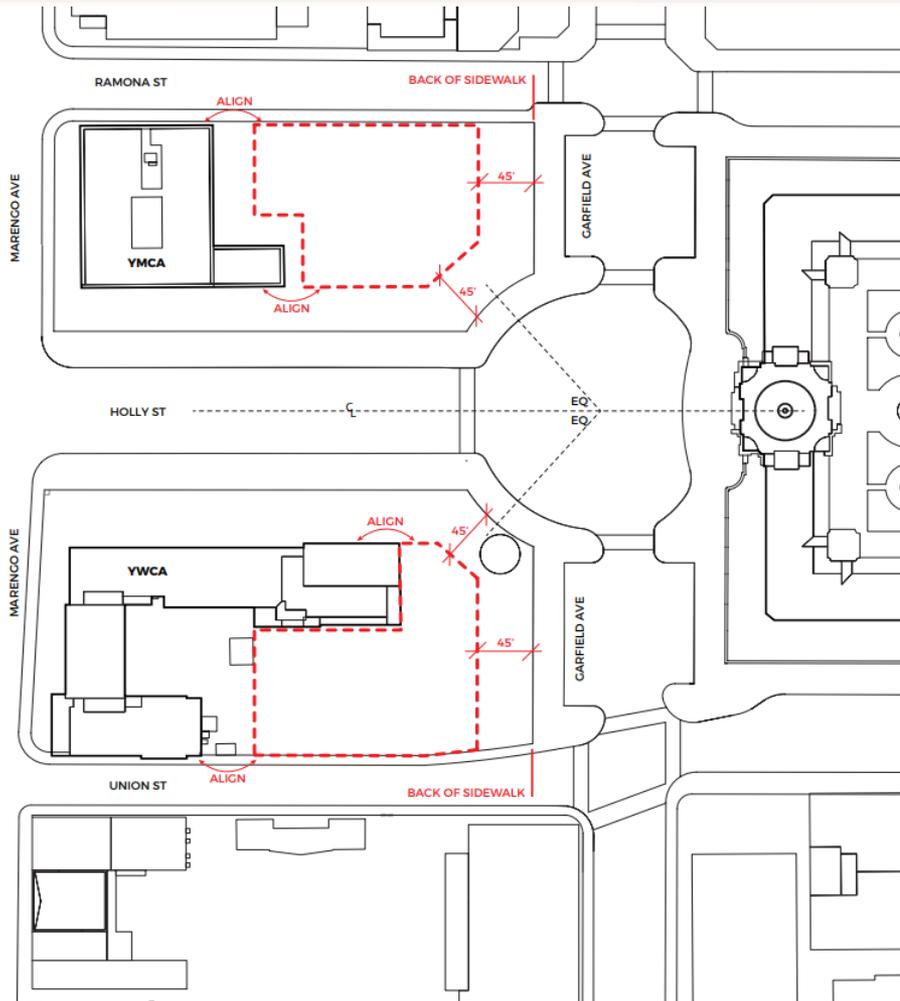
City Manager – Economic Development Division





# Olin Group Report Setback and Height Limit

City Manager – Economic Development Division





# Civic Center RFP Outreach

City Manager – Economic Development Division

- **June 20, 2019** – RFP official release date on City’s webpage and relevant background material posted. Outreach began without having a specific use in mind, but rather had the goal of historic preservation:
  - Sent to previous July 2012 RFP proposers, development teams\representative who previously expressed interest in site and Pasadena opportunities, National Trust for Community Investment Corporation, Foothill Association of Architects, Social Media (Twitter post on earned 1,118 impressions (total # of view), Facebook earned 1,140 impressions)