

Alameda Reuse and Redevelopment Authority

Alameda Point/NAS Alameda
950 W. Mall Square - Building 1
Alameda, CA 94501-5012

(510) 749-5800
Fax: (510) 521-3764

Governing Body

Beverly Johnson
Mayor, City of Alameda
City of Alameda

October 19, 2006

Marie Gilmore
Councilmember/Community
Improvement Commissioner
City of Alameda

Dear Interested Party:

Tony Daysog
Councilmember/Community
Improvement Commissioner
City of Alameda

Re: Request for Qualifications – Master Developer for Alameda Point

Frank Matarrese
Councilmember/Community
Improvement Commissioner
City of Alameda

I am pleased to provide the attached Request for Qualifications (RFQ) for a Master Developer for Alameda Point for your consideration. The Alameda Reuse and Redevelopment Authority (ARRA) is soliciting qualifications from developers who may be interested in assuming master developer obligations and responsibilities previously negotiated with the United States Navy for a portion of the former Naval Air Station Alameda.

Doug deHaan
Councilmember/Community
Improvement Commissioner
City of Alameda

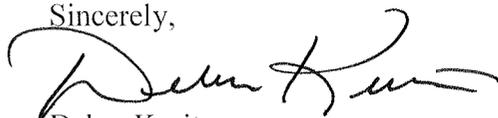
To assist you in determining if this is an opportunity you are interested in pursuing, the ARRA will be conducting a mandatory bidders conference on Monday, October 30 from 9:30 am to 12:30 pm. The bidders conference will be held at City Hall West, 950 West Mall Square, Room 201. You must confirm your attendance at the bidders conference by returning the enclosed *Intent to Respond* to Ms. Susie Brown at sbrown@ci.alameda.ca.us or fax number (510) 749-5808, no later than 5:00 pm on Wednesday, October 25. Responses to the RFQ are due on Monday, December 4, 2006, by 5:00 p.m.

Debra Kurita
City Manager/
Executive Director

The ARRA has assembled a number of technical documents on CD's that will be available at the bidders conference. In addition, there is a project web site, www.alameda-point.com, that has several documents, including the Preliminary Development Concept (PDC) that formed the basis of the project pro forma and \$108.5 million land price, that can be reviewed as part of your evaluation of this development opportunity.

If you have any questions or need additional information, please call Ms. Debbie Potter, the Acting Alameda Point Project Manager, at (510) 749-5833.

Sincerely,



Debra Kurita
Executive Director

REQUEST FOR QUALIFICATIONS: MASTER DEVELOPER FOR ALAMEDA POINT

Introduction/Background

In 1993, the Navy announced that the Naval Air Station Alameda, now known as Alameda Point, would be closed. The Navy ceased operations in 1997, and in 2000, the Navy and Alameda Reuse and Redevelopment Authority (ARRA) entered into a Lease in Furtherance of Conveyance (LIFOC) and No-Cost Economic Development Conveyance Memorandum of Agreement (EDC MOA). In August 2001, the ARRA selected Alameda Point Community Partners (APCP) as its master developer to redevelop approximately 770 acres at Alameda Point. APCP was a partnership made up of Shea Homes, Shea Properties and Centex Homes.

In 2003, the City amended its General Plan to incorporate the policies and land use designations contained in the Alameda Point Community Reuse Plan. The allowable number of residential units and commercial square footage differed from those contained in the ARRA's 1998 EDC application. As a result, the Navy questioned whether ARRA remained eligible for a No-Cost EDC. In lieu of submitting an amendment to its No-Cost EDC application, the ARRA elected to negotiate a "For-Cost" EDC with the Navy.

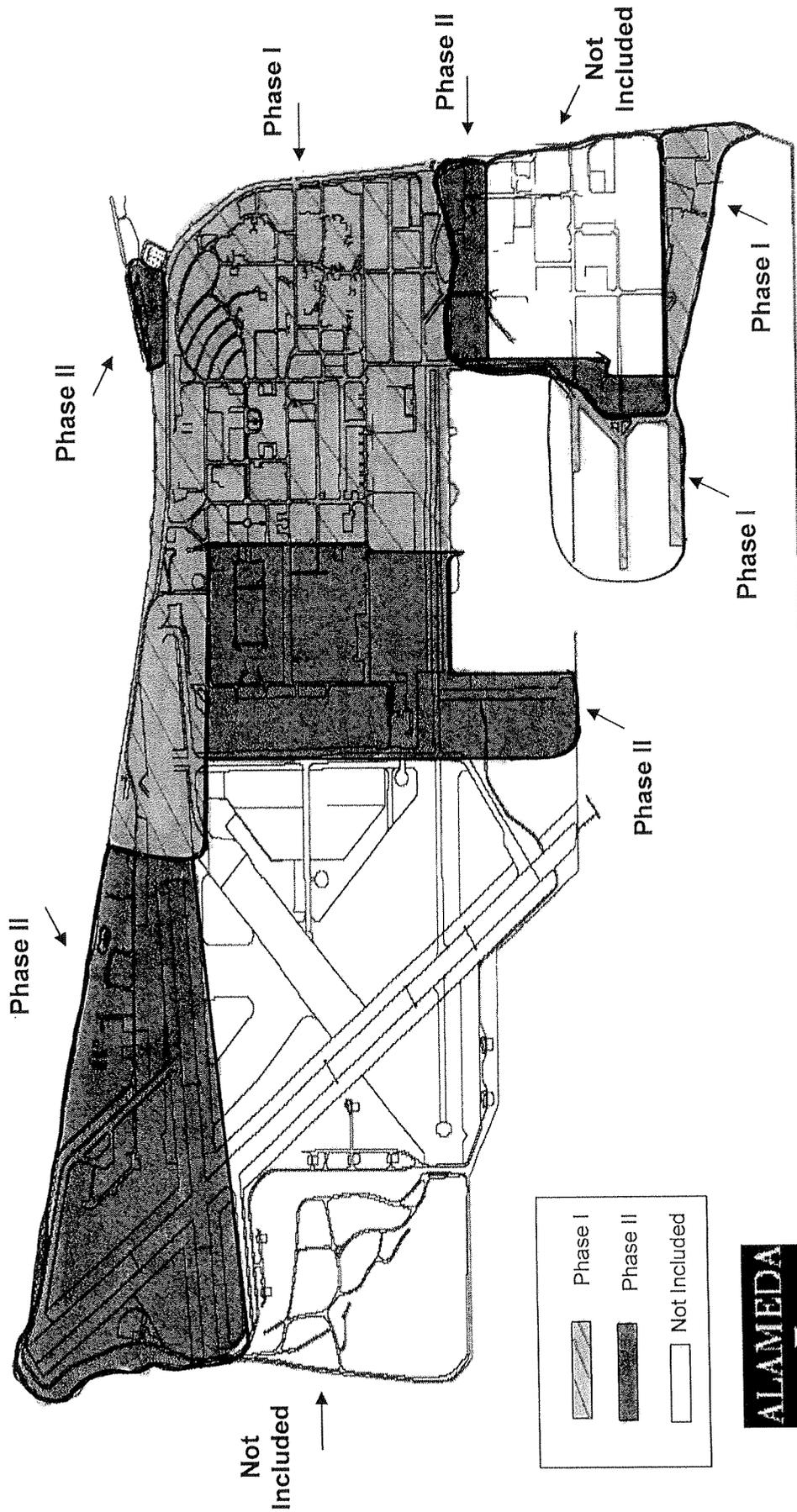
In 2004, the ARRA committed \$3.5 million to a predevelopment effort to: 1. Prepare a land plan in conjunction with the community that would identify key entitlement issues and bring more certainty to the project approval process and 2. Negotiate a conveyance term sheet with the Navy. In February 2006, the ARRA accepted the Preliminary Development Concept (PDC), which builds on the Community Reuse Plan and charts a series of next steps in the entitlement process. In June 2006, the Navy and ARRA reached agreement on a draft conveyance term sheet. A land purchase price of \$108.5 million was agreed to in the draft term sheet.

APCP was notified, pursuant to its agreement with the ARRA, that it had 60 days to elect to proceed with the project. On August 21, 2006, APCP provided the ARRA with a conditional election to proceed. However, 30 days later it withdrew its conditional election to proceed, citing a downturn in the residential market that no longer supported a \$108.5 million land purchase price.

On October 4, 2006, the ARRA authorized a Request for Qualifications (RFQ) process to determine if there is a developer willing to assume APCP's position as master developer and move forward with the project as negotiated in the draft term sheet with the Navy. The Navy has agreed to the RFQ process as long as the land purchase price remains at \$108.5 million and the payment schedule contained in the draft term sheet is retained. The negotiated land value is a combination of in-kind and cash payments over time. \$40.3 million is an in-kind contribution that will be spent on environmental clean up of the first phase footprint (see page 37 of the PDC for the phasing map). \$68.2 million is a cash payment over time.

The new master developer will be selected through a two-step process. A short list of qualified developers will be determined through the RFQ process. The RFQ will include relevant experience, in-house development capabilities, management team and structure, and financial resources. Based on submittals received, a selection team will determine the most qualified developer(s) for recommendation to the ARRA Board. The selected developer will then have an exclusive 45-day period to determine interest in becoming the new master developer subject to the terms and conditions of the draft term sheet. If the first ranked developer declines to proceed after the exclusive 45-day period, the ARRA could elect to grant an exclusive 45-day due diligence period to the second ranked developer.

Map of Development Opportunity



CONTENT OF STATEMENT OF QUALIFICATIONS

The City welcomes responses to the RFQ in a format that the developer believes best expresses the qualifications of the development team. However, the statement of qualifications submitted must clearly include the elements described in this section. Lengthy responses are not expected. The total response submitted should not exceed 20 pages.

Summary

A brief synopsis shall be submitted which is easily understood, and which summarizes the development team's key qualifications, experience, and the respondent's willingness to commit to the provisions of the draft term sheet previously negotiated with the Navy. Key provisions include the \$108.5 million land price and the payment schedule.

The summary should identify the person who will serve as the principal point of contact with the City and be authorized to make representations on behalf of the entity.

Vision Statement

The Vision Statement should outline the development team's approach to developing Alameda Point and meeting the goals and objectives of the Preliminary Development Concept (PDC). The purpose of the Vision Statement is to allow the City to determine (i) whether the respondent understands the technical and regulatory issues and other development constraints outlined in the PDC and related documents provided as part of this RFQ process; (ii) whether the developer can meet the City's policy goals and objectives contained in the PDC and other key policy documents; specifically: 1) fiscal neutrality (i.e., the project will not burden the City's general fund), 2) provision of a 57-acre sports complex on land to be conveyed via a Public Benefit Conveyance at no cost to the City (part of the Phase I conveyance), and 3) renovation of three existing buildings for City use (City Hall West, O'Club and Fire Station); and (iii) whether the developer's approach to development is consistent with the community's vision for redevelopment of Alameda Point as captured in the PDC.

Description of Project Team

Detailed background information on the proposed Master Developer entity, including membership of the board of directors, senior management, corporate history, corporate mission statement or similar characterization of the entity's principle business objectives, and corporate organizational structure is requested. Similar information is also requested for any development partner that is proposed to be part of the project, with a narrative which describes the specific role of each team member.

A primary desired quality of a Master Developer includes the commitment of an experienced and professional senior-level management team throughout the life of the project. Resumes for key personnel and a project team organizational chart should be included in each submittal.

Prior Experience

Describe the experience of the entity and key individual team members in master developer, large scale, multi-use urban development. Describe the type and location of projects, scope of involvement, current status, project management responsibilities, dollar value of the development, financing sources, extent of public/ private partnerships or agreements, and amount and type of environmental remediation and provision of environmental insurance. Experience with projects involving California redevelopment agencies in particular should be noted. Projects should either be complete or underway to the point that they can be viewed and independently evaluated.

Developers are encouraged to include their experience with projects that required integration into an existing built environment and/or provision of significant public infrastructure and amenities. Respondents should also describe

experience managing hazardous materials remediation as part of the development process.

In addition, if the respondent can represent that it is self-insured and is capable of obtaining environmental indemnity necessary to support the terms defined in the draft term sheet, it should do so. Any existing relationships with the environmental insurance community should be noted.

Please limit your description of experience to your most recent 3-4 projects that are most relevant to this offering (e.g., reuse of closed military facilities, redevelopment pursuant to California Redevelopment Law, major master planned, mixed use project, Brownfield development, etc.)

Financial Qualifications

Provide clear evidence of financial resources to acquire and develop the property in accordance with the draft term sheet and the ARRA's vision, as indicated by the company's most recent financial statements, description of relationships with environmental insurers, investors and lending institutions, and past project performance for 2-3 projects of comparable size and complexity. Specific information on typical sources of predevelopment funds, construction financing, long term financing, and other working capital are desired.

References

Provide at least three current references that have knowledge of the development team's ability to manage projects of equivalent magnitude and complexity. References should be able to speak on project management experience, ability to deliver projects and financing. Names, affiliations, addresses, and current telephone numbers of all references must be provided as well as a brief description of the relationship between the development team and the reference. References of developer's personnel will not be accepted as developer references.

Items Not to be Included in Submittal

The RFQ is limited to identifying a developer who is willing to assume a previously negotiated term sheet with the Navy that includes a conceptual land plan and land purchase price. Therefore, for the purposes of this submittal, you should assume the land use program contained in the PDC. Land plan variants shall not be considered as part of the RFQ process. Therefore, please do not submit materials related to a proposed new land plan.

Because land plans are not being evaluated at this time, please do not include any reference materials for architects, land planners and/or related consultants.

Number of Copies

Developers must submit ten (10) copies of the Statement of Qualifications.

In addition, submission packages should include an electronic copy of the Statement of Qualifications in Adobe Acrobat PDF format.

Cost Recovery Payment and Subsequent Deposits

Developers responding to this RFQ are required to make a non-refundable payment to the City of Alameda with their Statement of Qualifications in the amount of Twenty Thousand Dollars (\$20,000). Submittals received without the applicable payment by the deadline will be deemed non-responsive and will not receive further consideration. Payments will be used by the City to cover the cost of preparing and evaluating the RFQ. For those respondent(s) proceeding to the 45-day exclusive negotiations phase, an additional deposit of One Hundred-Thousand Dollars (\$100,000) will be required. The \$100,000 deposit will be non-refundable if the selected developer decides not to go forward with the project. If the selected developer becomes the City's Master Developer, an additional Nine Hundred-Thousand Dollars (\$900,000) good faith deposit will be required. The total One Million Dollar (\$1,000,000) will be credited to the sale price or refunded at closing of the land sale. If the selected developer fails to close on the transaction for the property with 24 months the entire \$1 million shall be forfeited.

Acceptance of Conditions

Responses must indicate acceptance of all rules and conditions specified in this RFQ. The Proposer's Certification form must accompany your response to the RFQ (See "Forms" at the end of this RFQ). Responses to the RFQ are due on Monday, December 4, 2006, by 5:00 p.m. Responses (10 copies plus an electronic version) should be submitted to Ms. Irma Glidden, Administrative Services Coordinator, City of Alameda, 950 W. Mall Square, Second Floor, Alameda, CA 94501.

GENERAL CONDITIONS

Any material clarifications or modifications to the RFQ or the selection process will be made in writing and provided to all registered proposers. It is the responsibility of the developers, prior to submitting a response to the RFQ, to ascertain if any notices, clarifications, addenda, or other communications to responders have been issued by the City. Oral explanations or instructions from City staff, City officials, or consultants shall not be considered binding on the City.

Developers' responsiveness to all items in this RFQ will be taken as evidence of the developer's interest and commitment to the project. A failure to respond completely will be interpreted as a lack of full interest and commitment or a deficiency on the developer's part.

The City reserves the right to:

Modify or cancel the selection process or schedule at any time.

Waive minor irregularities.

Reject any and all responses to this RFQ and to seek new proposals when it is in the best interest of the City to do so.

Seek clarification or additional information from proposers as it deems necessary to the evaluation of the response.

To request any additional information or evidence from individual respondents, including but not limited to evidence of the developer's financial status.

Judge the developer's written or oral representations as to their veracity, substance and relevance to development at Alameda Point, including seeking and evaluating independent information on any development team.

Incorporate this RFQ and the selected team's response to this RFQ as a part of any formal agreement between the City and the developer.

Modify the development opportunity available to potential Master Developers.

All documents, conversations, correspondence, etc. between the City and developers are public information subject to the laws and regulations that govern the City, unless specifically identified otherwise.

All expenses related to any developer's response to this RFQ, or other expenses incurred during the period of time the selection process is underway, are the sole obligation and responsibility of that development team. The City will not, directly or indirectly, assume responsibility for these costs. In addition, the City shall not be liable for any real estate commissions or brokerage fees which may arise as a result of the Master Developer selection process.

The proposer shall not offer any gratuities, favors, or anything of monetary value to any official, employee, or outside consultant associated with the development of Alameda Point for purposes of influencing consideration of a response to this RFQ.

The City makes no representations about the conditions of the site, including buildings, utilities, soils, or other surface or subsurface conditions. The respondent shall make its own conclusions concerning such conditions. Information provided in this RFQ made available on the website or on CD/DVD, or by City staff, or consultants, is provided for the convenience of the responders only. The accuracy or completeness of this information is not warranted by the City.

**Statement of Qualifications
Master Developer for Alameda Point**

Proposer's Certification

I have carefully examined the Request for Qualifications and any other documents accompanying or made a part of the Request for Qualifications.

I have agreed to abide by all conditions of this proposal.

I certify that all information contained in this proposal is truthful to the best of my knowledge and belief. I further certify that I am duly authorized to submit this proposal on behalf of the vendor/contractor as its act and deed and that the vendor/contractor is ready, willing, and able to perform if awarded the contract.

I further certify that this proposal is made without prior understanding, agreement, connection, discussion, or collusion with any other person, firm or corporation submitting Qualification Statements for the same product or service; no officer, employee or agent of the City of Alameda or of any other proposer interested in said proposal; and that the undersigned executed this Proposer's Certification with full knowledge and understanding of the matters therein contained and was duly authorized to do so.

SIGNATURE

NAME OF BUSINESS, TYPED OR PRINTED

NAME & TITLE

ADDRESS

CITY/STATE/ZIP CODE

PHONE

To: City of Alameda Ms. Susie Brown
Office Assistant
Development Services

fax: **510.749.5808**

or

email: sbrown@ci.alameda.ca.us

Intent to Respond

Master Developer for Alameda Point
Intent to Respond:

BUSINESS NAME

CONTACT PERSON

ADDRESS

CITY/STATE/ZIP

PHONE/FAX

Bidders Conference (Monday, October 30, 2006)

____ I/We plan on attending.

PRINCIPAL

DATE