

CITY OF SAN LEANDRO

MEMORANDUM

Date: February 20, 2008

To: City Council Shoreline - Marina Committee

From: Steve Hollister, Assistant City Manager

By: Cynthia Battenberg, Assistant to the City Manager

Subject: DISCUSSION OF DEVELOPMENT TEAM REVIEW AND SELECTION PROCESS – RFQ FOR MASTER DEVELOPER SUBMITTALS

Six responses were received from development teams interested in the Shoreline-Marina Area opportunity site. Staff performed a preliminary review of the submittals and determined that one team, DEW Partners from Brooklyn, New York, had no development experience and, therefore, was not qualified for this important and complex development project. The five remaining teams appear to meet the minimum qualifications.

In order to evaluate the submittals, a process is being recommended in which staff interviews the remaining five teams using the following criteria included in the RFQ and previously agreed upon by the Committee. The weight of each score is included in parenthesis.

- Quality of development team and experience (20)
- Experience developing restaurants and hotels (10)
- Demonstrated success financing and developing waterfront projects (5)
- Demonstrated ability working on a successful public-private development project involving new construction (15)
- Experience working with communities on highly political development projects (20)
- Willingness to participate in the funding of technical studies (5)
- Vision Statement (10)
- Ability to manage projects within schedule and budget (10)
- Reference checks (5)

Staff would score each development team on the criteria using the following qualitative values – Inadequate, Deficient, Qualified, Good, and Exceptional. Blended score for each team, considering a weighted value for each of the criteria, would then be established. This method of rating is being recommended as it enables qualitative analysis and provides the ability to quantify each submittal in order to systematically and fairly recommend a development team.

It is also recommended that the Mayor appoint a two member task force to assist in the selection process. Staff would bring a detailed report, including a recommendation, to the task force. The task force could then interview the recommended development team, providing the task force the

opportunity to ask detailed questions, and bring a recommendation to the April 22, 2008 Committee meeting.

To assist the City in evaluating the proposals, staff recommends the City enter into a consultant services agreement with Keyser Marston, a consulting firm with extensive experience assisting municipalities in public-private real estate development transactions. Keyser Marston would be available to advise City staff and the task force, as needed, throughout the review process and would work with the Finance Director to evaluate the financial strength of the team to ensure they are able to finance the development. Consulting services would be provided on an as-needed basis, with a \$20,000 not-to-exceed fee.

An approximate time line for the process follows:

Staff Review of Proposals	February 11 – March 7
Shoreline-Marina Committee	February 26
Interviews with Development Teams	March 10 – 14
Report and Recommendation to Task Force	March 28
Shoreline Task Force Meeting (in lieu of Committee meeting)	April 1
Financial Review of Recommended Development Team	April 7 -18
Shoreline Task Force Development Team Interview	April 14 – 18
Recommendation to Shoreline-Marina Committee	April 22