

**REQUEST FOR PROPOSALS** 

Mixed-income Housing Project/
Mixed-use Project in West Sacramento, CA

DEADLINE FOR SUBMITTALS: Friday, October 6, 2023, 4:00 PM PT

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# **Development Opportunity**

# 8.6-acre site within one mile of City of Sacramento's downtown and the State's Capitol

High-density, mixed-use, infill development planned for the City's riverfront and central business district will bring renewed economic vitality to a community that is as old as the State. Laid out in the spring of 1850, the historic heart of West Sacramento's riverfront (the Washington District) abuts this 8.6-acre site ("Property") for which the City is soliciting proposals from developers to purchase and develop a mixed-income, mixed-use project within the Grand Gateway Master Plan area. Dubbed the Grand Gateway due its location, the site fronts both historic U.S Route 40 and the western portion of Capitol Avenue and is the convergence of three distinct communities in the City: the Washington District, the Bridge District, and the Central Business District.

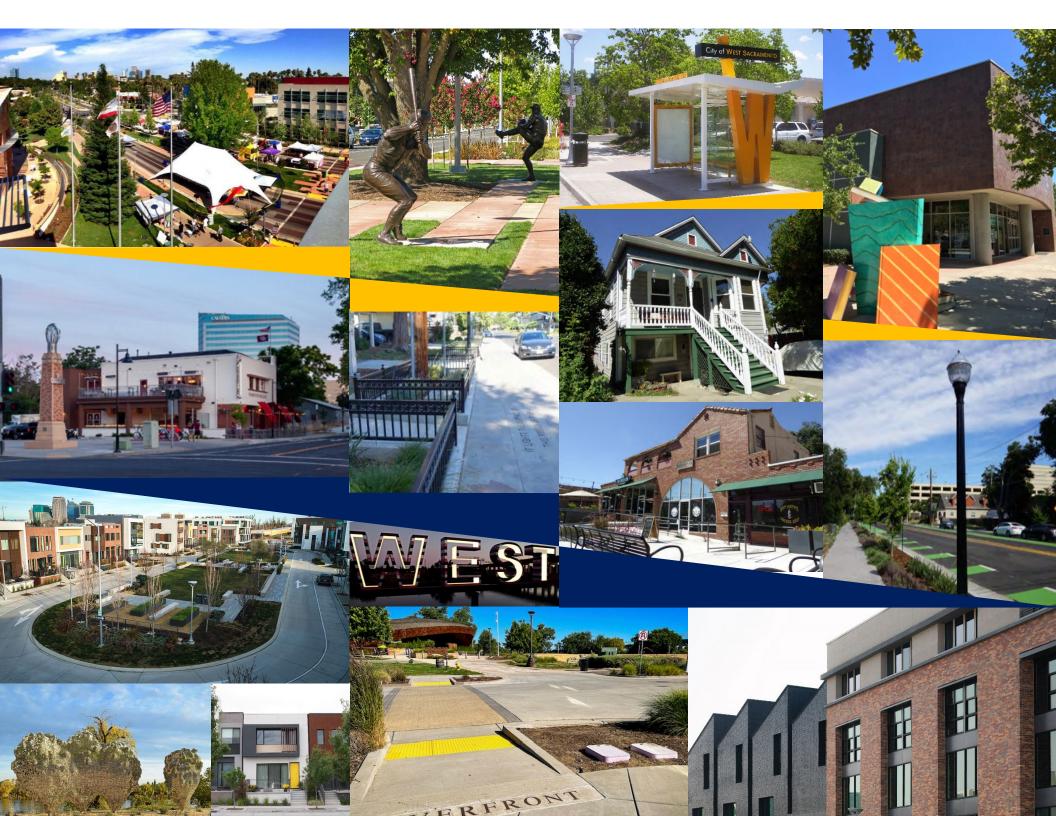
Each of these districts has its own unique character which is expressed in the public realm through its street layout, types, furnishings and in the private realm with the building's



architecture, scale, and function. Prior to the City's decade-long investment of preparing this development opportunity for market, the entitlements for this site precluded cohesive development. Once those were addressed, the City successfully pursued and received Affordable Housing and Sustainable Communities (AHSC) grant funding with a non-profit housing partner for the Property's roadway improvements. The result of these efforts is a site that contains seven vacant shovel-ready parcels zoned Central Business District (CBD), an urban infill mixed-use designation. The City envisions a development project that aims to establish an attractive, compact mixed-use development laid out in a highly functional, pedestrian-oriented setting.

A minimum of 300 residential units will be required for the project, with 25% of those units set aside for low-income households as defined in Health and Safety Code Section 50079.5. The City anticipates partnering with a master developer to complete the development of a mixed-use residential project, including a new public plaza, as well as developing parking solutions that may include use of the adjacent city-owned surface parking lot. The City is open to a partnership structure that proves most mutually advantageous, limits the value of the City-provided financial support and is in furtherance of the City's complete communities' objectives.

This development opportunity will be made available through a competitive selection process. Following the initial selection process, the selected developers may be asked to enter into an Exclusive Negotiation Agreement (ENA) or similar non-binding agreement with the City for the purposes of due diligence and further development of the parameters of this opportunity as contained by the limits set forth in greater detail later in this document. The City anticipates requiring the selected master developer to enter into a Disposition and Development Agreement (DDA) to acquire and master develop the entire Grand Gateway Master Plan area site, within a ten-year horizon, subject to all requisite approvals and negotiations.



# **Complete Communities**

# Facilitating income diverse housing in our City's urban riverfront districts

The City of West Sacramento (City) offers a diversity of safe, affordable, convenient, and sustainable transportation options that are accessible to all ages and that contribute to a healthy community. Through public-nonprofit-private partnerships, which have produced affordable housing, affordable-by-design housing, and market-rate housing, particularly in targeted reinvestment areas, our urban infill communities contain a full range of quality housing choices that provide a sense of local identity and pride. The City embraces income diversity and places it at the forefront of its complete communities' objectives. Complete communities go beyond providing accessible housing to their residents. They provide for all the basic needs of all residents, including access to public and private goods and services, jobs, a variety of mobility choices and a community design that supports active lifestyles and social interaction. This outcome is achieved through implementing the City's complete communities' strategies, which are comprised of policies, programs, and activities designed to improve access to housing, education, and employment opportunities for residents, to create a balance between the available workforce, housing opportunities, jobs created by mixed-use development, and job centers served by transit.



# **West Sacramento**

## Jobs, entertainment, culture, and recreation complete our communities

The Sacramento Metropolitan region is the center for State government, an attractive location for private sector employment and is a leader in agricultural sciences, crop cultivation and research, serving as one of the West Coast's major agricultural distribution centers. Sacramento is already California's most populous inland metropolitan area and projected economic growth will be supported by a large in-migration of the population for the foreseeable future. The area's strong transportation network has facilitated its historical growth and projected growth is expected to accompany enhancements to that network that will serve the region and its diverse inhabitants.

Although the regional economy traditionally has been supported largely by government and agriculture, in recent years, a more diversified economy has emerged with services, retail trade, and government producing the largest share of new jobs. The Property is located within the downtown Sacramento core, the region's job center. Both the Raley's Companies, a California and Nevada grocery chain with 124-stores, the California State Teacher's Retirement System Headquarters, and the State's Department of General Services 375,000 square foot office building are within a <sup>1</sup>/<sub>4</sub> mile walk from the offering. Attractions in the region's downtown supporting the service and retail trade and are within about a mile radius of the site, include the Crocker Art Museum, State Railroad Museum, the State Capitol, the Old Sacramento Waterfront, the Golden 1 Center, and Sutter Health Park. The Golden 1 Center, named the 2017 Sports Facility of the Year by Sports Business Journal, has been the home of the Sacramento Kings, a National Basketball Association team. Golden 1 Center is surrounded by the Downtown Commons, a 1.5 million square feet retail, restaurant, and entertainment venue. Sutter Health Park, located less than a 1000-feet from the Property, is the home of the Sacramento River Cats, a minor league baseball team that plays in the Pacific Coast League (PCL) and is the Triple-A affiliate of Major League Baseball's San Francisco Giants. The stadium was expanded in the 2014/2015 off-season to include box areas and a larger VIP patron area. Visitors to stadium enjoy a variety of activities during the Rivercats off-season including concerts and special events such as Enchant Christmas, Cirque du soleil and the Sacramento Ironman.



In addition to everything that the site has to offer a biking or walking enthusiast, as the site is also within ½ mile from the Sacramento River and within a short drive of the local farm to table restaurant district, several cultural venues, golf courses, the Sacramento Zoo, and the California State Fairgrounds. Nearby Lake Tahoe resorts and the San Francisco Bay Area can be reached in a two-hour drive while some of the most spectacular natural scenery in the United States, including Yosemite, Napa Valley wine country, Calaveras Big Trees, Muir Woods, and numerous California beaches are all accessible in under half a day.



The City's population is expected to increase by 36% in the next 20 years with the area immediately surrounding the Property having moderate growth over the past 20 years with exponential growth trends predicted for the next 20. The Bridge District, Washington District and Central Business District are currently middle-income demographic profile; however, several above-middle income owner-occupied units are in the development pipeline (See map on page 8). As such, the outlook for the Property's long-term growth is positive as new residential and retail development is supported through increased demand and spending capacity by the area's growing population.

#### AREA POPULATION STATISTICS

Areas	2010	2022	Annual % Change	2027	Annual % Change
City of West Sacramento	48,756	54,238	0.9%	55,517	0.5%
Yolo County	200,849	218,255	0.7%	220,611	0.2%
California	37,253,956	39,770,476	0.5%	39,648,278	<b>-0.1</b> %
	:	Source: Claritas			

The public-school systems in the Sacramento Metropolitan region have an excellent record of preparing students for higher education. Over 65% of the region's population over age 25 have attended at least some college, with over 29% earning at least a bachelor's degree. The population within a 3- and 5-mile radius of the Property, as shown in the table below, exceeds the region's percentage by over 10 percentage points. The Property is within ¼ miles of the West Sacramento Center, a satellite campus for Sacramento City College of the Los Rios Community College District.

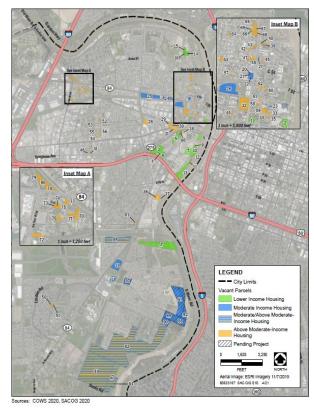
The Sacramento Area Council of Governments' (SACOG) Regional Housing Needs Plan estimated that the City would need to have capacity for 9,471 new housing units during the 6th Regional Housing Needs Allocation Cycle (2021-29). Of that, 39% needs to be designated for low- and very low-income populations earning less than 80% of the area median income. If that percentage is achieved, this means that the City would need to provide 3,665 new housing units affordable to low-income residents.

#### NEIGHBORHOOD DEMOGRAPHICS

Grand Gateway Master Plan Area	1 Mile	3 Miles	5 Miles
West Sacramento, CA			
Population			
2027 Total Population	18,072	127,747	301,706
2022 Total Population	17,498	121,707	293,153
2010 Total Population	15,438	102,445	250,967
2000 Total Population	14,634	91,721	217,648
Annual Growth 2022 - 2027	0.65%	0.97%	0.58%
Annual Growth 2010 - 2022	1.05%	1.45%	1.30%
Annual Growth 2000 - 2010	0.54%	1.11%	1.43%
Households			
2027 Total Households	7,285	54,623	120,559
2022 Total Households	6,992	739, 51	117,013
2010 Total Households	6,072	45,609	102,800
2000 Total Households	5,539	41,260	90,585
Annual Growth 2022 - 2027	0.82%	1.09%	0.60%
Annual Growth 2010 - 2022	1.18%	1.06%	1.09%
Annual Growth 2000 - 2010	0.92%	1.01%	1.27%
Income			
2022 Median Household Income	\$55,680	\$68,890	\$72,959
2022 Average Household Income	\$76,208	\$100,150	S103,930
2022 Per Capita Income	\$30,067	\$43,58ó	\$41,855
2022 Pop 25+ College Graduates	2,619	36,482	82,778
Age 25+ percent College Graduates	21.8%	41.6%	40.9%
Source: Nielsen/Claritas			

Over the past ten years alone, the City has invested \$32 million in the production of almost 300 units affordable to extremely low-, very lowand low-income households.

Within the Grand Gateway Master Plan area, the City



invested \$19.2 million to support West Gateway Place Phase I and II, totaling 137 units for low-income households. Additionally, in 2020 the City purchased a 40-unit motel, the Roadway Inn, with State Homekey Program funds, Yolo County ARPA funds and local Measure E and Community Development Block Grant funds, to operate a Homekey Program to provide emergency housing to the City's homeless population. This parcel is included in the Property offering. The City's emergency homeless housing services were expanded in June 2023 with the acquisition of the 19-unit Flamingo motel, a partnership between the City and Yolo County.

# **Site Information**

The Property consists of seven legal parcels within the Grand Gateway Master Plan area are highlighted in the figure below. The approximate boundaries of those legal parcels are shown on Yolo County's Assessor Parcel Number (APNs) maps located in Appendix A. The Property map key is the table located on page 10. There are four distinct development blocks within the Property. Each outlined geometry has been given an unique alpha identifier in the key table to help orient the respondents to the site information that is described below and each of the four development blocks have been numbered.



Development Blocks 3 and 4 include city-owned (in fee) public Right-of-Way (ROW) that was formally State Route 275. The City intends to abandon the ROW and transfer fee at the same time as the disposition of those two development blocks. The acreage of those ROW areas are included in the 8.6 acreage site described in the Development Offer section. Detailed diagrams of the abandonment areas are in Appendix B.

The City intends to reserve portions of the Property for public access easements, public utility easements and for tree preservation. The general locations of those areas are shown on the

diagrams in Appendix C. These areas are subject to change based on proposed project needs. The City intends to reserve 7th Street as shown on the diagram in Appendix D.

## **Land Description**

Much of the Property is vacant, undeveloped, with shovel-ready parcels zoned Central Business District (CBD). The exception is Parcel D which is currently occupied by a 40-room motel that has been converted to an interim supportive housing project that will remain in operation through 2025. The Property is generally flat but not graded.

#### **PROPERTY MAP KEY**

Parcel ID	Development Block	Accessors Parcel Number (APN)	Address	Block Acreage <sup>1</sup>	
Α		008-150-033	826 West Capitol Ave.		
В	1	008-150-066	824 West Capitol Ave.	2.84	
C	-	008-150-067	820 West Capitol Ave.		
D	2	067-320-007	817 West Capitol Ave.	1.82	
E	3	067-330-017 (part)	815 West Capitol Ave.	2.87	
F	4	067-330-017 (part)	815 West Capitol Ave.	1.07	
G		067-330-017	811 West Capitol Ave.		

<sup>&</sup>lt;sup>1</sup> These figures reflect the City's offer and may not align with the documents of record as several property boundary adjustment will be effectuated with the transaction

# **Development Block 1**

At the north portion of the site, Parcels A, B, and C form a triangular-shaped development site approximately 2.84 acres in size and combined are Development Block 1 (DB1). DB1 is bounded to the northeast by an elevated, active, rail track, West Capitol Ave to the south and a developed private property to the east. Public access to this portion of the site is provided via West Capitol Avenue and is proposed to be limited due to existing conditions. Additional information related to proposed areas of restricted access can be found in Appendix E. DB1 contains several mature trees including seven large Sycamore trees along block's southeastern border. The City intends to retain a tree reservation area to protect the established Sycamore trees.

# Development Block 2

Development Block 2 (DB2) the most eastern portion of the Property, parcel D, is approximately 1.82 acres in size. It is a triangle-shaped development site with a curved frontage access. DB2 currently has a 40-unit motel that the City purchased with State Homekey Program funds, Yolo County ARPA funds and local Measure E and Community Development Block Grant funds. The property was purchased to operate a Homekey Program, providing emergency housing to the City's homeless population. The City has an obligation to provide these services until 2025 but is ready to negotiate the sale of the property through an option or some other form of agreement.

## Development Block 3

The largest and most regular and square shaped parcel being offered is Development Block 3 (DB3). DB3 is the western portion of a large legal parcel intersected by 7<sup>th</sup> Street. The southwestern portion of DB3 is not part of the legal parcel yet. The City still needs to undertake the abandonment process and consolidate the abandonment area into the legal parcel. This process is well understood by the City and its partner title companies. More details can be found in the Title subsection below.

#### **Development Block 4**

Parcels G and F and portions of the public ROW form a rectangular-shaped development site approximately 1.07 acres in size. This Development Block (DB4) is the smallest of the blocks included in the Property. The eastern portion of DB4 is bordered on the east by an elevated, irregularly active rail track, by West Capitol Ave. to the north, by Tower Bridge Gateway to south, and by Grand Street to the west.

#### Title

Preliminary title reports are available for all parcels of the site and can be found in Appendix F. The Property contains large portions of ROW the City intends to abandon and merge with the existing parcels for the site. The City is the underlying fee title owner of the property. The property was relinquished to the City by the State in 1999. A copy of the recorded California Transportation Commission Resolution is provided in Appendix G. The proposed abandonment activities will require the City to publicly notice the intent to abandon, stake the property, notice the utility companies, and take Council action to approve the abandonment. In addition, the City will need to quitclaim the property to the selected respondent. The City anticipates the developer will need to complete a parcel map or subdivision map for the entire project area to merge the abandoned portions of the site with the existing adjacent parcels, among other actions.

# General Plan, zoning, and development standards

The Property is in the Central Business District zone. The City's current standards are summarized in the Development Standards table. Due to the rapidly evolving State-level legal landscape, this table does not factor in developer incentives available pursuant to State law, such as density bonuses, concessions, and waivers.

#### DEVELOPMENT STANDARDS

Zoning	Central Business District (CBD)/Mixed-Use
Uses	Residential, Public/Semi-Public,
	Commercial, Retail, Hospitality
Min/Max Density	20/60; Min 30 du/ac per Grand Gateway Master Plan
Max Height	65' (see 17.09.030 of zoning code)
Min/Max FAR	0.3/3.0
Min Front	None per zoning; See Grand Gateway Master Plan's Building Form
Setback	Standards
Min Interior Side	None
Setback	
Min Rear Setback	10'
Min Lot Area	5,000
(square feet)	
Open Space	Total/unit: 150
Requirements	Private: minimum 50 sf for 50% of units
(square feet per	Common: minimum 100 sf/unit; See Grand Gateway Master Plan's
residential unit)	Civic Space Standards
Design Guidelines	See Grand Gateway Master Plan's Architecture Guidelines
Parking Minimums	See Title 17: Zoning (Table 17.27.040)

# **Parking**

Parcel F is currently operated by the City as a 75-space paid surface parking lot. Currently, the primary users are the tenants of the West Gateway Place apartments. A second phase of the project is under construction and is expected to be completed in late 2024. In addition to this parking

asset, there are approximately 20 on-street parking spaces on 7th Street. The Grand Gateway Master Plan calls for structured parking on DB3. It is anticipated that the City would partner with the selected developer to relocate the 75 parking spaces on the surface parking into a centralized shared-use parking structure somewhere on the property. This would permit DB4 to be developed as mixed-use. The City is flexible about how the proposed project would meet the parking needs of the Property and supply an equivalent level of shared parking for the public.

#### Infrastructure

The Property is an infill development site, and as such, some of the prior public utilities remain. These remnant improvements, including existing public utility infrastructure, are shown in Appendix H. Notable infrastructure improvements on the Property include a 30-foot-wide drainage ditch

that runs along the entire northeast border Parcels F and G. The City intends to retain a drainage easement for this facility. 7th Street is the boundary between Parcels E and F. The City intends to retain, in fee, all portions of 7th Street. This area is not included in this offering of the Property. Also excluded from the offering are any portions of the legal parcels that are within the existing public ROWs not called out for abandonment and any planned civic spaces. The surface parking lot on Parcel F is included in the offering.

In 2018, the City completed a major infrastructure project which completed the roadways improvements for the Property funded in part by an ASHC grant. The project implemented the pedestrian network from the 2013 Grand Gateway Master Plan Area shown in the diagram to the left. Unfortunately, due to limits on the grant funds, the City was unable to include underground utility improvements for the Property.

Detailed interactive utility maps will be made available at the Pre-Submission Information Session. Static maps for the water, sewer, and storm drainage improvements are provided in Appendix H. The City is open to partnering with the selected developer to relocate the sewer main that bisects DB3 but anticipates reserving an easement for a sewer line along the southern edge of DB1 due to the adjacent established trees.

#### **Flood Zone**

According to the most current Flood Insurance Rate Map, dated January 19, 1995, and prepared by the Federal Emergency Management Agency, the Property is located within Panel 5 of 10, Community Panel Number 060728 0005B and is designated in "Zone X". Properties within "Zone X" are not required to maintain flood protection insurance.

Pedestrian Network



- Existing Sidewalk - Proposed Sidewalk Proposed Project Area Pedestrian Connections Existing Crosswalks

Proposed Crosswalks Proposed Streetcar Lines West Sacramento Grand Gateway

improve the pedestrian network. It shows how the West Sacramento Grand Gateway Project Area could be developed to meet the street and block network requirements of this Planned Development Document.

The diagram above indicates the existing pedestrian network of sidewalks and crossings within a

1/4 mile radius (5-minute walk) of the project site

and the proposed improvements recommended to

# **Site Vision**

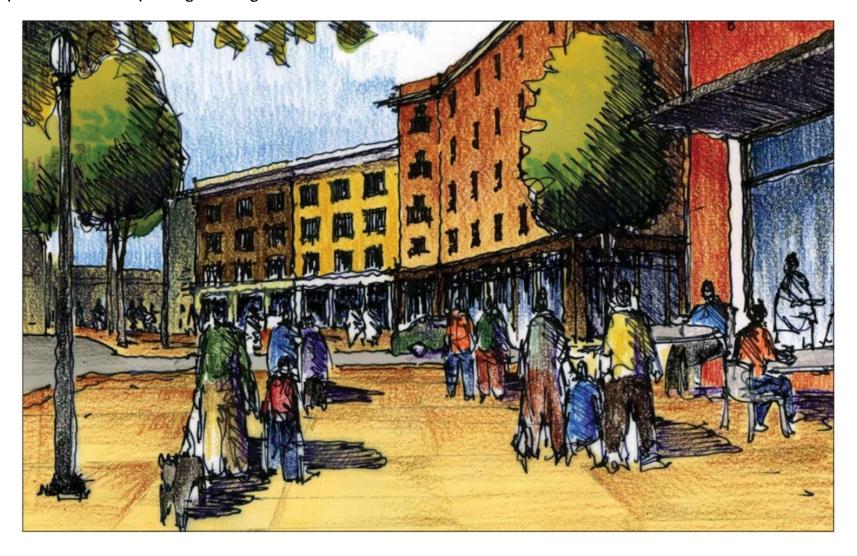
# **Grand Gateway Master Plan**

Approved in 2013, the Grand Gateway Master Plan focuses on design details aimed at establishing site development standards and design guidelines that will lead to attractive, compact mixed-use development laid out in a highly functional, pedestrianoriented setting. The documents standards and guidelines include the following measures that can work to achieve the City's complete communities: a balanced mix of complementary land uses in proximity, a street layout that provides for building orientation towards pedestrian and multimodal corridors, street frontage and building placement measures that minimize barriers to pedestrian connectivity, and access commercial intensities of at least 1.0 FAR, residential densities of at least 30 dwelling units to the acre, and urban parking provisions to unbundle parking from commercial and residential uses.



For the past ten years, the Grand Gateway Master Plan has served as the basis for public improvements around the Property, which is reflected in the streetscape improvements, bicycle and pedestrian enhancements and the micro-transit station improvements along Tower Bridge Gateway.

Although the Grand Gateway Master Plan contains both standards and guidelines, it is not intended to be overly prescriptive in its approach. With it, the City has captured its desired outcomes and offers prospective master developer a clear pathway to meet the City's expectation. During the negotiation process, this document will serve as a basis for a dialogue between city staff and the master developer about the project informing the parties collaborative planning and design efforts.



## **Washington District Public Art Implementation Plan**

The Grand Gateway Master Plan envisions a public plaza with a variety of amenities, including public art. Approved in 2018, Washington District Public Art Implement Plan (WDPAIP), defines a distinct art investment strategy to foster transit-oriented, pedestrian—and bike-friendly development patterns for the Property. Most specifically, The WDPAIP includes policy guidance for the future Grand Gateway Plaza ("Plaza"), a civic plaza located on city-owned property at the convergence of West Capitol Avenue and Grand Street. The exact size of all the civic spaces will be determined through the design process in compliance with the development standards, however the City anticipates that the Plaza will be a 0.4 acre space in the located shown in Appendix J. Based on the policy guidance within the WDPAIP, the Plaza will include a tall, highly visible sculpture that can be experienced by automobile traffic. The artwork will be large enough to command the attention of drivers as well as welcoming pedestrians. The Plaza also envisions features such as a dedicated area for food trucks, water features, and bike repair station.

Any proposal submitted for DB1 would need to ensure land uses and frontage types permitted for the development of the site surrounding the Plaza are supportive of this public space. The City is open to considering alternative locations for some of the proposed features, (e.g., the water feature and food truck area) and alternative programing for the recreation components of the Plaza. However, due to certain title uncertainties the Plaza area is not included in the Property. The location of the Plaza is assumed to remain where it is currently defined due to these constraints. Although it is not included in this offering, the City is open to discussing those constraints with the selected master developer and pursuing a resolution to the title issues to permit some modification to the Plaza's location. All other civic space locations will need to consider how the features will create a sense of place that is specific to the Grand Gateway area, create synergy among public agencies, private institutions, and business, encourage residents and visitors to choose pedestrian, bicycle, and transit travel, and provide a sense of physical orientation. They will also need to be responsive to the civic space standards in the Grand Gateway Master Plan and support the public art objectives in the WDPAIP.



# **Community Input**

## Building partnership through engagement and transparency

The City's success in implementing its vision of complete communities for the Property and surrounding districts has centered on gaining community support through thoughtful engagement in over a decade of planning and implementation activities. The City has partnered with neighborhood nonprofit groups, including the West Sacramento Youth Resource Coalition, Bryte and Broderick Community Action Network, West Sacramento Historical Society, and the Broderick Christian Center to create a participatory environment associated with neighborhood revitalization plans. Acknowledging and appreciating the community's diverse population, the City has deployed inclusive engagement practices in neighborhood outreach activities, including multilingual translation at community events, and providing multiple channels to solicit the community's needs and desires for neighborhood improvement. The City's ongoing public collaboration has resulted in plans that celebrate the community's history while fostering foundations for whole, amenity-rich neighborhoods centered on quality housing and job opportunities for a diverse population.

# **Key Engagement Activities**

### **Grand Gateway Master Plan**

In December 2012, the City facilitated a public workshop and presentation to the Planning Commission and surrounding community residents of initial Grand Gateway design concepts to receive input on the vision for the future development of the site. This meeting built on prior engagement to identify key project planning objectives, including 1) determine and locate the focus of commercial activity; 2) determine the terminus of the West Capitol Avenue view corridor; 3) resolve the West Capitol Avenue connection; and 4) determine the location and role of civic space. The City and the project design team presented three framework designs, initial design concepts, and example images of building and frontage types. At this meeting, the Planning Commission and community members opined on preferred design, scale, public realm, and development configuration elements.

# Washington Realized

In consultation with the West Sacramento Youth Resource Coalition, Bryte Broderick Community Action Network (BBCAN), and the Sacramento Area Council of Governments, the City deployed a multi-channel community outreach program to ensure community values and priorities are integrated into the City's efforts to revitalize the Washington neighborhood. The City partnered with neighborhood and local groups including the BBCAN, the West Sacramento Historical Society, and the Broderick Christian Center to assist in stakeholder mapping, outreach and survey deployment. Understanding and acknowledging the neighborhood's diverse population, the City held an open house kick-off event in September 2012 that included Russian and Spanish interpreters to ensure inclusivity and support of unique cultural perspectives. Community members shared their thoughts on various community development topics, including land use, urban structure and design, infrastructure, housing, circulation and transportation, recreation, and historic preservation. City staff continued community

engagement to address prevailing community concerns identified during the 2012 project kick off. In 2014, City staff held multiple community focus meetings to address how the City could address barriers to transit-oriented development, revitalization, and equitable housing. As a result, the City and community conceived small, catalyst projects to overcome barriers or challenges identified. In addition, the City used the community's contributions to directly impact guiding principles established in the Washington Realized document.

#### Washington Specific Plan Update

Building on the outreach foundation established with Washington Realized, the City leveraged additional tools to support public engagement for the Washington Specific Plan update process. In addition to open house engagement workshops, the City's consultants created virtual platforms, including virtual workshops and online surveys to enable the community to provide input at one's convenience. Furthermore, the consultant team leveraged other community events, such as the widely attended Street Lantern Festival in March 2019, to share information related to the Washington Specific Plan update.

#### Washington District Public Art Implementation Plan

Funded by the National Endowment of the Arts (NEA) "River Crossing" Grant, in 2018, staff and its consultant team conducted community engagement through stakeholder interviews, visual and online surveys, and a pop-up art event.

As part of the Washington District Public Art Implementation Plan (WDPAIP), the City received input on how public art can enhance economic viability and a distinct neighborhood identity. The City gained perspective from different stakeholders, generating a consensus understanding of public and private objectives for the Washington District. Visual surveys with different examples allowed participants without a background in public art to provide meaningful input. The City conducted follow-up interviews to reconcile and confirm input from early phases of community engagement. Several key ideas about how to proceed with Washington District public art implementation emerged: continue establishing strong connections between the Sacramento River and Washington District as the waterfront remains a critical focus of interrelated city strategies, with art playing a key role, reinforce connectivity and access with the River Walk – use public art to reinforce placemaking and wayfinding and historic preservation of buildings is essential, but art provides another means for celebrating history and should be a part of the public art program.

# **Deal Structure**

The City's preferred deal structure will result in a strategic public/private partnership with a master developer for the entire 8.6-acre site. This partnership is anticipated to result in Disposition and Development Agreement (DDA) that includes acquisition of the entire 8.6-acre site. The DDA is expected to include:

- 1) a purchase price, a schedule for completing the acquisitions and development improvements,
- 2) schedule for completing the acquisition and development improvements, and
- 3) financing terms, including potential subsidies to support the required number of the minimum number of affordable residential units as well shared parking.

Respondents' proposals are expected to incorporate a financing structure that anticipates pursuing funds from other sources, including but not limited to, other state and local agencies, grant funding, private investors, and banks. The City may be open to an alternative disposition process, such as a standard purchase and sale agreement, provided that all the following conditions are met:

- 1) the Property is subject to a land use covenant or other similar mechanism that binds the entire 8.6-acre site to the applicable provisions of the Surplus Land Act and the findings and declarations contained in City Council Resolution 23-52, adopted on June 28, 2023, provided in Appendix K, a
- 2) the proposal commits the respondent to the development standards and guidelines in the Grand Gateway Master Plan, to the easements, encroachments, covenants, conditions, and restrictions as prescribed in the site information starting on page 9, is demonstrably responsive to the site vision and the community inputs, and
- 3) permits the City to continue to operate the interim supportive housing located on DB2 through 2025 in compliance with the Declaration of Restrictive Use, provided in Appendix L, and
- 4) is more advantageous to the City than a DDA structure.

# Selection Criteria, Process & Schedule

Proposals will be evaluated using the categories described below. The City selected these metrics to ensure that the respondent's teams are highly qualified master developers, with a proven track record of public/private partnerships and comparable projects to those described in the site vision section on page 13, and have a clear, desirable, and feasible project proposal. Any project proposals that fail to demonstrate that they will satisfy all the conditions in the deal structure section on page 18, most notably the requirements of the exemption surplus land designation as described in the Surplus Land Act described in Government Code Section 54221 (f)(1), will be disqualified.

### Criteria 1: Development and Operating Experiences (15 points)

The City will assess each proposed development team's quality of experience and history of success in delivering and operating transit-orientated development, mixed-use urban infill development projects, destination retail projects or hospitality projects. If applicable, the City will assess the experience of the master developer in delivering mixed-income community development.

#### Criteria 2: Partnership Approach (20 points)

The City will assess each proposed development team's approach to partnering with the City as a master developer for the 8.6-acre site. Additionally, depending on the development team's construct, the City will assess the quality of working relationships between the other proposed parties and if applicable their success in working with affordable housing developers. A master developer who is interested in the Property does not need to have an affordable housing partner to respond. The City is open to facilitating that partnership with the selected master developer.

# Criteria 3: Realization of the Site Vision (30 points)

The City will assess how consistent the proposed development project, phasing and overall approach is with the City's complete communities' objectives. It will assess how consistent the proposed development project is with the Grand Gateway Master Plan standards and objectives, and respects and responds to the site information, vision statements and community input.

# Criteria 4: Deal and Financial Structure (35 points)

The City will assess the proposed project's deal structure and the proposed financial structure, with particular focus on the City's evaluation of the proposals reasonable ability to deliver the project(s) as proposed, in the time required, with the terms described, etc. The City will attempt to evaluate the risk associated with proceeding under certain perceived assumptions included in the project proposal in order to limit any City's subsidy and liability. The ideal response will include some actionable information in regard to the proposed purchase price, the maximum cash loan value anticipated and any other details the respondent can provide to demonstrate the proposer's experience in funding comparable projects and addressing longer term funding mechanism that will ensure that the overall project is at minimum fiscally neutral to the City.

Sonus Criteria: State and Local Grant Funding (10 points)

The City may score up to 7 bonus points to any proposed development team that can demonstrate a track record of successfully qualifying for and winning grant funds for projects like the proposed development project. The City may score an additional 3 bonus points for any proposed deal or financial structure that the City determines would be highly competitive to win grant funds.

# **Initial selection process**

Proposals will be screened against the five criteria described above and scored on a 100-point scale with the maximum possible score of 110. Proposals that score less than 75 will not be considered beyond the initial selection process. The anticipated outcome of the initial selection process will be a short list of proposals that will be recommended for further consideration. Depending on the number of responses received any developer teams on the short-list may be asked to enter into an Exclusive Negotiation Agreement (ENA) or similar non-binding agreement with the City for the purposes of due diligence and further development of the parameters of this opportunity as contained by the limits set forth in greater detail later in this document. If only one qualified candidate is identified for the short-list the City may choose to skip the initial selection process and advance directly into the final selection process.

### Final selection process

City staff anticipates selecting a respondent from the short list to advance into DDA discussion within a few months following kick-off of the initial selection. During this period, the parties will finalize the purchase price, finalize the development partners, and will commence the design review approval process. At minimum, the selected master developer will be expected to present preliminary building elevations, renderings, site plans, photographs, or similar material at scheduled pre-application meeting(s) during this period.

### **Schedule**

All times included in this RFP are for pacific standard time. A pre-submission meeting will be held on September 6th 3:00pm to 4:30pm at the City Hall annex. Staff is respectfully requesting that all attendees RSVP via email by 5:00pm on August 31st to Amber Saiyasit at Ambers@cityofwestsacramento.org. This will be an in-person meeting, followed by a walking tour of the site, which is across the street.

Questions during the solicitation process will be accepted and answered as follows outside the pre-submission meeting. All questions shall be submitted to Amber Saiyasit via email. The questions received will have the questions and answers posted to <a href="https://www.cityofwestsacramento.org/realestate">www.cityofwestsacramento.org/realestate</a>. All questions received by 5:00pm on September 12th will be posted by 10:00am on September 19th. No questions will be answered after the deadline for submission for questions.

Proposals are due October 6th at 4:00pm.

The initial selection process may include site visits and interviews. A tentative schedule is provided below. City may revise this schedule as needed depending on the responses received.

By October 16<sup>th</sup> all respondents will receive a letter via email notifying the development team if the proposal meets the minimum 75-point threshold. Proposals that meet or exceed that threshold will be notified of their score and may be asked to schedule an interview, a site visit or both. Proposals that do not will only be notified that they are not advancing. Interviews and site visits will occur in late October and early November.

Staff anticipates seeking the Council's approval to select a final development team in closed session at a November or December Council meeting. If approved by the City Council in closed session, the selected development team will be notified via a phone call. All teams not selected will be notified by letter via email.

Following the selection of the preferred development team, staff anticipates an 18-to-24-month time period to complete all the necessary tasks to execute a DDA. The ideal proposal will assume that construction will commence on the first phase within 24-36 months of the execution of the DDA.

# **Submission Requirements**

# Finding the balance between enough information and not so much to be burdensome

The City is proud of its history of being responsive to the development community and establishing lasting and successful public/private partnerships. The goal of this solicitation is to receive enough information that we can understand who our potential partners will be and to evaluate the potential success of a collaboration without asking respondents to prepare too much material or offer up specific deal terms without the benefit of a two-sided dialogue. We hope that we have achieved that aim.

#### Requirements

Submission must include the following content in the order listed to be evaluated:

- 1) An interest cover letter:
- 2) A table of contents:
- 3) A description of the proposed development team's structure, their experience and history of previous projects;
- 4) A discussion of the proposed development team's approach to partnering with the City;
- 5) The proposed project(s) narrative;
- 6) The proposed project(s) deal structure:
- 7) The proposed project(s) financial plan;
- 8) References;
- 9) Statement of Conflict.

Respondents may include the following optional section #10 to capture 7 of the 10 bonus points.

The proposal must be a PDF and sent electronically to Katie Yancey, Community Investment Manager at <a href="Katiey@cityofwestsacramento.org">Katiey@cityofwestsacramento.org</a> and Amber Saiyasit, Program Manager, at <a href="Ambers@cityofwestsacramento.org">Ambers@cityofwestsacramento.org</a> by 4:00pm on October 6th, 2023. No late submission will be accepted. All proposals shall be formatted with standard font size and type. All pages will be numbered, all individual sections shall be identifiable, and the document shall be easy to navigate. Staff highly recommends that respondents use both insert cover pages to divide sections and electronic bookmarks. The ideal submission will provide a clear and concise response to the requested content and should be forthcoming in the respondent's capacity and ability to meaningfully partner with the City.

Respondents may use cloud-based systems to upload and share large files. When using this type of service respondents are encouraged to additionally email the link separately under their own email address. All respondents are encouraged to confirm receipt. Links that are broken, unavailable, etc. or PDF attachments to emails that can't be downloaded or opened will not be considered as on-time submissions.

#### Content

#### Section 1

In the cover letter, indicate if the development team is proposing on all blocks, or which blocks if the proposal does not include the entire 8.6-acre site. Summarize the team's structure, and the key ideas for your team's approach to the project. Define who the point of contact will be for the proposal review process. Provide evidence that the signer of the letter is authorized to act on behalf of the proposed master developer.

#### Section 2

Hyperlinks and bookmarks are encouraged.

#### Section 3

This section should include resumes for the project team leads, a description of past similar projects that they worked on, what their role was, etc. An organization chart is encouraged.

#### Section 4

The City is seeking a partner to develop the Property in a manner consistent with the site vision. Describe the development team's understanding of the City's objectives and the work done to prepare this site for development.

#### Section 5

Using the map and map key, describe the proposed project, how it may be phased, etc. Tell the City the story for the proposed development using both a well written narrative and visual aides.

#### Section 6

Describe the development team's preferred deal structure. Note if it aligns with or differs from the City's preferred approach. Discuss the proposed project's phasing and overall schedule.

#### Section 7

Describe both a Plan A and a Plan B for meeting the financial needs of the proposed project. Offer the development team's best intuitive approach to achieving the site vision. Describe the development team's approach to securing funding for the project. Respondents are encouraged to provide a purchase price in dollars instead of a process to determine the purchase price.

#### Section 8

Provide at least three references for the proposed master developer. References for all firms and project leads listed on the organization chart are encouraged.

# Section 9

Provide a statement regarding any activites or relationships that the development team might have that create a conflict of interest for the submitter and the City. If such relationships do exist, disclose all relavant facts necessary for the City to evaluate the signfigance of the conflict.

# Section 10

Describe the development team's experience in securing infill housing and infill infrastructure grants (e.g. ASHC grants, Infill Infrastructure grants, Strategic Growth Council grants, etc.).