

MEETING DATE: **November 22, 2010**

AGENDA ITEM: Authorization to Release Request for Proposals for the Development of the Agency Owned Site located at 4044-4068 Globe, Avenue, Culver City, CA.

ATTACHMENTS

1. Globe Request for Proposals	<u>Pages</u> 1- 19
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REQUEST FOR PROPOSAL

GLOBE AVENUE PROJECT



1. INTRODUCTION

Culver City is a community of approximately 40,000 residents of approximately five square miles in area. Currently, Culver City's top five employers are Sony Pictures Entertainment, Westfield Fox Hills Mall, Brotman Medical Center, Symantec and the City of Culver City (government).

In 2008, the Culver City Redevelopment Agency (Agency) reviewed and approved the implementation of Years 1-2 of the Comprehensive Housing Strategy (CHS). The CHS is intended to improve the City's affordable housing stock and meet housing production requirements under the Regional Housing Needs Assessment (RHNA) through the use of Redevelopment Agency Housing Set Aside Fund. Culver City's RHNA requirement over the next seven years is 504 housing units, with 224 units for very-low, low and moderate income households.

The Culver City Redevelopment Agency invites responses to this Request for Proposal (RFP) for the development of affordable multi-family housing on an Agency-owned site located at 4044-4068 Globe Avenue (Site). The Agency is seeking qualified real estate developers to develop, market, and monitor quality ownership housing designed to complement the existing surrounding neighborhood. Respondents must have demonstrated development experience in multi-family ownership housing project.

The Agency may consider a variety of measures to ensure affordability including: land write down, purchase loans, construction and/or permanent financing, homebuyer loan assistance, or a combination of mutually acceptable business terms compliant with Redevelopment Law.

The successful developer can expect to enter into an Exclusive Negotiation Agreement (ENA) with the Agency for the purpose of negotiating a Disposition and Development Agreement (DDA) for the purchase and development of the site.

The deadline for submission of proposals is 5:00 pm on October 29, 2010. To be considered for evaluation a complete proposal as defined herein, including all necessary documentation and attachments must be delivered to the City of Culver City CDD Housing Division at the following address:

**Culver City Redevelopment Agency
Housing Division, 2nd Floor
9770 Culver Blvd.
Culver City, CA 90232
Attention: Tevis Barnes
Housing Administrator**

2. DEVELOPMENT SITE

The Culver City Redevelopment Agency purchased seven surplus properties located at 4044-4068 Globe Avenue (Site) from the California Department of Transportation (Caltrans). These seven properties were acquired from Caltrans for the purpose of creating affordable housing opportunities in Culver City.

A thirty foot sound wall for the San Diego Freeway is located along the east side of the site. The west, north and south sides of the Site are bound by single-family homes. A Site Map and aerial photo are included as Exhibits A-C. The total square footage of all parcels is 33,361. To the rear of the Site is a six foot non-buildable easement. A Southern California Edison power line easement is located at the rear of 4068 Globe Avenue. The site has been cleared for development.

PARCEL INFORMATION

Parcel	APN	Address	Size	Use	Ownership	Disposition
1	4233-033-014	4044	4,137 sq. ft.	SF*	Agency	Cleared
2	4233-033-003	4048	4,496 sq. ft.	SF*	Agency	Cleared
4	4233-033-004	4050	4,248 sq. ft.	SF*	Agency	Cleared
5	4233-033-005	4054	4,630 sq. ft.	SF*	Agency	Cleared
6	4233-033-006	4058	4,919 sq. ft.	SF*	Agency	Cleared
7	4233-033-007	4062	5,207 sq. ft.	SF*	Agency	Cleared
8	4233-033-008	4068	4,724 sq. ft.	SF*	Agency	Cleared

* Single Family

3. DEVELOPMENT PARAMETERS

The Agency is seeking to develop multi-family ownership housing for low-and-moderate income households. The Site zoning will allow up to fourteen (14) units. The proposed development must comply with all Federal, State and local codes. The Redevelopment Agency will evaluate proposals based upon the following criteria:

- A. Project Density.** The Site is zoned R-2, which allows the development of two residential dwelling units per lot. The Globe Avenue site consists of seven lots. In order to meet the parking requirements per dwelling unit and in order to create a harmonious living environment with the surrounding neighborhood, a maximum of twelve units is recommended for the project.
- B. Affordability Requirement.** Agency Housing Set Aside Funds were utilized to purchase the Site. Pursuant to Redevelopment Law, the purpose of Housing Set Aside Funds is to increase, improve, and preserve the community's supply of low-and moderate income housing (California Health and Safety Code, Section 33334.2). Housing Set Aside funds will also be utilized to provide additional financial assistance, if required, for the development of the Site. The proposed project is required to be 100% affordable to low-and-moderate income households. For the purposes of this RFP, affordability levels shall be determined and calculated pursuant to Redevelopment Law (Health and Safety Code Section 50052.5).

- C. Los Angeles County Established Income Levels.** Low-Income households are those that earn up to 60% of the area median income, based upon family size. Moderate-income households are those that earn up to 120% of median income, based upon family size. A chart depicting the current applicable Los Angeles County Income Levels is detailed in *Exhibit D* and are subject to change.
- D. Term of Affordability.** Pursuant to Redevelopment Law, the Developer will be required to provide covenants that maintain the affordability of the units. These covenants will be in effect for a minimum of forty-five (45) years (Health and Safety Code Section 3334.3 (f)(1)(B)).
- E. Occupancy Requirements/Limits.** All occupancy requirements shall be subject to provisions of the Redevelopment Law (Health and Safety Code 33000). Occupancy is set at a maximum of two (2) persons per bedroom plus one per unit.
- F. Site Specific Design Guidelines.** Architectural design will be reviewed and approved by Redevelopment Agency staff to ensure the proposed project complies with the design guidelines defined herein. Conceptual site plans, designs and rendering are included as *Exhibits E-G* and serve a reference to guide the development of the Site.

Site Planning and Building Design

- Mature street trees fronting the site should be preserved and incorporated into the development.
- Project height and bulk should relate to surrounding buildings and structures in the neighborhood.
- Create an attractive design that fits contextually within the neighborhood.
- Consider setback and stepbacks of project buildings, porches, balconies and other architectural features to enhance building design.
- Individual dwelling entrances should be appropriately scaled and oriented toward the street frontage.

4. EVALUATION CRITERIA

Proposals will be evaluated based upon the following:

<i>Evaluation Criteria</i>	<i>Maximum Weight</i>
<u>1. Developer Experience</u> Development team qualifications and experience to effectively undertake, design, develop, manage, and market the proposed Globe Avenue Project.	25
<u>2. Project Financing: Feasibility:</u> a) The extent to which other financing sources (private and public) are committed to the proposed project and the amount and terms of such financing; b) the amount and terms of Agency financial assistance requested for the Project relative to Agency assistance provided to other similar affordable Housing projects; c) per unit development cost; d) evidence of the Developer's ability to repay Agency financial assistance.	25
<u>3. Project Design and Neighborhood Consistency.</u> a)The extent to which the project design is compatible with neighborhood character; b.) sustainable elements are incorporated into the Project; and c.) the Project meets all other City of Culver City ordinances and requirements.	20
<u>4. Outreach</u> Developer's proposal to engage the surrounding neighborhood including special methods to inform, gather input and obtain support for the proposed Project.	5
<u>5. Marketing/Selection/Monitoring</u> Methods proposed to advertise and market the project to eligible first time homebuyers to assure a broad outreach to low and moderate income Culver City households. The proposal should also detail any special methods to select occupants in a fair and equitable manner and any special methods to engage the community in the development of the project. These criteria will also measure the Developer's experience in monitoring the proposed project after it is occupied and help to ensure maintenance of property and foreclosure prevention.	25
Total maximum points	100

5. PROPOSAL CONTENTS REQUIREMENTS

All proposals must include the following:

A. Organization and Identification of Development Team

Identify members of the development team and provide a brief description of each team member including the following:

1. Number of years in business.
2. Brief history of the company.
3. Number of full-time employees.
4. Organizational structure.
5. Resumes of key staff members.
6. Name of persons authorized to negotiate on behalf of the Developer.
7. Statement that key staff members assigned to the proposed project are committed for its duration.

If the development is a joint venture, provide information for each venture partner and a description of prior working relationships.

Identify key Project consultants such as the architectural firm, marketing firm, and the lender and equity source. The Developer must indicate that the selected architectural firm has demonstrated experience with projects of similar nature and size. The architect must submit references that address this requirement. Identify any special characteristics of the firm that make it uniquely qualified to carryout the project.

B. Experience and References

Provide a description for at least three relevant projects completed by the Developer that are similar to the proposed project. The relevant projects may include those with any combination of the following characteristics:

1. Multi-family and senior housing with affordable and workforce or market rate components.
2. Infill rental housing.
3. Infill ownership housing.
4. Community uses and space.

For each project reference submitted, please include the following information:

1. Project name and location.
2. Description of key project features.
3. Project size (number and type of units, affordability components, etc.)
4. Current status of project including construction start date and actual/projected completion date.
5. Financial structure for the project including total land and development costs.
6. Financial capability: at least two references from lenders that have

- provided the Developer with financing for similar projects.
7. Tenant attraction: at least two references who can describe the Developer's prior experience in attracting residential tenants similar to those who are intended to occupy space in the proposed Project.
 8. Government: at least two references from governmental agencies on projects recently completed by the Developer.

C. Financial Capability

The Developer shall provide evidence of sufficient financial strength to undertake and successfully complete the Project. The Developer shall provide the following financial information:

1. Financial statements prepared in accordance with generally accepted accounting practices and dated no later than six months prior to the submission date.
2. Evidence indicating additional financial sources available to the Developer.
3. Annual reports, financial rating reports or other documentations indicating the financial condition of the Developer
4. Evidence that the Developer will have an equity contribution in the total development cost.
5. Evidence of experience utilizing conventional and federal, state, and local sponsored financing and associated requirements.

D. Proposed Project Description

Provide a detailed narrative description of the proposed development concept for the site, resident profile, description of the height, bulk, materials, architectural design concept, how the design complements and enhances the surrounding neighborhood, and a description of any other special features or amenities proposed.

E. Preliminary Financial Pro-forma

The proposal shall include a detailed preliminary project pro forma. The pro forma should also include the following:

- Total construction costs with detail about direct, indirect, and financing cost assumptions.
- Sales revenues for the ownership housing by unit and affordability mix.
- A summary of the sources of available funding including: 1.) permanent loans; 2.) equity; 3.) tax credit equity; 4.) deferred developer fees; 5.) affordable housing program grants; 5.) any other proposed funding sources.

F. Agency Housing Set Aside Fund Financing Assistant Request

The proposal should specify the type, terms, and amount of financial assistance requested, if any. Financial assistance for this Project will be subject to negotiation and may consist of one or more of the following a) a purchase loan, b) land write down, c) loan assistance for qualified first-time homebuyers, d) ground lease, e) construction and/or permanent financing; or f) a varied combination of mutually acceptable business terms. Regardless of the type of assistance, the financial assistance must be ultimately

linked to the provision of affordable housing units, consistent with current State and Federal housing affordability requirements.

6. SELECTION PROCESS

Proposals will be evaluated based upon the selection criterion outlined in Section 4 of this RFP. The final decision on the selection of a Developer will then be made by the Agency Board.

7. NOTICE REGARDING DISCLOSURE OF CONTENTS OF DOCUMENT

ALL PROPOSALS SUBMITTED ARE THE PROPERTY OF THE CULVER CITY REDEVELOPMENT AGENCY AND ARE PART OF THE PUBLIC RECORD, WITH THE EXCEPTION OF THOSE ELEMENTS OF EACH SUBMITTAL WHICH ARE IDENTIFIED BY THE DEVELOPER AS BUSINESS OR TRADE SECRETS AND PLAINLY MARKED AS "TRADE SECRET," "CONFIDENTIAL," OR "PROPRIETARY." EACH ELEMENT OF A PROPOSAL WHICH A DEVELOPER DESIRES NOT TO BE CONSIDERED A PUBLIC RECORD MUST BE CLEARLY MARKED AS SET FORTH ABOVE, AND ANY BLANKET STATEMENT (I.E. REGARDING ENTIRE PAGES, DOCUMENTS, OR OTHER NON-SPECIFIC DESIGNATIONS) SHALL NOT BE SUFFICIENT AND SHALL BE CONSIDERED BINDING IN ANY WAY WHATSOEVER. IF DISCLOSURE IS REQUIRED UNDER THE CALIFORNIA PUBLIC RECORDS ACT OR OTHERWISE BY LAW (DESPITE THE DEVELOPER'S REQUEST FOR CONFIDENTIALITY), THE REDEVELOPMENT AGENCY SHALL NOT BE LIABLE OR RESPONSIBLE FOR THE DISCLOSURE OF ANY SUCH RECORDS OR PART THEREOF.

8. PROPOSAL SUBMISSION REQUIREMENTS

Proposals must comply with the requirements detailed in this RFP. Proposals must be typed. Proposals which are incomplete, out of order, have inadequate number of copies, lack required attachments, or have other content errors or deficiencies may be rejected. Contextual changes and/or additions to the proposal after submission will not be accepted. The Redevelopment Agency may require additional information for the determination of the Developer's qualifications to be considered.

The proposal must be submitted in the legal name of the organization and the corporate seal (if the organization has a seal) must be embossed on the original proposal. Applications must be signed by an authorized representative of the Developer who has legal authority to bind the Developer in contract with the Redevelopment Agency.

Submission of a proposal shall constitute acknowledgement and acceptance of all terms and conditions stated herein. Lack of compliance with legal or administrative submission requirements may lead to disqualification. Proposals that are disqualified will not be reviewed and rated.

All hand-delivered proposals must be received by 5:00 p.m. on November 1, 2010. Hand-delivered proposals received at 5:00 p.m. will not be accepted. Proposals sent via U.S. Postal Service, commercial carrier, or self-metered mail must be postmarked no later than 5:00 p.m. on October 29, 2010. If the U.S. Postal Service is used, proposals should be sent by certified mail and the Developer should retain a receipt showing a legible postmark date. If commercial carrier is used, the Developer should retain a receipt showing legible shipping date.

Proposals submitted via facsimile will not be accepted. It is the sole responsibility of the Developer to ensure that the proposal is submitted on time.

One (1) unbound (with no binding or staples) original with "Original" on the cover page, and five (5) copies of the proposal must be submitted to:

Culver City Redevelopment Agency
Housing Division
9770 Culver Boulevard
Culver City, CA 90232
Attn: Tevis Barnes
Housing Administrator

9. GENERAL SPECIFICATIONS

1. Definitions

The words (A) "City", (B) "CDD Housing Division", (C) "Agency", and (D) "Developer", as used in this RFP, shall be understood to refer respectively to (A) the City of Culver City, California (B) Community Development Department Housing Division (C) the Culver City Redevelopment Agency (D) the person, firm or corporation from whom the Offer to Negotiate Exclusively ("Offer") is accepted by the City, or the agent or legal representative who may be appointed to represent such person, firm or corporation in the signing and performance of said Offer.

2. Instructions and Questions

City representative from whom the Developer will receive instructions or to whom the Developer should direct questions regarding the RFP or Proposal:

*Attention: Tevis Barnes
Housing Administrator
9770 Culver Boulevard, 2nd Floor
Culver City, CA 90232
(310) 253-5780*

ADDENDA

Any interpretation or correction of this RFP will be made only by addendum, duly issued by the representative identified in Section 9.A above. Addenda will be mailed or delivered to those persons who have received an RFP.

3. Proof of Authority

If the Developer is a corporation, formal proof of the authority of the officer signing the application to bind the corporation must be submitted with said application. A copy of the corporate resolution or minutes can be adequate proof. A simple letter is not sufficient.

4. Withdrawal of Proposal

Any Developer may withdraw its proposal, either personally or by telegraphic or written request at any time prior to the time set for the opening of proposals.

5. Firm Commitment of Funding Reservations

The Redevelopment Agency reserves the right to reject any and all proposals and any item or items therein, and to waive any non-conformity of proposals with this RFP, whether of a technical or substantive nature.

6. Affidavit of Non-Collusion

Proposals shall include a completed Affidavit of Non-Collusion

7. Documents Construed Together

The proposal, all documents and forms referred to in the complete General Specifications, and all modifications of said documents, shall be construed together as one document.

8. Errors and Omissions

Developer(s) shall not be allowed to take advantage of any errors in, or omissions from, the RFP. Full instructions will be given if such error or omission is discovered and timely called to the attention of the Culver City Redevelopment Agency.

9. Specifications Not Contractual

Nothing contained in this RFP shall create any contractual relationship between the Developer and the Redevelopment Agency which accepts no financial responsibility for costs incurred by any Developer regarding preparation and submittal of a proposal in response to this RFP.

10. Standard Terms and Conditions

Prior to the commencement of negotiations hereunder, Redevelopment Agency and selected Developer shall enter into an Exclusive Negotiation Agreement (ENA). Developers are strongly advised to review all the specifications of this RFP and all the terms and conditions of the ENA.

11. Offer to Negotiate Exclusively

Proposal shall include on company letterhead the Developer's formal written offer to negotiate exclusively with the Agency in the event that its proposal is selected by the Redevelopment Agency.

12. Disposition and Development Agreement (DDA)

Upon Redevelopment Agency selection of a Developer and execution of the ENA, the Developer will have 120 days to negotiate a DDA with the Agency. The agreement will set forth the definitive terms and conditions regarding the sale of the Site and development and use of improvements thereon. The Redevelopment Agency may extend the negotiation period if it determines there is reason to do so.

13. Good Faith Deposit

Prior to the Commission's execution of the ENA, the selected Developer will be required to make a good faith deposit of \$10,000, posted in a form acceptable to the Commission. The good faith deposit may be applied to the Developer's equity contribution to the Project. If the negotiations do not culminate in an Agreement with the Commission, and if the Developer has shown good faith in the negotiation period, the deposit will be returned. The Commission shall have no further liability to the Developer for failure to reach agreement with the Developer other than the return of the deposit.

14. No Commitment to Award

The issuance of this RFP and receipt of proposals does not commit the Agency to award a contract. The Agency expressly reserves the right to postpone proposal opening for its own convenience, to accept or reject any or all proposals received in response to this RFP, and/or cancel all or part of this RFP.

2010 Median Household Income for Los Angeles County – Culver City Area

HOUSEHOLDS	1 Person	2 Persons	3 Persons	4 Persons
Moderate	\$52,900	\$60,500	\$68,050	\$75,600
Median	\$44,100	\$50,400	\$56,700	\$63,000
Low	\$46,400	\$53,000	\$59,650	\$66,250
Very Low	\$29,000	\$33,150	\$37,300	\$41,400

* Established by State of California Department of Housing and Community Development

** Established by U.S. Department of Housing and Urban Development

Source: California Department of Housing and Community Development

WASHINGTON PLACE

Commercial



Mature Street Trees



30 ft Sound Wall



405 FREEWAY

Single Family Homes



Project Site



Single Family Home



Church



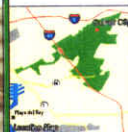
Commercial



WASHINGTON BLVD



Culver
CITY
GLOBE AVENUE
PROPERTIES
AERIAL IMAGERY TAKEN IN 2008



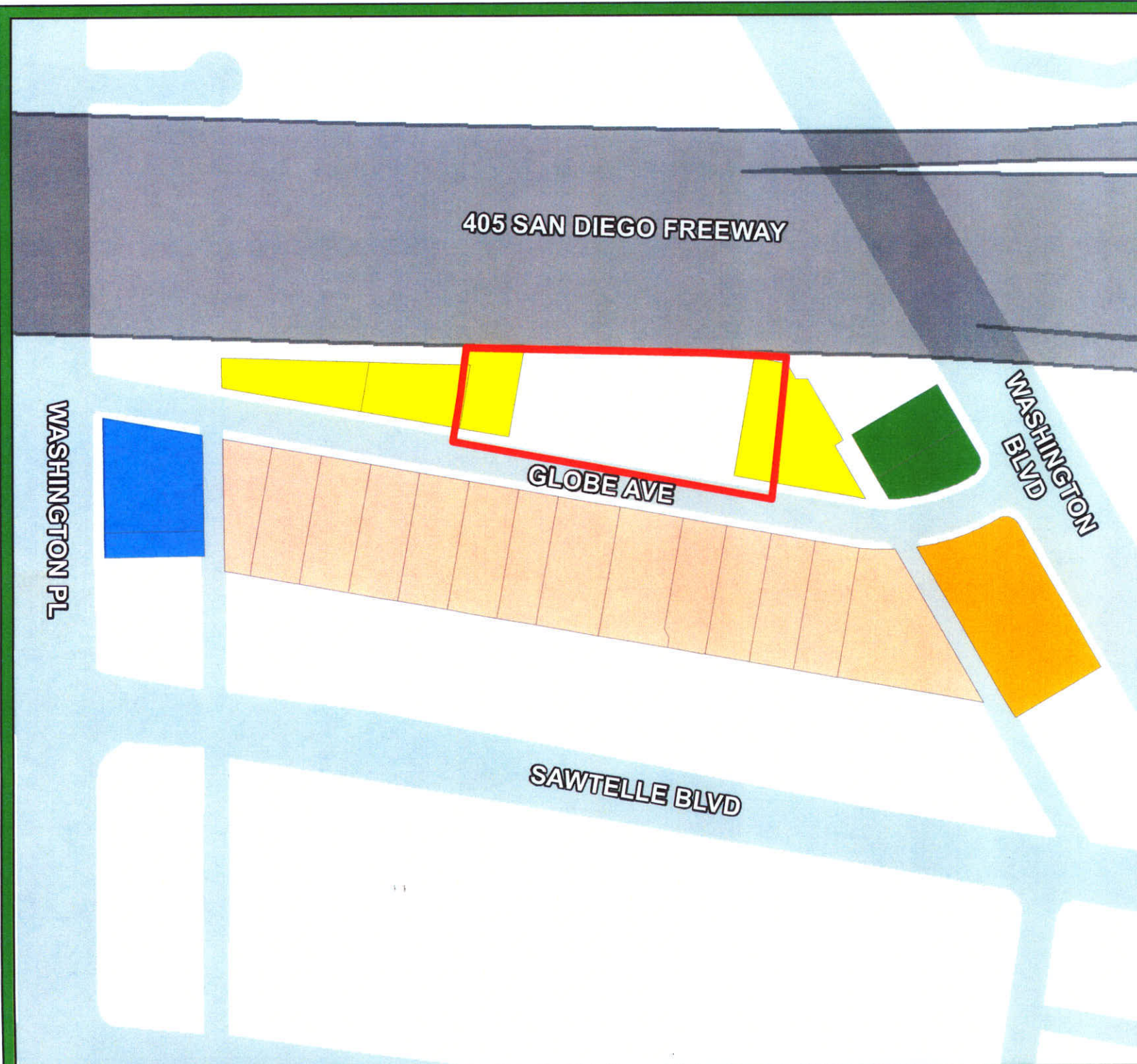
LEGEND
4044-4068
Globe Ave

MAP INFORMATION
AERIAL IMAGERY: 2008
GLOBE AVENUE: 2008
SAWTELLE BLVD: 2008
WASHINGTON BLVD: 2008
WASHINGTON PL: 2008
405 SAN DIEGO FREEWAY: 2008
GLOBE AVE: 2008
SAWTELLE BLVD: 2008
WASHINGTON BLVD: 2008
WASHINGTON PL: 2008
405 SAN DIEGO FREEWAY: 2008



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Culver
CITY

**GLOBE AVENUE
PROPERTIES**
AERIAL IMAGERY TAKEN IN 2008



LEGEND

- 4044-4068
GLOBE AVE
- PARCELS**
- CHURCH
- WASHINGTON BLVD BUSINESSES
- WASHINGTON PL BUSINESSES
- GLOBE AVENUE
- OTHER SIDE OF GLOBE AVE
- FREEWAY
- CULVER CITY STREETS

MAP INFORMATION

MAP PROJECTION: CALIFORNIA STATE PLANE
 ZONE: V (FIVE)
 DATUM: NAD 1983
 UNITS: FEET
 ELLIPSOID: ORS 80
 MAGNETIC DECLINATION: 13 DEGREES 6 MINUTES EAST
 YEAR: JULY 10, 2005
 ANNUAL CHANGE: 5 MINUTES WEST
 AVERAGE ELEVATION: 57 FEET ABOVE SEA LEVEL
 ELEVATION RANGE: 14 TO 419 FEET



0 37.5 75 150
Feet

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THE CITY OF CULVER CITY



INFORMATION TECHNOLOGY DEPARTMENT
 GEOGRAPHIC INFORMATION SYSTEM

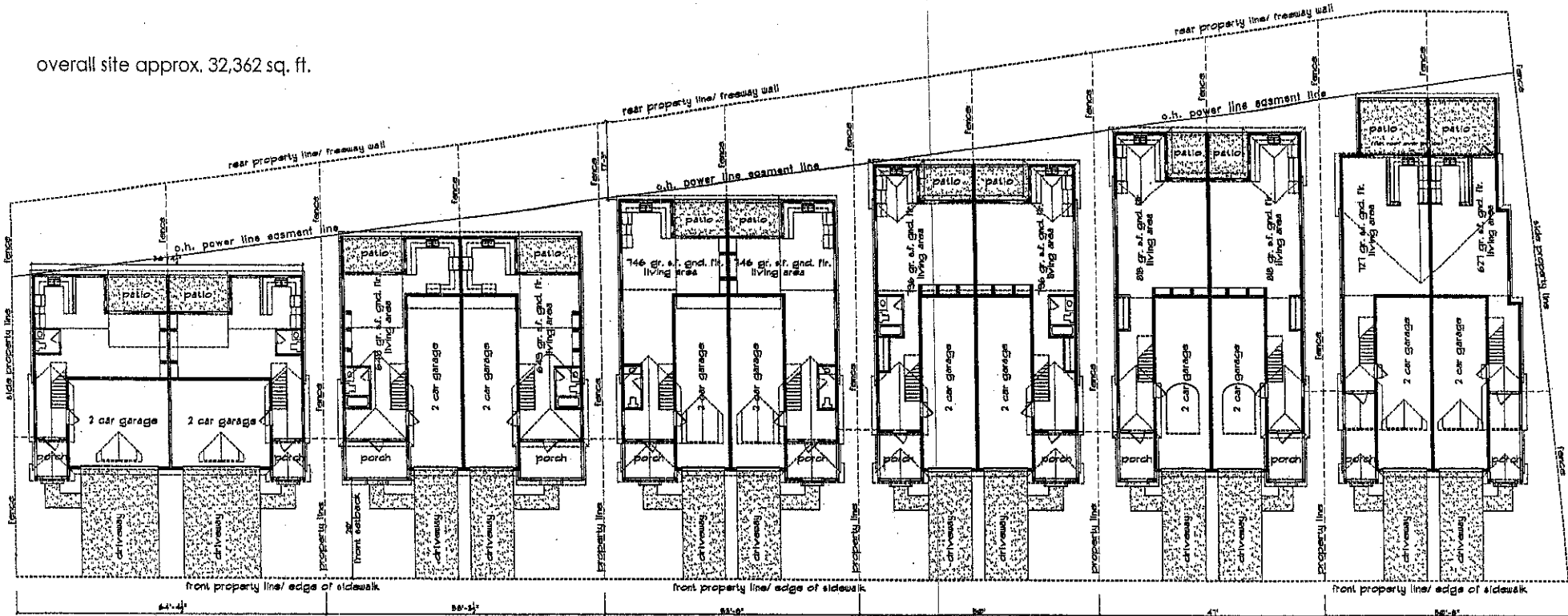
9770 CULVER BL
 CULVER, CA 90232
 TEL: 310-558-6878

FILE SOURCE: Globe Avenue 2008.mxd

FEBRUARY 3, 2010

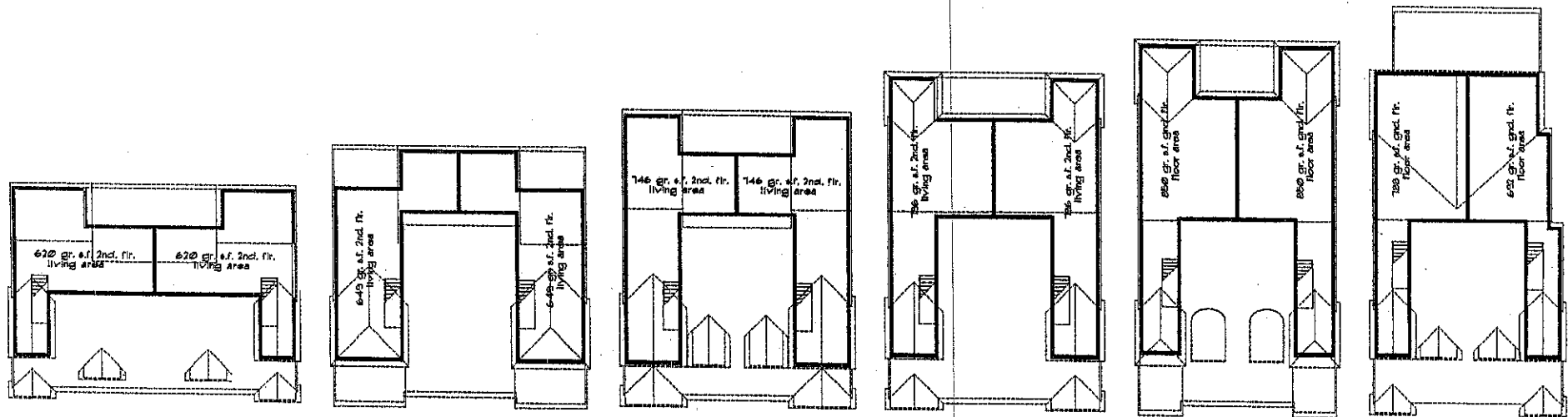
SCALE 1 : 580

overall site approx. 32,362 sq. ft.



6 EQUAL SIZED LOTS, APPROX. 5,390 SQ. FT. EA., EA. W/ ONE- TWO FAMILY BUILDING, A TOTAL OF 12 RESIDENTIAL UNITS

CONCEPTUAL SITE PLAN/ FRONT ELEVATIONS



6 EQUAL SIZED LOTS, APPROX. 5,390 SQ. FT. EA., EA. W/ ONE-TWO FAMILY BUILDING, A TOTAL OF 12 RESIDENTIAL UNITS

CONCEPTUAL SECOND FLOOR PLANS



