



City of Santa Clarita
Old Town Newhall
Mixed-Use Development Opportunity

Request for Qualifications/Proposals

Issued November 13, 2014

Deadline January 30, 2015

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DEADLINE FOR SUBMITTAL: JANUARY 30, 2015, at 5:00 PM

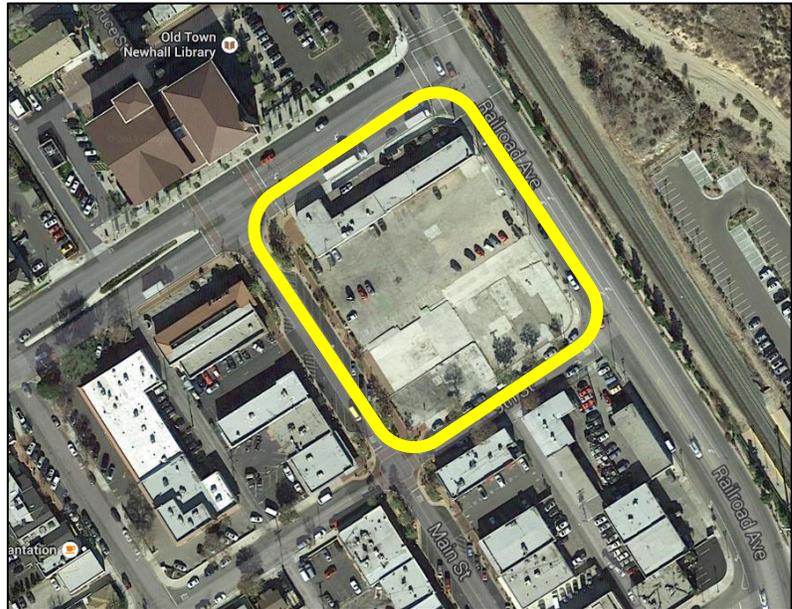
ADDITIONAL RFQ MATERIALS AVAILABLE FOR DOWNLOAD AT:

<http://www.santa-clarita.com/index.aspx?page=1161>

Introduction

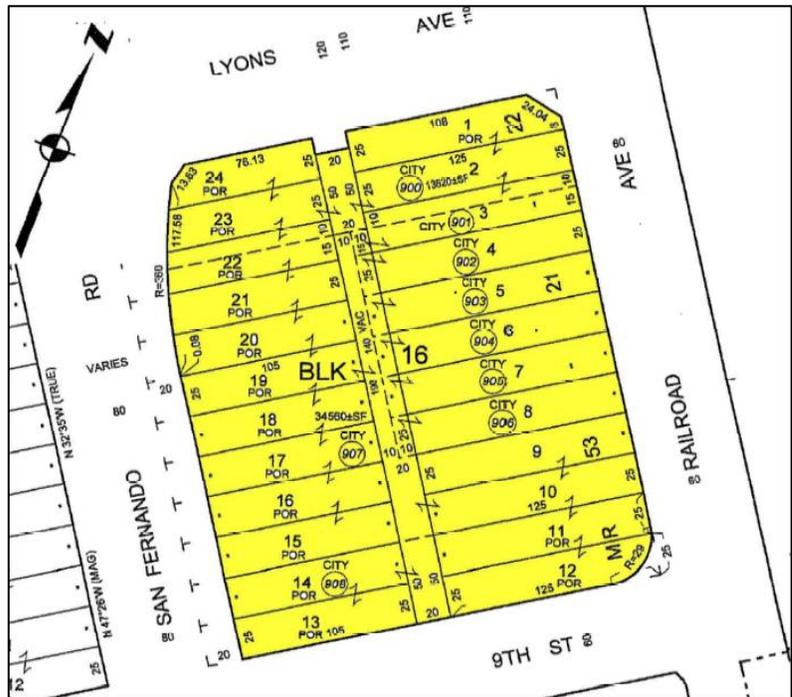
Overview of Site

The City of Santa Clarita (“City”) and Santa Clarita Successor Agency (“Successor Agency”)¹ invites experienced mixed-use development firms to submit qualifications for the opportunity to venture with the City to develop an approximate 1.7 acre site (“Site”) within the Old Town Newhall area of the City. The Site includes nine properties (APN’s 2831-007-900 through -908) comprising the block bound by Lyons Avenue to the north, 9th Street to the south, Railroad Avenue to the east, and Main Street to the west. The Site represents one of the ideal remaining developable properties in the Old Town Newhall Specific Plan area and is a prime opportunity for a mixed-use development.



The City, incorporated in 1987, is situated in northern Los Angeles County and encompasses approximately 64.41 square miles. The City is within close proximity to a number of regional destinations and major transportation links including the I-5 and SR-14 freeways.

Direct regional access to Old Town Newhall is provided primarily via Newhall Avenue, Lyons Avenue and a station/stop on Metrolink’s Antelope Valley light rail commuter



¹ References in this RFQ to “City” or “City/Successor Agency” refer to both the City and Successor Agency as separate legal entities.



line. The Site is one block from the Newhall Metro link station, is adjacent to the 30,000 sq. ft. Old Town Newhall Library, and is within close proximity to all of the communities within the Santa Clarita Valley. Old Town Newhall is approximately three miles from the Valencia Town Center, a pedestrian-oriented regional mall, and the Magic Mountain theme park.

Old Town Newhall, a subarea of the City, encompasses approximately 271 acres and is comprised of several parts: (i) two flanking neighborhoods which are separated from one another by the railroad and Downtown, (ii) a 15-block Downtown, and (iii) three existing commercial arterial corridors that each connect back to greater Santa Clarita. Major attractors within one mile of Old Town Newhall include The Masters' College (a private four-year university) and historic William S. Hart Park. Old Town Newhall is within four miles of the Disney Ranch/ABC Studios. Other nearby (within 2-3 miles) educational institutions include College of the Canyons and California Institute of the Arts.

Overview of Development Opportunity

Ultimately, the City desires that the selected developer(s) will be able to achieve the following design and development components:

1. Potential uses identified by the City Council and City staff include:
 - a. Retail, restaurants and/or other commercial uses favoring local/artisanal operators over national tenants primarily at the street level.
 - b. Residential uses primarily above the street level uses.
 - c. A six- to eight-screen theater with opportunities for community benefits, including partnering with local schools and community groups to utilize the theater for meetings and presentations during off peak hours.
 - d. A public parking facility.
2. The City will consider innovative parking strategies that provide shared parking use between public and development specific supplemental parking needs.
3. The development must meet the concepts and standards identified in the Old Town Newhall Specific Plan.
4. The development must exemplify exceptional architecture and sustainable design and construction, as well as generate street-level activity. The developers selected to advance to **Round Two** of the RFQ process will have the opportunity to meet directly with staff to exchange priorities and details about the expected design, quality, and mix of the development as well as proposed offsite improvements that may impact this project. These priorities will ultimately

need to be considered and as part of the pro forma, valuation estimates, financial returns, estimates of project fiscal impacts, and desired public agency financial commitments (if any) that serve as the basis for the confidential Letter of Intent to be submitted in **Round 2** (see schedule).

5. The development should create pedestrian connectivity with the rest of Old Town Newhall.
6. The development should incorporate similar streetscape design guidelines as outlined in the Specific Plan.
7. The developer should consider potential off-site improvements, including the development of a gateway archway feature as shown in **Exhibit A** of this RFQ.



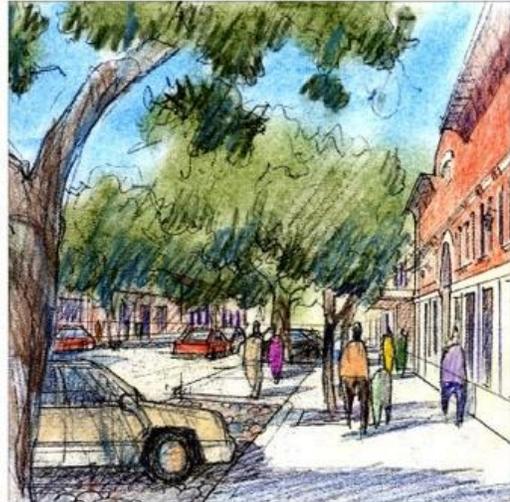
Specific Plan and Zoning Designations

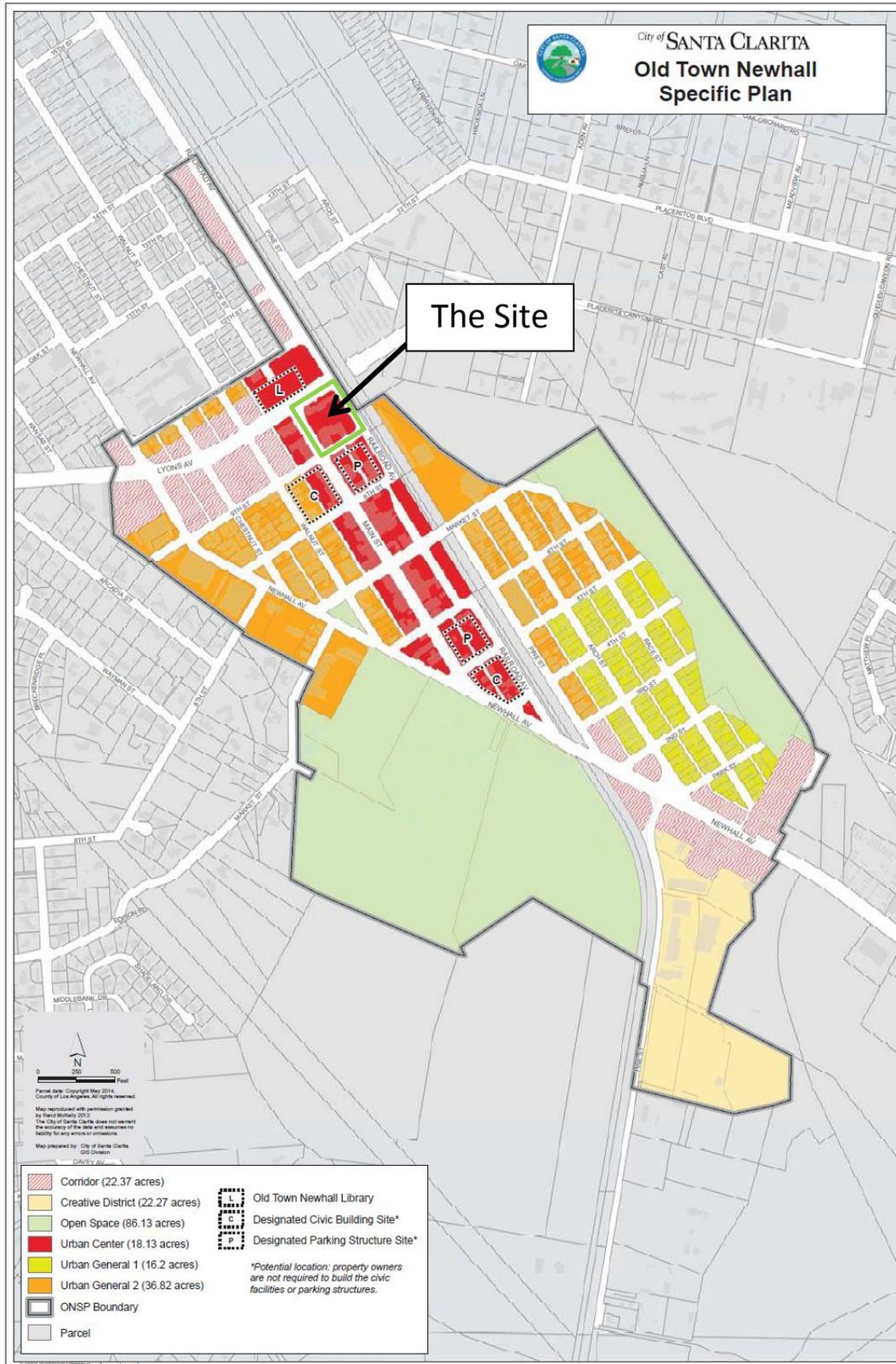
The Site is approximately 1.7 acres comprised of a rectangular group of nine parcels bound by Lyons Avenue to the north, 9th Street to the south, Railroad Avenue to the east, and Main Street to the west. The Site is located within the Old Town Newhall Specific Plan (“Specific Plan”), which consists of a 15-block downtown area served by Metrolink commuter rail, a commercial corridor in downtown, two flanking neighborhoods, and an industrial district. Upon build out, the Specific Plan will include up to 1,092 new residential units and nearly one million square feet of new commercial space.

With respect to zoning, the Site is zoned UC – Urban Center. As outlined in the Specific Plan:

The UC zone is applied to the central portions of the downtown area appropriate for a wide range of land uses in buildings averaging 2.5 stories in height, with ground floor uses including retail, offices, and restaurants, and upper floors accommodating offices or residential. Lodging, restaurant, entertainment, and civic uses are also encouraged. Auto-oriented uses are not appropriate in this zone. Street frontages throughout this zone are pedestrian-oriented, and defined by nonresidential building facades at the back of the sidewalk. Off-street parking is to be provided in public garages or located away from street frontages behind buildings, but may also be located on side streets with appropriate landscaping and screening from the street. Streetscapes are of urban character, and planted both to enhance the pedestrian experience, and to contribute to the identity of the entire Old Town Newhall area.

A copy of the Specific Plan is available on the website referenced in this RFQ. A copy of the Specific Plan Zoning Map is provided on the following page.





Disclosures

1. The Successor Agency already has received approval of its Long Range Property Management Plan (“LRPMP”) and a Finding of Completion from the State Department of Finance (“DOF”). The properties that comprise the Site are currently owned by the City of Santa Clarita and other stakeholders including the Santa Clarita Successor Agency to the former Redevelopment Agency and the Housing Successor Agency and as such, are listed in the Department of Finance-approved LRPMP under the category of “For Sale” properties. A copy of the LRPMP is included on the website.
2. The Site is located in an area of a flood zone that was downgraded from a Special Flood Hazard Area (Zone A) which has specific development and flood insurance requirements to a Shaded-X Zone which does not have the same requirements.
3. Demolition of existing structures currently on the Site will be the responsibility of the selected developer(s).
4. The City/Successor Agency reserves all rights to modify or terminate the selection process, go outside of the selection process to select a developer, or not select a developer at all. This RFQ and selection process does not constitute any type of offer and creates no contractual or other liability to the City and/or Successor Agency. There is no guarantee that a ground lease will be consummated, or that any project will be reviewed pursuant to this RFQ.
5. Additional due diligence information and materials can be found at:
<http://www.santa-clarita.com/index.aspx?page=1161>

Submittal Requirements

Submittal Overview

The City/Successor Agency reserves all rights with regard to this solicitation, including but not limited to the right to amend or modify this RFQ, reject all proposals, extend any dates, or, subject to an ENA, to initiate negotiations with the next most preferred respondent if negotiations with the preferred respondent do not result in an agreement. Should the City/Successor Agency not receive qualified proposals of interest by a submittal deadline, it reserves the right to extend that deadline until qualified proposals of interest are received.

Respondents are responsible for ensuring submittals are actually received. All materials submitted during any part of the selection process become the property of City/Successor Agency. The respondent may designate portions of its submittals which contain proprietary data as “CONFIDENTIAL”, but the City cannot guarantee that it will be able to enforce such confidentiality.

The City/Successor Agency shall not be responsible for any costs and/or obligations incurred by and/or on behalf of a potential developer in preparing, submitting or otherwise participating in any part this RFQ, the selection, documentation, or the development process in its entirety. The City/Successor Agency reserves the right to request clarification or additional information from respondents. Information included in this RFQ is believed to be accurate, but should be independently verified by potential respondents prior to reliance upon.

Format and Content

The City/Successor Agency’s top priority is to select a development partner to design and build a high quality mixed-use project that will complement other developments and historic buildings in the Old Town Newhall Specific Plan area. As a result, the evaluation criteria will consider a prospective developer’s recent experience in working on projects of similar size, scope and quality.

The evaluation and selection process will include two rounds as follows:

1. **Round One** – All respondents shall provide all of the information that follows in this Section. Once the Evaluation Committee has the opportunity to evaluate each response, some or all respondents may be invited to participate in **Round Two**.
2. **Round Two** – Respondents selected to advance to **Round Two** will, after exploratory discussions with the City, be requested to submit their proposed approach and structure to the development summarized in a Letter of Intent (“LOI”) that clearly identifies the development proposal including a high level summary of proposed land uses, massing, financial structure, estimated property valuation, and as applicable, other desired transaction elements to be provided by the City/Successor Agency. In order for the LOI to appropriately address the

City/Successor Agency's expectations from a quality of design and development perspective, developers chosen to advance to **Round Two** of the RFQ process will have the opportunity to meet directly with staff to exchange priorities and details about the expected design, quality and mix of the development as well as required offsite improvements that may impact this project. As referenced earlier in this RFQ, these priorities will ultimately need to be considered and included as part of the pro forma, valuation estimates, financial returns and desired public agency financial commitments (if any) that serve as the basis for **the Round 2** Letter of Intent.

Although the submittal format is flexible, at a minimum, please include the following information for **Round One** of the evaluation process:

1. **Letter of Introduction** – Include a summary of the respondent's basic qualifications, experience, past projects of similar nature and size, and reasons for interest in this opportunity. The letter must be signed by a principal or authorized officer including a statement that the officer may make legally binding commitments for the entity.
2. **Team Members** – Identify members of the development team and provide a brief description of each team member's role including the following:
 - Principals involved in the project.
 - Resumes of key team members.
 - A description of team member's proposed role and relevant experience with projects of similar nature and size and experience in and familiarity with development in Santa Clarita.
 - An organizational chart.
 - Designation of lead contact for the team.
3. **Relevant Project Experience** - A summary of current and previous experience of the team with regard to projects comparable both in size and uses. As appropriate, this information should include a project description, photos or site plans if available, land uses, dates completed, developer role, cost/value, financing sources, duration of development processes, role of current employees in the project, and existing status as to ownership and leasing of current developments, % owned since project completion, and volume sold/leased. Additionally, please identify similar completed projects in the area that the can be visited, and provide a name and contact information as well.
4. **Project Approach** - A high level summary of the team's approach and anticipated timing related to planning, design, approvals, financing, phasing, development, construction, and operation. Provide examples of processes employed in other projects as it relates to mixed-use projects on urban infill sites. The City/Successor Agency may be considering a variety of conveyance

structures such as a fee simple sale, an installment sale, and/or a long-term ground lease. The RFQ response should identify the type of conveyance structure(s) preferred by and/or acceptable to the respondent.

5. **Financial Data** - A summary of the potential developer/development entity's capability to source the capital necessary to successfully fund and/or finance the proposed concept. This information can be included in a separate envelop marked "Confidential Financial Information". Additionally, a description of the anticipated financing structure to be employed to finance the anticipated project and specific evidence needs to be provided to support proof of the ability to fund a project of this size.
6. **References** - An accurate list of no less than three financial/lending references (name, title, entity, telephone number and contractual relationship to respondent) that may be contacted with respect to current and past project experience. Additionally, a reference list of and contact information for five to 10 public sector elected officials and executive staff involved in the previous projects identified as examples of Relevant Project Experience.
7. **Litigation History with Public Agencies** – Provide information as to any litigation that any developer/development entity that comprises the overall team has had with public agencies over the last ten years.

Submittal Dates

Please return qualifications as part of **Round One** for review by **Friday, January 30, 2015 at 5:00 p.m.** to the contact listed below. If selected to advance, responses to **Round Two (including the confidential Letter of Intent)** will be due **Monday, February 23, 2015 at 5:00 p.m.** The City/Successor Agency may continue to solicit qualifications beyond the above dates if the City/Successor Agency, in its respective sole determination is not satisfied with the number and quality of submittals received.

Submittal Quantity and Contact

Please provide five (5) printed copies of the submittal and one (1) electronic version on a thumb drive, CD, or DVD to (applies to **Round One** and if selected to advance, **Round Two** as well):

Thomas B. Cole
Director of Community Development
City of Santa Clarita
23920 Valencia Blvd., Suite 300
Santa Clarita, CA 91355

If you have any questions about the submittal process, please call Arminé Chaparyan at (661) 286-4195 or email achaparyan@santa-clarita.com.



Evaluation Criteria

The following criteria will be used as the primary basis for evaluating developer responses as part of **Round One**:

- The respondent's applicable experience and expertise as well as alignment with the City's goals regarding revitalization and redevelopment of the Old Town Newhall Specific Plan area.
- The respondent's experience in formulating and implementing successful mixed-use projects of similar scope and character.
- The respondent's demonstrated ability to implement projects that retain and authentically reflect local character.
- The respondent's track record, experience, and financial capacity to start and complete projects and uses similar to those requested in this RFQ.
- The respondent's demonstrated ability to structure development and financial transaction structures, which minimize the City's risk while maximizing the public's return on assets and other public benefits.
- The respondent's demonstrated ability to access capital for the proposed scope of development.
- Experience of key project team members with similar projects.

The following criteria will be used as the primary basis for evaluating selected developer responses as part of **Round Two**:

- The criteria above, as well as the respondent's development proposal including proposed land uses/tenant mix, massing, financial structure, project valuation, initial pro forma, supportive market data, quality of design and development, incorporation of required offsite improvements, fiscal impact to the City and other taxing entities, and as applicable, project components and/or assistance requested to be provided by the City.

The order of presentation of the above criteria does not necessarily denote the specific importance of the same. In its consideration of the response to this RFQ, the City may request additional information.

Award Procedures

1. A committee, comprised of City/Successor Agency Staff and City consultants (the "Committee"), will evaluate responses to **Round One** of this RFQ. The Committee shall make selections for

respondents to advance to **Round Two** based on the Committee's evaluation of the respondents' adherence to the goals, objectives and evaluations criteria outlined in this RFQ.

2. The Committee will notify those respondents that have been selected to advance to **Round Two**. Those selected to advance to **Round Two** will be given the opportunity to meet with staff to discuss project approach and execution, and to better understand the City/Successor Agency's expectations in terms of design, quality, and offsite improvements before submitting a response as part of **Round Two**. As part of the meeting with staff, staff will clarify what the preliminary and nonbinding confidential Letter of Intent shall cover, which will generally include but not limited to:
 - The terms and conditions of sale or other disposition for the Site including the projected timeframe for closing.
 - Development program with sufficient detail to understand how the respondent intends to utilize the Site and a timeline for completion of the project.
 - Summary of market support for project and initial pro forma.
 - Summary fiscal impact analysis that demonstrates the fiscal benefits to the City and other taxing entities.
3. The Committee will rank project concepts and the LOI responses to **Round Two** of this RFQ ordered by those that not only in their judgment best satisfy the objectives expressed by the City/Successor Agency in this RFQ, but also provides the best potential development project and financial return for the City/Successor Agency. The Committee shall present the selected candidate to the City Council/Successor Agency Board, which will make the final selection decision. The Oversight Board to the Successor Agency will also consider the final candidate.
4. The City/Successor Agency will pursue negotiations with the top-ranked respondent with the goal of entering into an Exclusive Negotiating Agreement ("ENA") within 90 days of selection. If a satisfactory ENA cannot be negotiated with that respondent, then the City will formally end negotiations with that respondent and may pursue negotiations with the respondent that next best satisfies the objectives and goals expressed by this RFQ, as determined by the City, or in its sole and absolute discretion proceed on alternative basis, or terminate process.
5. The ENA will not commit the City/Successor Agency to any particular development and will consider any binding commitment only after all required environmental analysis, public hearings and participation, entitlement processes and legislative changes (if any needed) are completed. The purpose of the ENA will be to set out a time frame for the selected development team to provide a development proposal consisting of a scope of development acceptable to the City/Successor Agency. Through the ENA process, the City/Successor Agency will agree not to negotiate with any other developer regarding the Site.
6. The draft ENA will be presented to the City Council/Successor Agency Board and Oversight Board for a final decision regarding the approval of the ENA.

7. The ENA will include a deposit provision to be negotiated between the parties. The minimum deposit will be due concurrent with the ENA to be submitted for Council/Board consideration.
8. As appropriate, the selected development team must comply with statutory and administrative requirements pertaining but not limited to zoning ordinances, subdivision requirements, fee schedules, and other applicable City, County, State and Federal codes and ordinances.
9. The City/Successor Agency reserves all rights to modify or terminate the selection process, go outside of the selection process to select a developer, or not select a developer at all. This RFQ and selection process does not constitute any type of offer and creates no contractual or other liability to the City and/or Successor Agency. There is no guarantee that a ground lease will be consummated, or that any project will be reviewed pursuant to this RFQ.

Tentative Timeline

- RFQ released Thursday, November 13, 2014
- Responses to **Round One** of RFQ due Friday, January 30, 2015, at 5:00 PM
- Evaluation of **Round One** responses Monday, February 2, to Friday, February 6, 2015
- Selected respondents notified to advance to **Round Two** of RFQ and interviews with staff scheduled Monday, February 9, 2015
- Responses to **Round Two** of RFQ due, Including the Letter of Intent Monday, February 23, 2015, at 5:00 PM
- Evaluation of **Round Two** responses & Committee recommendation by Monday, March 2, 2015
- Successor Agency Board considers developer Tuesday, March 10, 2015
- Oversight Board considers developer Tuesday, March 17, 2015
- Negotiate ENA with developer Wednesday, March 18, to Friday, May 29, 2015
- Successor Agency Board considers ENA Tuesday, June 9, 2015
- Oversight Board considers ENA Tuesday, June 16, 2015

Additional Information & Resources

Online Documentation

A website has been established at <http://www.santa-clarita.com/index.aspx?page=1161> and contains additional documents, information and materials including the following:

- This RFQ
- Geotechnical Report dated November 11, 2007
- Phase II Environmental Assessment from Atkins, dated February 2008
- Asbestos report, dated May 5, 2011
- Lead Based Paint Survey, dated May 2011
- Parking Study prepared by Linscott Law & Greenspan & numerous exhibits, dated November 2012
- Long Range Property Management Plan
- Potential public roadway and ROW improvements adjacent to the Site

Contacts

City Contacts

Arminé Chaparyan
Housing & Community Preservation Manager
City of Santa Clarita
23920 Valencia Blvd., Suite 300
Santa Clarita, CA 91355
(661) 286-4195
achaparyan@santa-clarita.com

Thomas B. Cole
Director of Community Development
City of Santa Clarita
23920 Valencia Blvd., Suite 300
Santa Clarita, CA 91355
(661) 255-4305
tcole@santa-clarita.com

City Representatives

Larry Kosmont, CRE
President & CEO
Kosmont Companies
865 S. Figueroa Street, Suite 3500
Los Angeles, CA 90017
(213) 417-3333
lkosmont@kosmont.com

Matt McCleary
Senior Vice President
Kosmont Companies
865 S. Figueroa Street, Suite 3500
Los Angeles, CA 90017
(949) 892-9743
mmccleary@kosmont.com



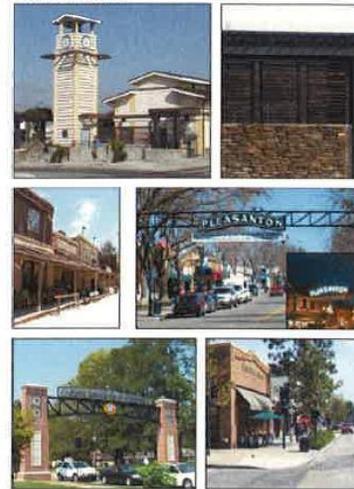
APPENDIX A



OLD TOWN NEWHALL GATEWAY - CONCEPTUAL DESIGN
Plan View

- ① 12' high wood separation fence at streets and wood slats to match entry columns.
- ② Thermal (thermal) brick/clay with accent lighting.
- ③ Steel overhead gateway structure. Minimum clearance to be 18' to bottom of structure (if minimum clearance required to 18ft above).
- ④ Display space available on columns for wayfinding, cultural displays and lay events, etc.
- ⑤ Banner mounts and lighting can be added to column support structure.
- ⑥ Vase covered (small overhead tree) has to gateway, columns, & trays from the character of the library covered walk.

CONTEXT & CHARACTER



OLD TOWN NEWHALL GATEWAY - CONCEPTUAL DESIGN
ELEVATION 'A' - A' (Main Street at Lynn Avenue - View South)



OLD TOWN NEWHALL GATEWAY - CONCEPTUAL DESIGN
PERSPECTIVE 'W' - W' (Main Street - View North to Library)

Pacific Coast Land Design

OLD TOWN NEWHALL GATEWAY

CONCEPTUAL DESIGN

REVISED 01.2013

