



CITY OF SANTA BARBARA

REDEVELOPMENT AGENCY AGENDA REPORT

AGENDA DATE: December 4, 2007

TO: Chairperson and Boardmembers

FROM: Housing and Redevelopment Division, Community Development Department

SUBJECT: Request For Proposals For Development Of Agency-Owned Property At 125 State Street

RECOMMENDATION:

That the Redevelopment Agency Board authorize the Agency Deputy Director to release a Request for Proposals for leasehold disposition and development of Agency-owned land located at 125 State Street.

BACKGROUND:

The Agency-owned property is located at 125 State Street just south of the railroad track and adjacent to the Historic Santa Barbara Railroad Depot. The parcel is approximately 22,370 square feet and has frontage on both State Street and Kimberly Avenue. The Signalman's Building is located on the northern edge of the property.

The Santa Barbara Railroad Depot Restoration Project was originally approved with a total of 214 parking spaces, broken up in two parcels; parking on the north side of the tracks totaled 167 spaces and parking on the south side (125 State Street) of the tracks was to total 47 spaces. In 1995, the Redevelopment Agency Board recognized the adequacy of parking provided north of the railroad tracks and directed staff to redesign the site for use as the Chamber of Commerce's Visitor Information Center (VIC). However, the Redevelopment Agency began discussions with what was then the Entrada Project, and determined that the VIC could be incorporated into the Entrada Project. Agency staff continued to plan for public parking on the site, and in December, 1999, the Planning Commission made a determination of substantial conformance for a 41-space parking lot. In October 2004, Transportation Planning staff reviewed the proposed design for the 41-space parking lot and determined that the 10 space parking demand for the VIC could be incorporated into the required public spaces to be provided by the project formerly known as the Entrada. Based on this analysis,

REVIEWED BY: _____Finance _____Attorney

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Transportation Planning staff noted that the development of 125 State Street as a parking lot would create an unnecessary surplus of public parking in the area on a very valuable piece of land and recommended that the Agency consider another use for the site. Consequently, on January 27, 2005, at a Special Meeting of the Redevelopment Agency Board, funding for the proposed parking lot was redirected to other Agency programs and projects and the project was shelved.

DISCUSSION:

On July 31, 2007, Staff began consideration of releasing a Request for Proposals (RFP) to all interested parties for the leasehold disposition and development of the parcel. The proposed RFP is the subject of this Agenda Report.

The Agency is interested in reviewing possible development options for the site that benefit both the community and the Agency's financial situation. There are no identified Agency projects or programs for the parcel and the RFP will therefore be general in nature. The purpose of the RFP will be to garner interest in the site and identify interested teams/development teams with whom to enter into an exclusive negotiating agreement to develop an appropriate project for the site.

The RFP contains general information about the site and basic parameters for the possible development of the site, including: site description, development standards and guidelines, proposed project feasibility, financial strength of proposing interested team/development team, as well as submission requirements and selection procedures. Details of the RFP can be found in the Draft RFP which is an attachment to this report. The RFP is currently designed to cover the broadest spectrum of possible development scenarios.

NEXT STEPS:

A review committee will select an interested team/development team with whom to enter into an Exclusive Negotiating Agreement (ENA) to develop the site. Staff anticipates returning to the Board in early Spring 2008 to receive authorization to enter into negotiations with an interested team/development team. The approximate timeline is as follows:

Request for Proposals Released.....Mid-December 2007
Request for Proposals DueLate January 2008
Development Team Selected by RDA Board/ENA Process Begins..Late March 2008

A DRAFT copy of the RFP has been placed in the Council Reading File, the City Clerk's Office, and the Redevelopment Agency Offices at 925 De la Vina Street. Upon authorization by the Board to release the RFP, the RFP will be directly mailed to individuals and firms who may have an interest in the site and to professional organizations. It will also be posted on-line, including the websites of the City, the California Redevelopment Association, and the American Planning Association.

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ATTACHMENT: Summary of RFP Components for 125 State Street

PREPARED BY: Steven Faulstich, Acting Housing and Redevelopment Manager/
BJB

SUBMITTED BY: Dave Gustafson, Acting Deputy Director

APPROVED BY: City Administrator's Office

SUMMARY OF REQUEST FOR PROPOSALS FOR RDA PROPERTY AT 125 STATE STREET

Purpose: To request proposals for long-term lease and development of one-half-acre RDA-owned property in Waterfront area. The RFP is broad as to uses, and no specific development type is specified, other than inviting only uses allowable in the Local Coastal Plan and in the City Zoning Ordinance area designation of Hotel and Related Commerce (HRC-2) within the Coastal Overlay Zone (SD-3). Specifically, residential uses are identified as not allowed.

Selection Criteria: Proposals will be evaluated for negotiation based on the following (in no implied order):

- Completeness
- Quality design
- Highest feasible “green building” standards for development type
- Economic benefit to City and Redevelopment Project Area balanced with overall community benefit
- Demonstrated capability and experience of development team, including experience with Santa Barbara development review process
- Strength of evidence of financial capability to develop and sustain project

Proposal Requirements: A complete proposal will include:

- Detailed narrative description of proposed development
- Conceptual drawings, including rendering, site plan, and floor plans
- Development pro forma identifying sources and uses of funds
- Operating budget projections
- Business plan or, if non-profit use, some level of feasibility analysis
- Estimate of fair market lease rate for RDA property and proposed lease payment to RDA, with justification of any variance
- Development team background and experience, including accomplished projects

Selection Process and Subsequent Actions: A staff proposal review committee will evaluate and rank proposals for satisfaction of selection criteria. The highest-ranking proposals will be forwarded to RDA Board with a staff recommendation to enter into an Exclusive Negotiation Agreement (ENA) with the development team of highest-ranked proposal. The ENA terms will be pursued through the development review process with the goal of the successful negotiation of a lease and a Disposition and Development Agreement.