



## REQUEST FOR QUALIFICATIONS & PROPOSALS

**3466 Mission Inn Avenue**

**Vacant Land  
between Lime and Lemon Streets**

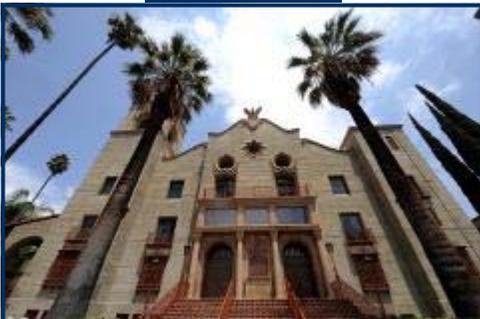
**A Unique Boutique Hotel Development  
Opportunity in Historic Downtown Riverside**

**Issued by: City of Riverside, Community & Economic  
Development Department**

**Issue Date: April 5, 2016  
Proposal Due Date: July 7, 2016**



[RiversideCA.gov](http://RiversideCA.gov)



# Contents

---

01	<u>Introduction</u>
03	<u>Downtown Riverside Description/ Demographics</u>
06	<u>The Opportunity</u>
07	<u>Preferred Development</u>
08	<u>Submittal Requirements</u>
12	<u>Developer Conditions</u>
13	<u>Selection Process</u>
14	<u>Inquiries</u>
15	<u>Instructions &amp; Schedule</u>

Exhibit A—Site Map

Exhibit B—Electric, Water & Sewer Maps



## CITY OF RIVERSIDE

---

Incorporated in 1883, Riverside is a Charter City with a unique blend of historic charm and modern city features. While rich in history, Riverside has invested billions of dollars in infrastructure improvements to serve residents and businesses well into the future. The uniqueness of Riverside comes from its people, "Riversiders", and the strong collaborative partnerships that exist among civic, cultural, educational, and business leaders.

The award-winning City of Riverside is located approximately 60 miles (97 km) east of Los Angeles. The City is ranked #1 among all Inland Southern California cities in virtually every economic indicator; including number of jobs, number of businesses and assessed valuation. With a population of 317,307 people, the City is ranked the 59<sup>th</sup> largest city in the United States. It is the 12<sup>th</sup> largest city in California, the 6<sup>th</sup> in Southern California, and the largest city in the Inland Riverside-San Bernardino-Ontario metropolitan area of Southern California. The City continues to be recognized for its ongoing achievements and has received numerous awards.



**Some of the recent awards and recognitions that Riverside has received include: Number 1 City for Small Business by Inc. Magazine (2014), Number 2 Millennial Boomtown in America by Forbes (2014), Number 8 Coolest City in America by Forbes (2014), Number 1 for Job Growth in 2013 (ASU), Number 2 Spot for Tech in the United States (2013), 2012 Intelligent Community Site of the Year, and 2011 Can-Do City (Newsweek).**

---

Riverside has seen tremendous investment over the last 10 years resulting in an increasingly affluent and educated population and diversified industry clusters; all vital qualities for economic stability and long-term prosperity. As an important financial and professional center, Riverside offers the support of many legal, accounting, brokerage, architectural, engineering and technology firms as well as banking institutions.

Riverside is home to four internationally recognized universities and colleges which support an estimated 50,000+ students. The University of California, Riverside, California Baptist University, La Sierra University, and Riverside Community College, offer specialized training, research partnerships, and a high-technology environment to support emerging and innovative companies. Businesses in Riverside benefit from excellent freeway and rail access, high-speed fiber optic telecommunications, reasonable land and building costs, City owned electrical and water systems and a large general aviation airport.

Riverside enjoys a rich heritage which is reflected in the City's architecture, cuisine, culture, and civic life. Riverside has evolved from a quiet agricultural colony into a dynamic, active city and is a hub for higher education, technology, commerce, law, finance and culture. Riversiders enjoy many artistic venues from excellent film, dance and symphony to art, museums, and theater which add a layer of depth to the City experience.

## Downtown Riverside Description



The Downtown area is home to many state government offices, the Riverside County Administrative Center and a system of county, state and federal courts serving the Inland Southern California area. However, Downtown is also steeped in culture, anchored by the Fox Performing Arts Center and the Historic Mission Inn Hotel and Spa, earning Downtown Riverside a reputation as the “Downtown of the Inland Empire.”

Local land uses in the immediate area range from low-density residential to high-density apartments and from small commercial buildings to large office sites. Many of the Downtown buildings maintain local and national historical significance and are exemplary of a variety of architectural styles. The heart of Downtown, Main Street Riverside (pedestrian mall), presents dozens of unique shops and restaurants.

Its expanded convention center, multiple hotels, cultural attractions, eclectic retail and proximity to higher education make Downtown Riverside a natural gathering point for residents, visitors, students and business professionals.

Additionally, Riverside was recently selected by the California Air Resource Board (CARB) as the relocation site for its motor vehicle and engine emissions testing and research facility, a decision that will bring a \$366 million dollar facility and more than 400 high-tech jobs to the City by 2020. CARB’s new state-of-the-art facility will be located on the campus of UC-Riverside, which is in very close proximity to the Downtown area. Moreover, the City is currently making plans to construct a new Downtown library and is negotiating a lease agreement with Discovery Cube Science Center, to occupy the current historic Downtown library building (located across the street from the subject site) once a new downtown library has been constructed and the library has relocated.

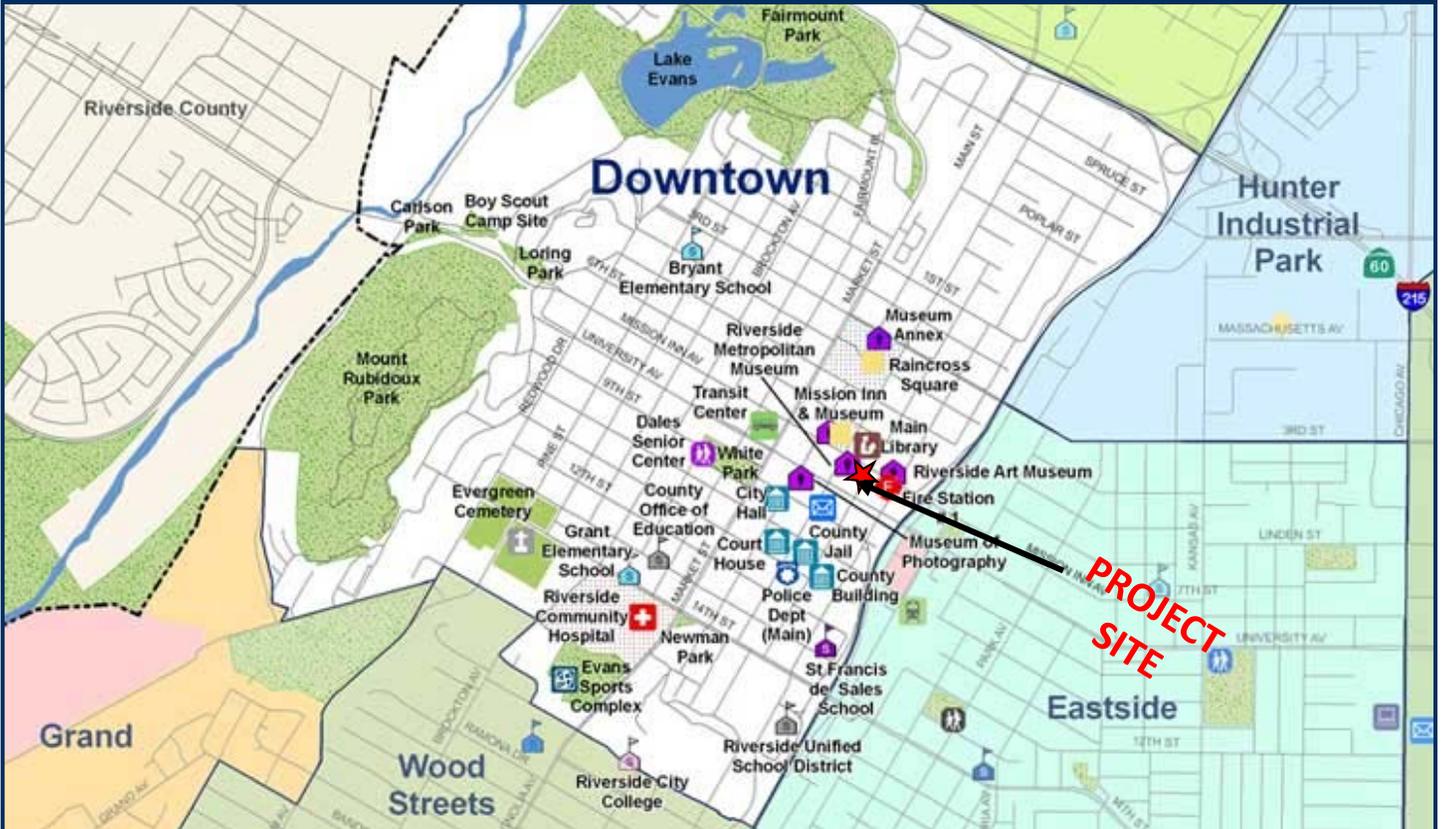
The following is a sample of Downtown events: Annual Festival of Lights (with over 300,000 in attendance); Annual Dickens Festival; Long Night of Arts & Innovation; Annual Asian Pacific Lunar New Year Festival; Show ‘N’ Go Car Show and Parade; Weekly (Saturday) Farmers Market; and Concerts in the Park.



Main Street Riverside



The Mission Inn Hotel & Spa



Riverside Convention Center

Fox Theater Performing Arts Center





## Demographic Information (Source – ESRI)

Radius	3 Mile	5 Mile	
<b>Population</b>			
2019 Projected Population:	137,808	262,664	
2014 Population:	128,643	245,513	
2014 Median Age:	30.40	31.40	
<b>Housing</b>			
2019 Projected Households:	43,103	80,404	
2010 Census Households:	37,649	70,823	
2014 Avg. Household Size:	3.00	3.10	
2014 Owner Occupied Units:	19,547	41,800	
2013 Renter Occupied Units:	20,578	33,220	
<b>Income</b>			
2014 Avg. Household Income:	\$60,088	\$65,920	
2013 Med. Household Income:	\$43,526	\$49,186	
2014 Per Capita Income:	\$20,820	\$22,698	
2014 Households Earning Over \$100,000:	6,154	13,830	
<b>Employment</b>			
2014 Daytime Jobs:	5	56,537	92,882

# The Opportunity



The City is soliciting qualifications and proposals from development firms interested in acquiring a City-owned surface parking lot, identified as “Lot 27” bearing APN 213-281-006 (Exhibit A—Site Map), and a portion of the adjacent Western Arts University-owned APN 213-281-005 (Western Parcel, Exhibit A—Site Map), for the construction and operation of a boutique hotel facility (or a mixed-use boutique hotel facility with retail, office, and/or entertainment included) in historic downtown Riverside.

Lot 27 is approximately 14,000 square feet and the Western Parcel is approximately 7,500 square feet. Both properties are located in the Raincross District of the Downtown Specific Plan and are currently zoned for commercial and residential use. A hotel is an allowable use with a conditional use permit (CUP).

The City envisions the new boutique hotel (or mixed-use hotel development) to be an immediate economic enhancement to the surrounding facilities such as the Riverside Municipal Auditorium, Riverside Art Museum, the Historic Mission Inn Hotel and Spa, Riverside Convention Center, Fox Performing Arts Theater (and to Downtown Riverside as a whole). While not being overly prescriptive on design, the City expects that the development will exemplify exceptional architecture that compliments the surrounding buildings and complies with the Downtown Specific Plan-Raincross District.

It is expected that the development will function in harmony with, and support current and upcoming activities and events held at the City-owned Riverside Municipal Auditorium, Riverside Convention Center and Fox Performing Arts Theater.

The development should also exemplify environmentally-sustainable technology related to design, construction, and efficient operation. The eventual development and design of the boutique hotel (or mixed-use hotel development) must allow for maximum flexibility in order to respond to changes in the community and market needs over the coming decades.



## Preferred Development

The City of Riverside will consider boutique hotel (or mixed-use hotel development) proposals that exemplify style, distinction, intimacy and economic impact. Other development projects may be proposed that differ from the noted preferred uses. However, proposers should be aware that public support may or may not allow for alternative development projects to be approved by the Riverside City Council.

Lot 27 and the Western Parcel are located in close proximity to major institutions, public facilities as well as landmark historic structures, including the historic Mission Inn Hotel and Spa, the popular Fox Theater Performing Arts Center, the newly renovated Riverside Convention Center, the Riverside City College, and the County, State and Federal Courts just to name a few.

Moreover, the center of the Downtown Specific Plan—Raincross District is occupied by the Mission Inn Historic District, which contains Riverside’s most important historic buildings. Lot 27 and the Western Parcel are located within the boundary of the Mission Inn Historic District. In this sub-area of the Raincross District, the development standards have been carefully crafted to maintain a scale of development that is compatible with the well-established historic fabric of the district.

The boutique hotel (or mixed-use hotel development) project must be consistent with the design standards and guidelines of the Mission Inn Historic sub-district of the Raincross District of the Downtown Specific Plan.

# Submittal Requirements



The following summarizes requirements for the submittals in response to this Request for Qualifications & Proposals (“RFQ/P”). Responses to the RFQ/P must be sufficiently detailed and descriptive according to the City’s sole discretion to permit the City to assess the viability of the proposal. Responses, at a minimum, must include the following:

## **1. Structure and Management of the Legal Entity Submitting the Proposal:**

Provide the legal name, address, and telephone/facsimile/e-mail information of the entity submitting a response to this RFQ/P. Identify the party authorized to represent and make decisions on behalf of the entity. Describe the composition, organizational structure, and legal form of the entity. Identify the responsibilities and relevant experience of key individuals, both “in-house” staff and consultants for the entity.

## **2. Relevant Experience:**

- a. Provide examples or descriptions of relevant project experience. Information should include the following: (a) name, location, and dates of the project(s) (including start and substantial completion dates and dates in which key milestones were accomplished); (b) project description, including land use, approximate size of the site on which the project(s) is located, amount and type of building space, approximate amount of equity investment, role in project, and outcome or status of project; and c) references for the cited projects.
- b. Provide a description of the proposer’s experience, qualifications, and capabilities specifically related to: (a) development experience; (b) design and planning experience, including obtaining entitlements; (c) financing (debt and equity) experience; (d) construction and project management experience; and (e) public/private project experience.
- c. Provide a description of the proposer’s experience developing, managing, and operating boutique hotels and related hospitality projects, which are similar in size and scope (to the City’s preferred development).

# Submittal Requirements Cont.



### **3. Statement of Financial Capability:**

- a. Provide a description and evidence of financial capability of the entity submitting the response to this RFQ/P including ability to: (1) provide necessary capital to fund predevelopment activities; (2) secure construction and permanent loan financing; (3) provide required equity either directly or with capital partners; and (4) provide funding for ongoing operations (including maintenance, reserves, etc.).
- b. Provide information on financial roles, responsibility, and strength of members of the legal entity.
- c. Provide a description of examples of financing sources, structures or mechanisms for projects completed by the proposer similar to the type of financing envisioned by the proposer for the proposed projects.
- d. Provide a description of current relationship with lending or financial institutions or equity sources which have demonstrated interest in providing financing for the proposed project.
- e. Provide a description of any relevant or similar projects which proposer has completed or is in the process of pursuing, acquiring, developing, or proposing to pursue, acquire, or develop.

### **4. Development Narrative:**

The proposer shall provide a preliminary development narrative, which shall include, but not be limited to, the type of development, a proposed layout including a site plan and conceptual elevations, a pro-forma, project statistics phasing, an anticipated investment amount, community benefit including estimated annual sales and transient occupancy tax revenue and number of jobs to be generated, and projected occupancy dates, and a long-term investment strategy.

# Submittal Requirements Cont.



## 5. Hotel Operating Plan:

The proposer shall provide a detailed business plan to operate, maintain, staff and market the boutique hotel. As a component of the business plan, please also provide a proposed management structure to include local management and staffing. Include a description of the experience and capability of the hotel operator. Proposers may also include any proposed amenities that will enhance the customer experience.

## 6. Development Timeline:

The proposer shall indicate whether the following requirements are acceptable or propose a different timeline for due diligence/entitlements and construction period:

- 1) Due Diligence/Entitlements Period—It is anticipated that the selected developer will review the condition of the Property within ninety (90) days after opening of escrow. For your convenience, a site map depicting the location of existing Public Utilities facilities and easements has been included as Exhibit B. The proposer shall provide a timeline for project entitlements. It is preferred that the selected developer obtain entitlements and close escrow as soon as possible, but no later than eighteen (18) months from the execution of the Agreement.
- 2) Construction Period—The proposer shall provide a timeline for the construction phase of the proposed development from the close of escrow including construction start and completion dates. It is preferred that construction of the proposed development be completed as soon as possible, but no later than two (2) years from the close of escrow.

## Submittal Requirements Cont.



**7. Preferred Development:** The proposer shall indicate whether its proposed development concept is compliant with the City's preferred development (as detailed on page no. 7) and if not, the proposer should indicate why its proposed development concept is better suited for the site.

**8. Purchase Price, Deposit & Closing Costs:** The minimum purchase price shall be \$25 per square foot and is subject to a current appraisal. The proposer shall specify the purchase amount it is willing to pay for Lot 27. Moreover, the proposer should assume the same value for the adjacent Western Parcel and indicate how much it is willing to pay for the Western Parcel.

**Deposit Amount:** Should the proposal be accepted by the City, a deposit in the amount of 2% of the proposed purchase will be required. The selected proposer shall submit the required deposit amount upon execution of a Purchase and Sale Agreement. Please note that the deposit is non-refundable after 90-days from the effective date of an executed Purchase and Sale Agreement.

**Closing Costs:** The City shall be responsible for one-half of the cost of escrow charges and CLTA standard form policy of title insurance. The selected proposer shall be responsible for all recording fees, transfer taxes, and cost of documentary stamps and one-half of the cost of escrow charges.

**9. Parking Plan:** The proposer shall provide a parking plan for the hotel. Moreover, the proposer must provide for twenty (20) parking stalls (at a minimum) for Western Arts University, which must be provided in perpetuity in exchange for the lost parking on the Western Parcel. Please note that Western is willing to pay prevailing market rates for the use of these parking stalls.



## Developer Conditions

Upon City Council approval, the following conditions will be imposed as a part of a Purchase and Sale Agreement (PSA):

1. Proposed Use: The proposed use(s) for Lot 27 and the Western Parcel must be compliant with all local, state, and federal code, laws and regulations.
2. Restricted Uses: The following uses are restricted for Lot 27 and the Western Parcel:
  - a. Adult-oriented business or adult entertainment establishment;
  - b. Convenience store;
  - c. "Off-premises" sale of alcohol. The sale of "on-premises" alcohol may be permitted by the City via a Minor Conditional Use Permit (MCUP) and approval by the State of California - Department of Alcoholic Beverage Control (ABC);
  - d. Personal services (i.e. tattoo parlor, vape store, etc.) subject to staff discretion;
  - e. Sale of weapons; and
  - f. Sale of marijuana or marijuana related products.
3. Site Maintenance: The selected proposer will, at his or her sole cost and expense, maintain the appearance and safety of Lot 27 and the Western Parcel; remove all graffiti from Lot 27 and the Western Parcel within 72 hours of its appearance; and promptly remove and replace all dead and diseased landscaping material on Lot 27 and the Western Parcel.

# Selection Process



The City will conduct the selection process. During the selection process, the City reserves the right to request clarification or additional information from individual proposers and to request some or all proposers to make presentations to City staff or others.

1. Selection Criteria: At a minimum, all qualified proposals will be evaluated and scored based on the following selection criteria as previously described on pages 9-12:
  - (a) sale price (25%); (b) relevant experience (20%); (c) financial capability (10%); (d) development narrative and timeline (20%); (e) hotel operating plan (15%); (f) compliance with the City's preferred development (5%) and (g) parking plan (5%)
2. Interviews: At a minimum, the City commits to interviewing the top two responsive proposers. After the interviews, the City will re-score the interviewee's proposal using the aforementioned scoring criteria. The subsequent re-scoring of proposals shall be the basis for the selection of a proposer and a recommendation to the City Council.
3. City Council and Western Arts University Approval: Staff is required to present the selected proposer and a Purchase and Sale Agreement to the City Council and Western Arts University for approval.

All proposals submitted in response to the RFQ/P become the property of the City and under the Public Records Act (Government Code § 6250 et. seq.) are public records. As such, all proposals may be subject to public review at least ten (10) days before selection and award. If a proposer claims a privilege against public disclosure for trade secret or other proprietary information, such information must be clearly identified in the proposal. Personal information should be labeled as confidential and will remain so. Please note that under California law, price proposal to a public agency is not a trade secret.

# Inquiries



All requests for clarifications, changes, exceptions, deviations to the terms and conditions set forth in this RFQ/P should be submitted in writing to:

Nathan Freeman  
nfreeman@riversideca.gov

---

The receipt of questions from the proposer shall be received by the City before 5 PM on June 13, 2016. To ensure fairness and avoid misunderstandings, **all communications must be in written format** and addressed **only** to the individual set forth above. Any verbal communications will not be considered or responded to. All questions received by the due date will be logged and reviewed and, if required, a response will be provided via an addendum to the RFQ/P. **Any communications, whether written or verbal, with any City Councilmember or City staff other than the individual indicated above (specific to this Request for Qualifications and Proposals), prior to award of a contract by City Council, is strictly prohibited and the proposer shall be disqualified from consideration.**

Please note: The City shall not be liable for any expenses, which may include, but are not limited to, preparation of the proposal or related information in response to this RFQ/P; negotiations with the City on any matter related to this RFQ/P; and costs associated with interviews, meetings, travel or presentations incurred by any proposer in relation to the preparation or submittal of the proposal. Additionally, the City shall not be liable for expenses incurred as a result of the City's rejection of any proposals made in response to this RFQ/P.

# Instructions & Schedule



All statements of qualifications and proposals are due by or before 5:00 PM on July 7, 2016. This time and date is fixed and extensions will not be granted. The City does not recognize the United States Postal Service, its postmarks or any other organization as its agent for purposes of dating the proposal. All proposals received after the deadline shown will be rejected, returned to sender and will not receive further consideration.

Questions may be submitted to [nfreeman@riversideca.gov](mailto:nfreeman@riversideca.gov) by June 13, 2016 at 5:00 PM and will be answered and posted to [www.riversideca.gov/cdd/rfp.asp](http://www.riversideca.gov/cdd/rfp.asp) by June 20, 2016.

---

Mail (or hand-deliver) six (6) hard copies and one (1) electronic file of the proposal to:

**City of Riverside**  
**Community & Economic Development Department**  
**Attn: Nathan Freeman**  
**3900 Main Street, 2nd Floor**  
**Riverside, CA 92522**  
**[nfreeman@riversideca.gov](mailto:nfreeman@riversideca.gov)**

Please note: The City reserves the right to amend, withdraw or cancel this RFQ/P. The City also reserves the right to reject all responses to this RFQ/P at any time prior to an agreement being executed. Furthermore, the City reserves the right to request or obtain additional information about any and all submittals.

**Exhibit A**  
**Aerial Map**



LEMON ST

Exhibit A - Site Map

Lot 27

Encore Parcel

Not a Part

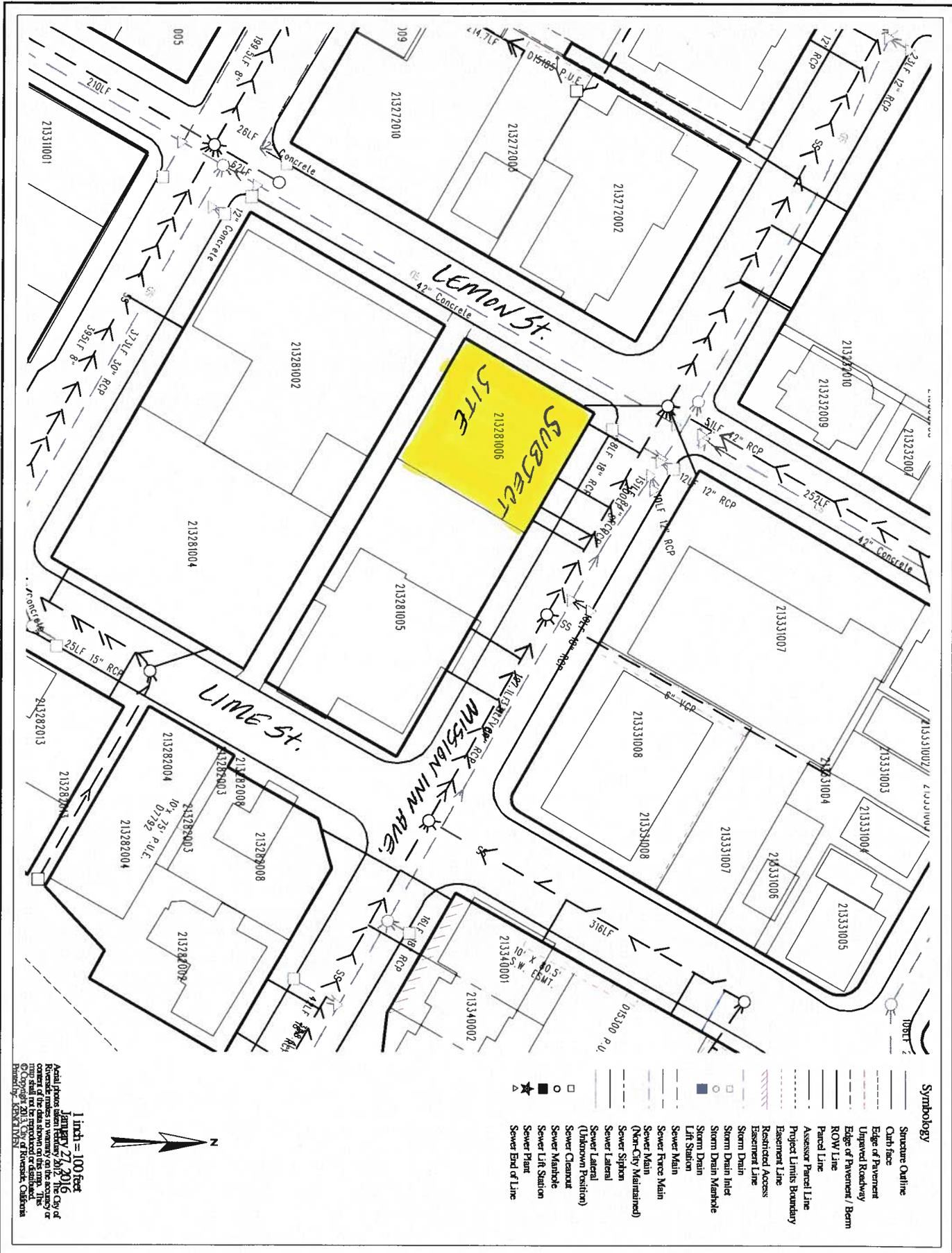
UNIVERSITY AV

MISSION INN AV

LIME ST

**Exhibit B**

**Electric, Sewer and Water Maps**



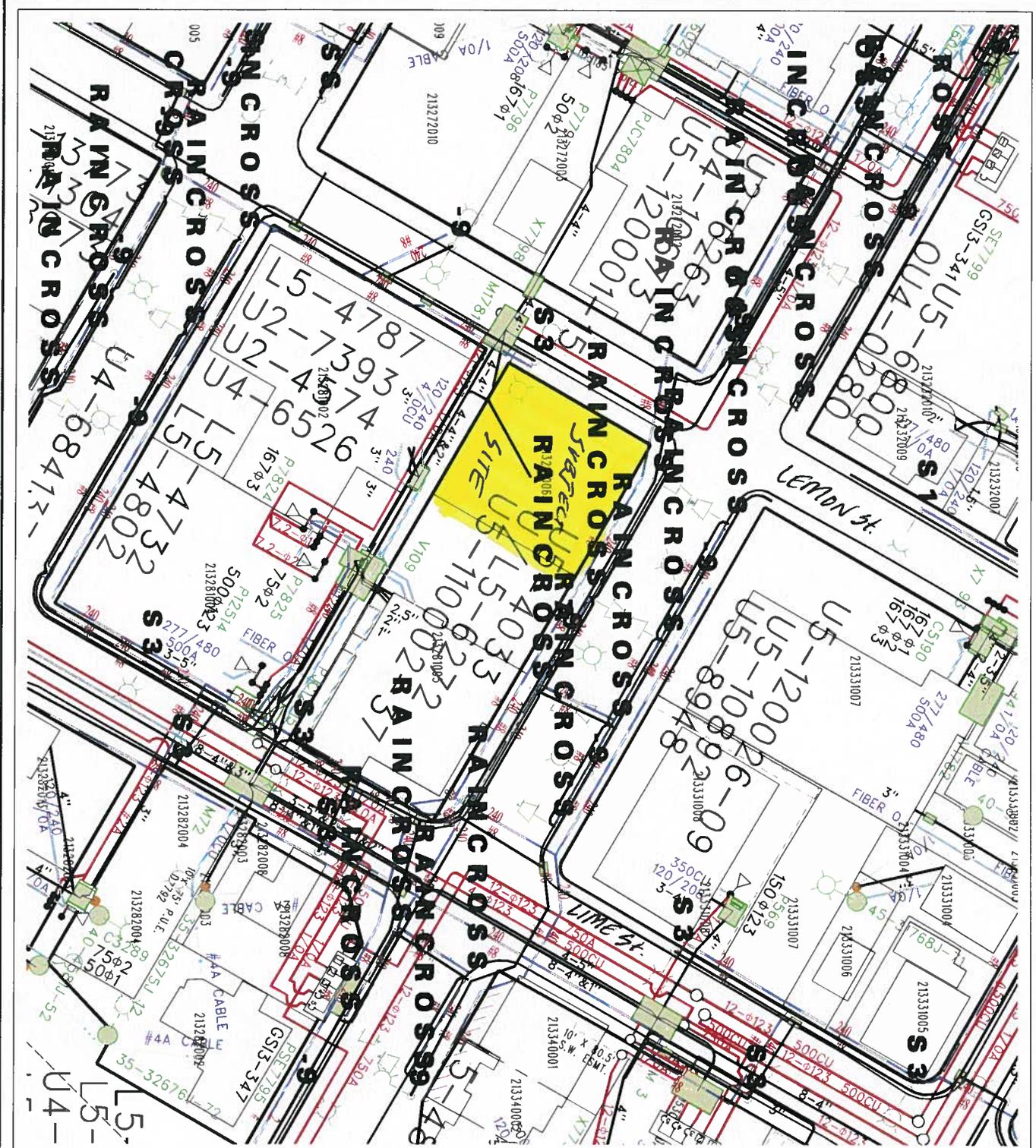
**Symbology**

- Structure Outline
- Chute Face
- Edge of Pavement
- Lighted Roadway
- Edge of Pavement / Berm
- ROW Line
- Parcel Line
- Assessor Parcel Line
- Project Limits Boundary
- Easement Line
- Restricted Access
- Easement Line
- Storm Drain
- Storm Drain Inlet
- Storm Drain Manhole
- Lift Station
- Sewer Main
- Sewer Force Main
- Sewer Main (Non-City Maintained)
- Sewer Siphon
- Sewer Lateral
- Sewer Lateral (Unknown Position)
- Sewer Cleanout
- Sewer Manhole
- Sewer Lift Station
- Sewer Plant
- Sewer End of Line



1 inch = 100 feet

Aerial photos used in this map were taken on 07/27/2016. The City of Riverside makes no warranty on the accuracy or content of the data shown on this map. This map is the property of the City of Riverside, California. Copyright 2016 City of Riverside, California. Prepared by: KENNEDY

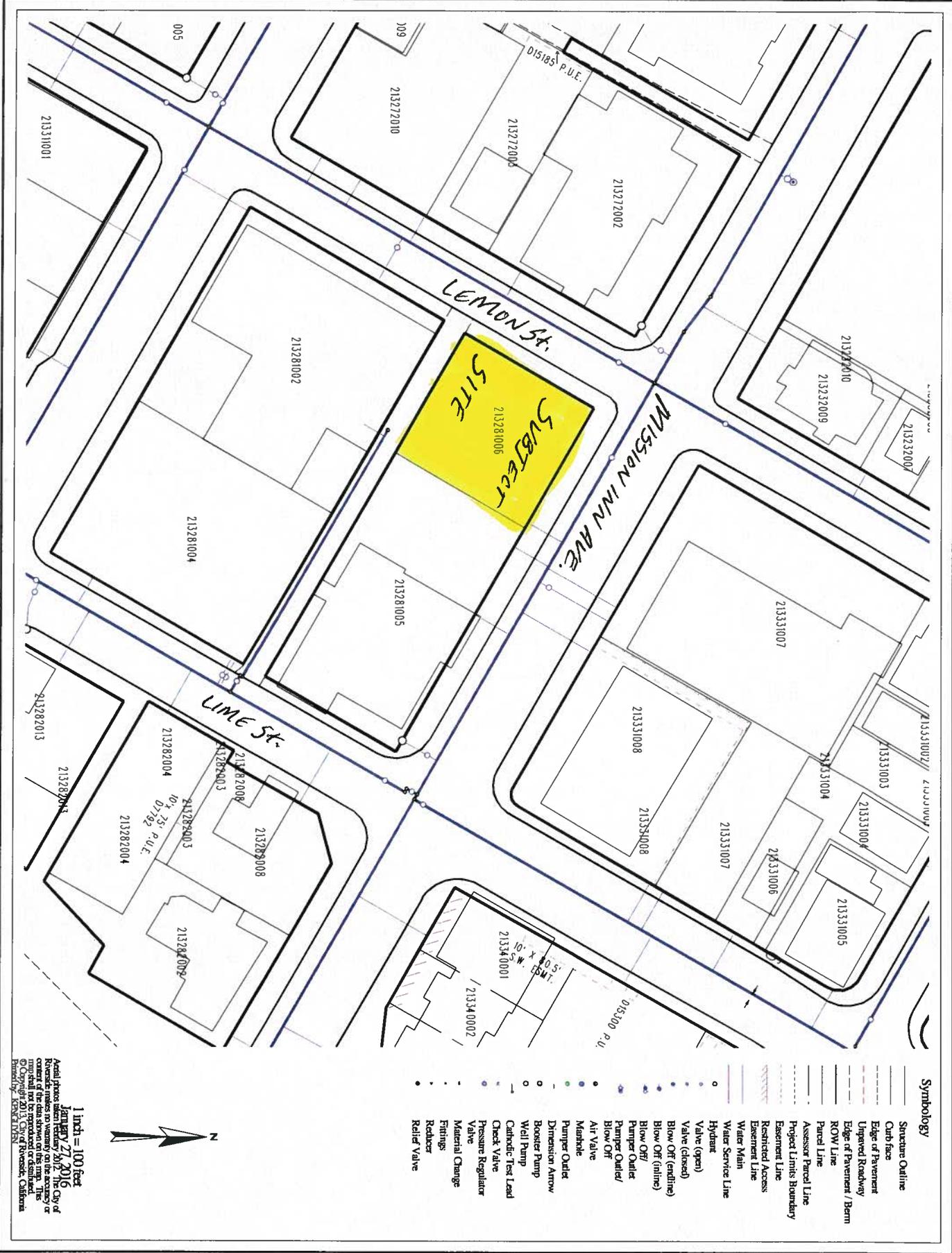


- Symbology**
- Structure Outline
  - Curb face
  - Edge of Pavement
  - Unpaved Roadway
  - Edge of Pavement / Berm
  - ROW Line
  - Parcel Line
  - Assessor Parcel Line
  - Project Limits Boundary
  - Easement Line
  - Restricted Access
  - Easement Line



1 inch = 100 feet

Actual phone numbers are shown in red. Reverse makes no warranty of the accuracy or completeness of the data shown on the map. This map is for informational purposes only. It is not intended for use in any legal proceeding. Prepared by: KENTON DIVISION



**Symbology**

- Structure Outline
- Curb face
- Edge of Pavement
- Unpaved Roadway
- Edge of Pavement / Berm
- ROW Line
- Panel Line
- Assessor Parcel Line
- Project Limits Boundary
- Easement Line
- Restricted Access
- Easement Line
- Water Main
- Water Service Line
- Hydrant
- Valve (open)
- Valve (closed)
- Blow Off (endline)
- Blow Off (inline)
- Blow Off
- Pumper Outlet
- Pumper Outlet/ Blow Off
- Air Valve
- Manhole
- Pumper Outlet
- Dimension Arrow
- Booster Pump
- Well Pump
- Cathodic Test Lead
- Check Valve
- Pressure Regulator
- Valve
- Material Change
- Fittings
- Reducer
- Relief Valve



1 inch = 100 feet

April 19, 2016  
 27 2016  
 The City of  
 Riverside makes no warranty on the accuracy or  
 content of the data shown on this map. The  
 data is provided for informational purposes only.  
 Printed by: KENNEDY