Community Facilities Planning Project Request for Qualifications for Public-Private Development of Community Facilities Developer Discussions

Draft: December 7, 2010

At the request of Councilor Armitage, staff prepared a draft Request for Qualifications (RFQ) for Public-Private Development of Community Facilities, dated November 4, 2010 and suggested that input be obtained from developers on this draft RFQ.

Councilor Armitage and staff has since met with the following developers: Richard Berman and Stephen Etzel, David and Nathan Bateman, and John Wasileski and Matt Teare.

All developers commended the Town on its current process and the important opportunity before the community.

The developers had different suggestions as to how the Town should proceed at this point.

Developer A felt that there was not sufficient Council and community consensus for the Town to issue an RFQ at this time. Instead, the Town should take the time to hire a developer for a fee as a consultant to conduct financial vetting of all development options. Scope of work would include preparing a financial pro forma, looking at public financing options, lease/sale options, phasing, development parcel configuration, and interest from various developers. The goal is to arrive at a council consensus, which is important before developer interest can be attracted. Multiple developers could be a plausible scenario.

Developer B felt that an RFQ or RFP at this time was worthwhile, and that an RFP would be more straightforward. This developer also noted that community support was important for the project to succeed. The RFP response would be a financial concept, which would be further developed with the selected developer. It would result in a Memorandum of Agreement or Letter of Agreement, after which the developer would begin to spend some hard money. What the Council needs to determine at this time is what its goals are and what development tools it is willing (or not willing) to consider.

Developer C was willing to respond to an RFQ, but was less interested in an RFP and did not think that a sealed bid or call to offer would work. However, an RFP where the property was split up in smaller parcels may be of interest. This developer felt that the presence of the library on the Plummer-Motz and Lunt site, along with a sound financial plan, was important.

Recommendations

Staff recommends that the Council:

- hold off on further developing the RFQ at this time.
- continue to forge a consensus on the community recreation center and library components of the project.
- maintain a competitive process with an open opportunity for all interested developers.
- evaluate the call to offer process with the Pleasant Hill Fire Station and possibly replicate it with any disposition of other town owned properties.