



*City of Arts & Innovation*

# City Council Memorandum

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: NOVEMBER 27, 2018**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT      WARD: 1**  
**DEPARTMENT**

**SUBJECT: PROVIDE DIRECTION REGARDING A POTENTIAL AMENDMENT TO THE ACTIVE REQUEST FOR PROPOSALS FOR PUBLIC PARKING LOT NO. 33, THE RAVINE FRONTING THE RIVERSIDE CONVENTION CENTER, AND THE FORMER UTILITIES PLAZA BUILDING TO ALLOW A SECOND OPTION FOR DEVELOPMENT PROPOSALS TO NOT INCLUDE A HOTEL OR CONVENTION CENTER EXPANSION COMPONENT AND PROVIDE DIRECTION TO STAFF TO EXTEND THE PROPOSALS DUE DATE UP TO AN ADDITIONAL NINETY DAYS**

## **ISSUE:**

Provide direction regarding a potential amendment to the active Request for Proposals (RFP) for Public Parking Lot No. 33, the ravine fronting the Riverside Convention Center, and the former Utilities Plaza building to allow a second option for development proposals that does not require inclusion of a hotel or Convention Center expansion component and provide direction to staff to extend the proposals due date by an additional thirty or up to an additional ninety days.

## **RECOMMENDATION:**

That the City Council provide direction regarding a potential amendment to the active Request for Proposals (RFP) for Public Parking Lot No. 33, the ravine fronting the Riverside Convention Center, and the former Utilities Plaza building to allow a second option for development proposals that does not require inclusion of a hotel or Convention Center expansion component and provide direction to staff to extend the proposals due date by one of the following options:

1. Extend the current deadline to respond by an additional thirty days from December 18, 2018 to January 18, 2019;
2. Extend the current deadline to respond by an additional sixty days from December 18, 2018 to February 18, 2019; or
3. Extend the current deadline to respond by an additional ninety days from December 18, 2018 to March 18, 2019.

## **BACKGROUND:**

On March 6, 2018 and July 10, 2018, the City Council declared Public Parking Lot No. 33, the ravine fronting the Riverside Convention Center, and the former Utilities Plaza building, located at 3460 Orange Street, as surplus for potential development of a mixed-use hotel, residential, commercial, parking garage, and convention center expansion project.

On September 12, 2018, staff issued an RFP seeking a preferred mixed-use hotel, residential, commercial, parking garage and convention center expansion development proposals. The current due date for development proposals is December 18, 2018.

On November 6, 2018, the City Council directed staff to return to City Council to discuss a potential amendment to the Public Parking Lot No. 33 RFP to allow a second option for development proposals that does not require inclusion of a hotel expansion component and extend the current deadline to respond to allow additional time to obtain development proposals.

As shown below in red, the project site consists of the former Utilities Plaza building (currently occupied by Encore Education Corporation until its lease expires on July 31, 2020), all of Public Parking Lot No. 33, and the ravine fronting the westerly side of the Riverside Convention Center.



## **DISCUSSION:**

As previously noted, the active RFP for Public Parking Lot No. 33 contains a preferred development requirement that the successful proposer construct one or two new hotels, multi-family residential, commercial, new parking garage and expand the Riverside Convention Center by 100,000 square feet. Eliminating the requirement for hotel development and Convention Center expansion could potentially allow for more development proposals including retail and entertainment uses.

Should the City Council choose to waive the hotel component and Convention Center expansion development requirement and extend the proposals due date, staff will prepare and issue an RFP amendment. This RFP amendment will specify that the City will not limit the type (or combination) of development proposals that can be received and considered. RFP respondents may still submit proposals that include a hotel, Convention Center expansion, residential, and commercial development but will not be limited to this specific scope.

**FISCAL IMPACT:**

There is no direct fiscal impact to the General Fund associated with this report. However, should the hotel development requirement be removed from the RFP, the City may not receive hotel development proposals and would therefore not capture any Transient Occupancy Taxes (TOT) that would be deposited into the General Fund associated with a hotel component as part of the overall development project.

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Attachment:	Presentation
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