

**City of Culver City, California
Agenda Item Report**

Meeting Date: 09/12/11		Item Number: J-1	
JOINT CITY COUNCIL AND REDEVELOPMENT AGENCY AGENDA ITEM: Receive and File a Report Outlining the Process for Selecting a Developer for 9300 Culver Boulevard.			
Contact Person/Dept.: Joe Susca/CDD Todd Tipton/ CDD		Phone Number: (310) 253-5763 (310) 253-5783	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification (E-Mail) Redevelopment Agency Projects (08/31/11); (E-Mail) Meetings and Agendas – City Council (09/08/11); (E-Mail) Meetings and Agendas – Redevelopment Agency (09/08/11); (E-Mail) The Downtown Business Association (08/31/11); (E-Mail) The Advisory Committee on Redevelopment (08/31/11); (E-Mail) The Gateway Neighborhood Association (08/31/11); (E-Mail) Four Developer Respondents to the RFP (08/31/11); (E-Mail) The Downtown Neighborhood Association (08/31/11); (E-Mail) The Culver City Chamber of Commerce (08/31/11); (E-Mail) Members of the public who attended the 11/09/10 workshop on the subject matter (08/31/11); (E-Mail) Members of the public who pulled speaker cards on the subject matter during the Agency Board meetings of 10/04/10, 02/14/11 and 6/13/11 (08/31/11); (U.S. Post) A public notice was mailed to businesses, residents, and property owners in excess of a 500’ radius of the site (08/31/11); (U.S. Post and E-Mail) Rush Pacifica LLC (08/31/11).			
Department Approval: Sol Blumenfeld: (08/31/11)		City Attorney: Carol Schwab (by H. Baker) (09/02/11) Agency Counsel Approval: Murray Kane (08/31/11)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (09/07/11)		City Manager Approval: John M. Nachbar (09/08/11)	

RECOMMENDATION:

Staff recommends the City Council and Culver City Redevelopment Agency Board (Agency Board) receive and file this report that outlines the process for selecting a developer for 9300 Culver Boulevard (Parcel B).

BACKGROUND:

On February 14, 2011 the City Council and Agency Board approved a two-step process to select a developer for Parcel B.¹ The first step involved issuing a Request for Qualifications (RFQ) to premier firms in order to identify those that are most qualified to develop Parcel B. That process concluded on June 13, 2011 with the selection of Macerich, Tolkin Group, Combined/Hudson Pacific, Cardiff/N3 and Runyon Partners.

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The second step involves issuance of a Request for Proposals (RFP) to the selected firms. The RFP was issued on July 8, 2011 and responses are due on September 8, 2011.

On August 17, 2011, Macerich informed staff that it would not complete the RFP process due to concerns about tenanting the upper floors of the development with an office use.

DISCUSSION:

The intent of the RFP is to obtain a highly technical and detailed response from each developer that satisfies the City Council, Agency Board and community objectives, and results in the best project for Downtown Culver City. The development parameters included in the RFP are as follows:

- Architectural Design
- Tenanting/Uses
- Building Height
- Building Setbacks
- Building Orientation
- Parking
- Town Plaza Improvements
- Town Plaza Storage/Bathrooms
- Financial Feasibility

Ten evaluation criteria were established in the RFP, including design quality (see attached). The developer proposals will include illustrative plans, detailed financial pro formas, project timelines and proposed tenants for the project.

Next Steps:

The projects will be presented over two joint City Council/Agency Board meetings. During the meetings of October 3 and 4, 2011 the selected firms will provide a 15-minute presentation of their proposal, followed by a City Council and Agency Board Question and Answer session. In November 2011, staff will return to the City Council and Agency Board with a recommendation on selecting a developer for the project.

FISCAL ANALYSIS:

A project developed in accordance with the existing entitlement is estimated to generate approximately \$5.5 million in net new tax increment over the remaining life

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of the Agency Project Area. The City would receive approximately \$1 million in building permit and related fees, and sales tax, business tax and utility users tax totaling approximately \$265,000 annually.

ATTACHMENTS:

1. RFP Evaluation Criteria

MOTION:

That the City Council and Agency Board:

1. Receive and file this report outlining the process to select a Parcel B developer.

NOTES:

¹The Agency and the City entered into a Cooperation Agreement dated January 15, 2011, as amended on February 22, 2011 and March 7, 2011 (collectively the "Cooperation Agreement"). In furtherance of the Cooperation Agreement and to achieve important public purposes, the Agency has conveyed the Parcel B property and other Agency-owned properties to the City and has transferred the Agency's cash accounts to the City to carry out the duties and obligations of the Agency (without resulting liability to the City), devoid of relieving the Agency of its duties and obligations to fulfill the goals and objectives of the Redevelopment Plan for Component Area No. 3.