



Transit-Oriented Development Investment Opportunity

Request for Proposals

CITY OF UNION CITY • AUGUST 17, 2011

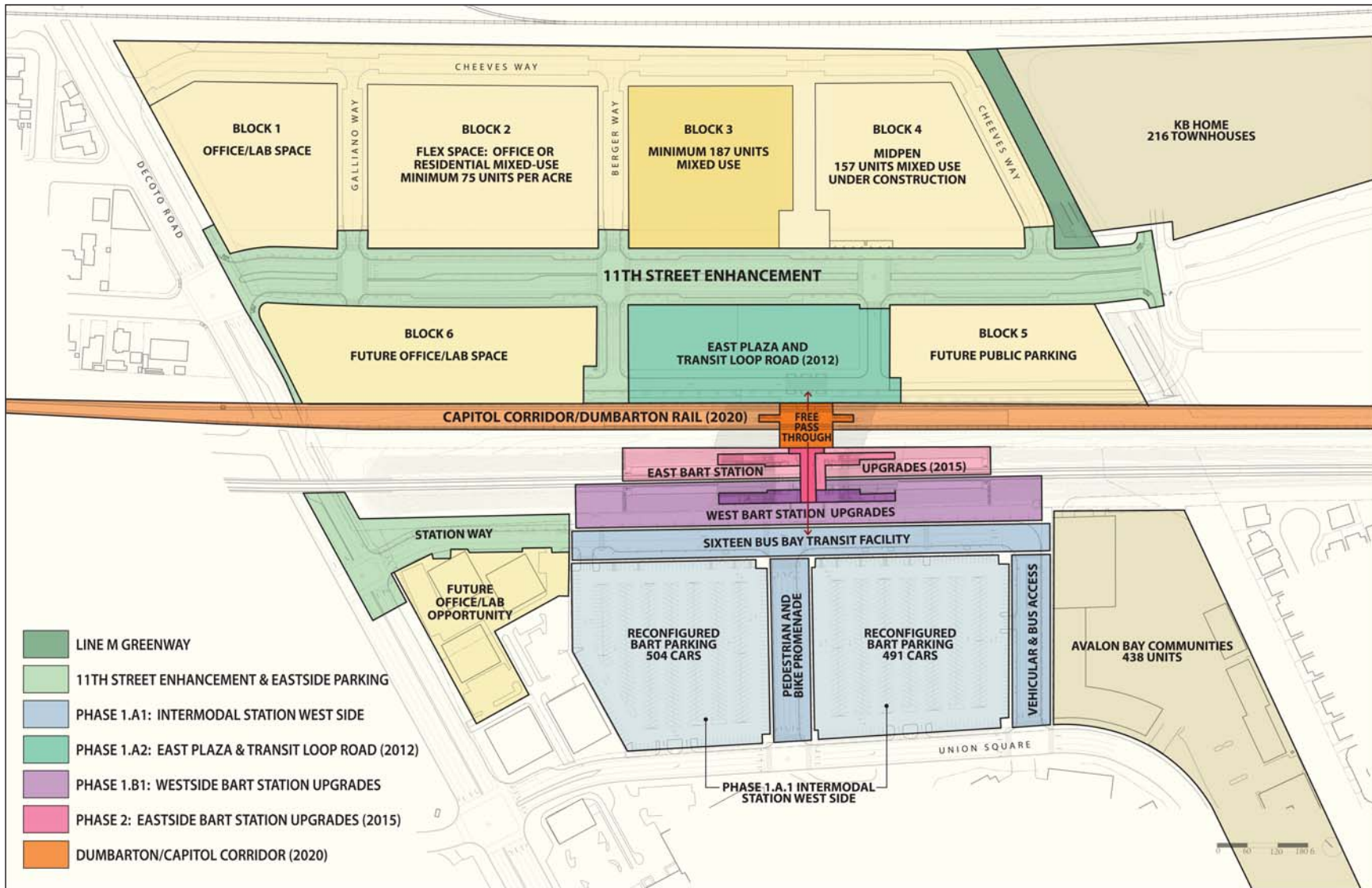
Transit-Oriented Development Investment Opportunity

Request for Proposals

Pre-submittal Conference: September 1, 2011

Proposals Due: September 29, 2011

CITY OF UNION CITY • AUGUST 17, 2011



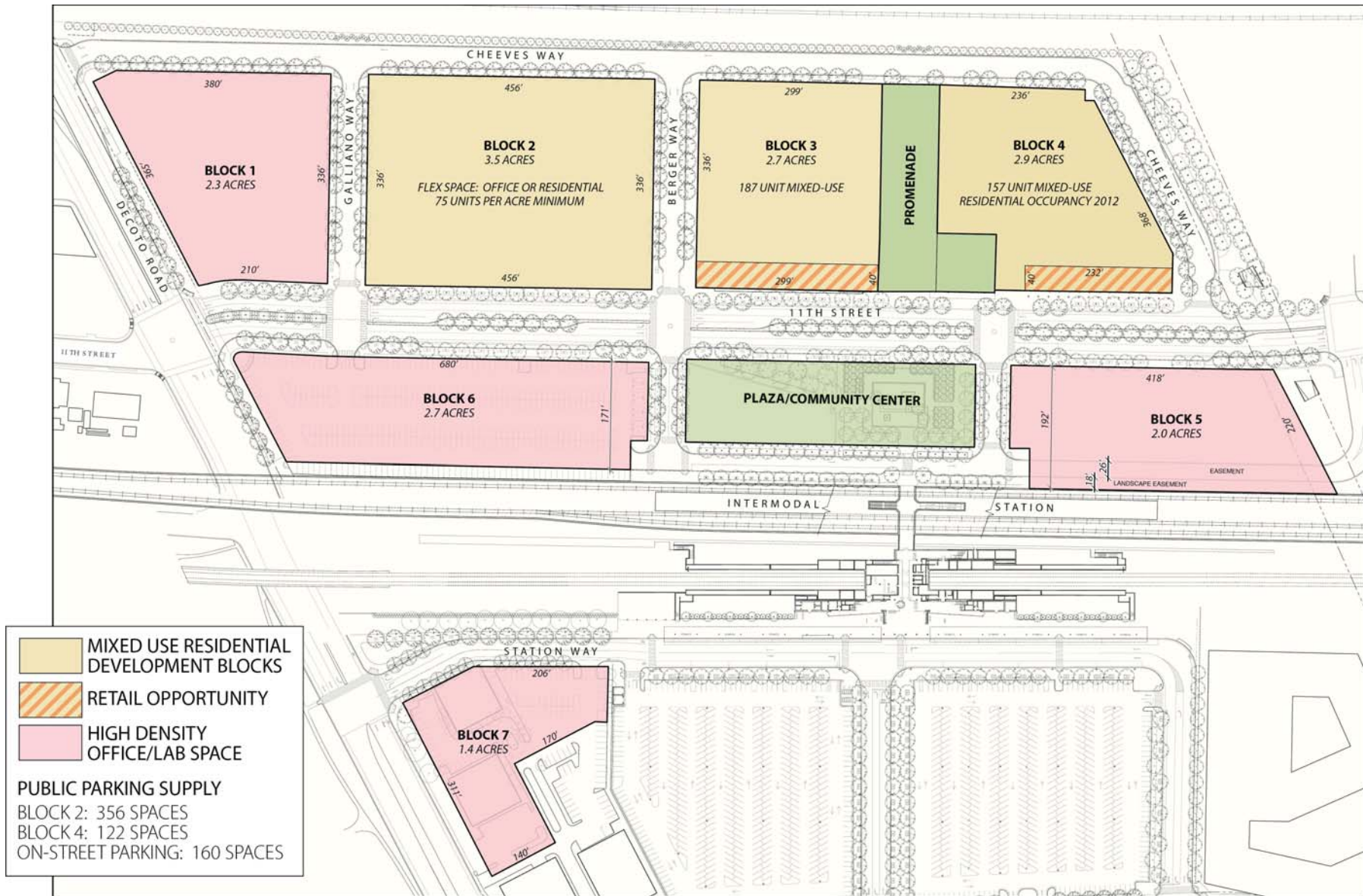
Station District Phasing Strategy and Project Components

INTERMODAL STATION DISTRICT CONTEXT

Union City is a medium-sized Bay Area city (population 69,516) that has undergone significant growth and change within the Station District area. Policies that support transit, transit-oriented development, job creation and infrastructure development have guided this growth. Over the past few years, Union City has expanded, upgraded and modernized its BART station; constructed an adjacent 16-bay bus facility; reconfigured the BART property to accommodate future redevelopment; constructed over 600 new parking stalls for transit users and Station District patrons; and built new connecting streets and public ways. In addition, plans are underway to create a new east entrance to the BART station

in order to accommodate a passenger rail station on the Oakland Subdivision tracks for the Capitol Corridor, Dumbarton Rail and ACE trains. New bus facilities for AC Transit and Union City Transit will also be provided on the east side of BART. As part of the east/west Promenade concept, the Intermodal Station will have a free, pedestrian pass-through that will allow transit patrons and those living and working in the area to have easy access to both sides of the station. Together, all of these infrastructure improvements will combine to make the area one of the most important transit centers within the San Francisco Bay Region.





The Transit-Oriented Development Opportunity Sites: Blocks 1, 2, 3, 5, 6 and 7

DEVELOPER SOLICITATION

Union City is seeking one or more qualified developers to invest and build high quality transit-oriented development in the Union City Intermodal Station District.

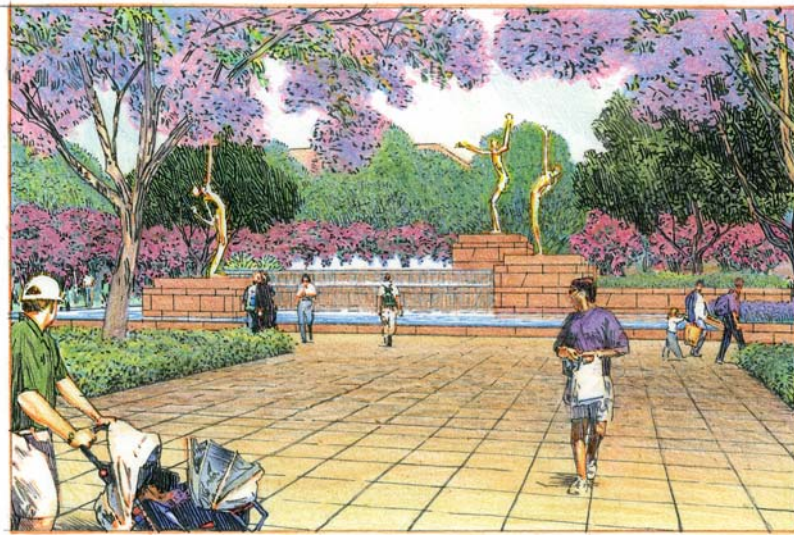
Union City's Intermodal Station District is a planned, transit and pedestrian-oriented community. The Station District is comprised of several opportunity sites that can accommodate high-density residential and office development. The Station District is home to the Union City Bay Area Rapid Transit (BART) station and the future Intermodal Station, which will provide connections to Dumbarton Rail, Capitol Corridor, and Altamont Commuter Express (ACE) Train.

Union City's Redevelopment Agency has invested more than \$130 million in infrastructure, amenities, and has improved access to BART to accommodate future development. All utilities and street improvements are in place. The District contains public parking lots and on street parking to accommodate future demand. Additional public improvements in the District are under construction including a public plaza, promenade and children's playground. The City is in the process of working with BART to design a new east entrance to the station that will provide residents and businesses within the Station District direct access to BART. This entrance will connect to the new public plaza. This project is proposed to be completed in 2015. The East West Connector, planned for completion in 2015, will provide a secondary access road to the Station District.

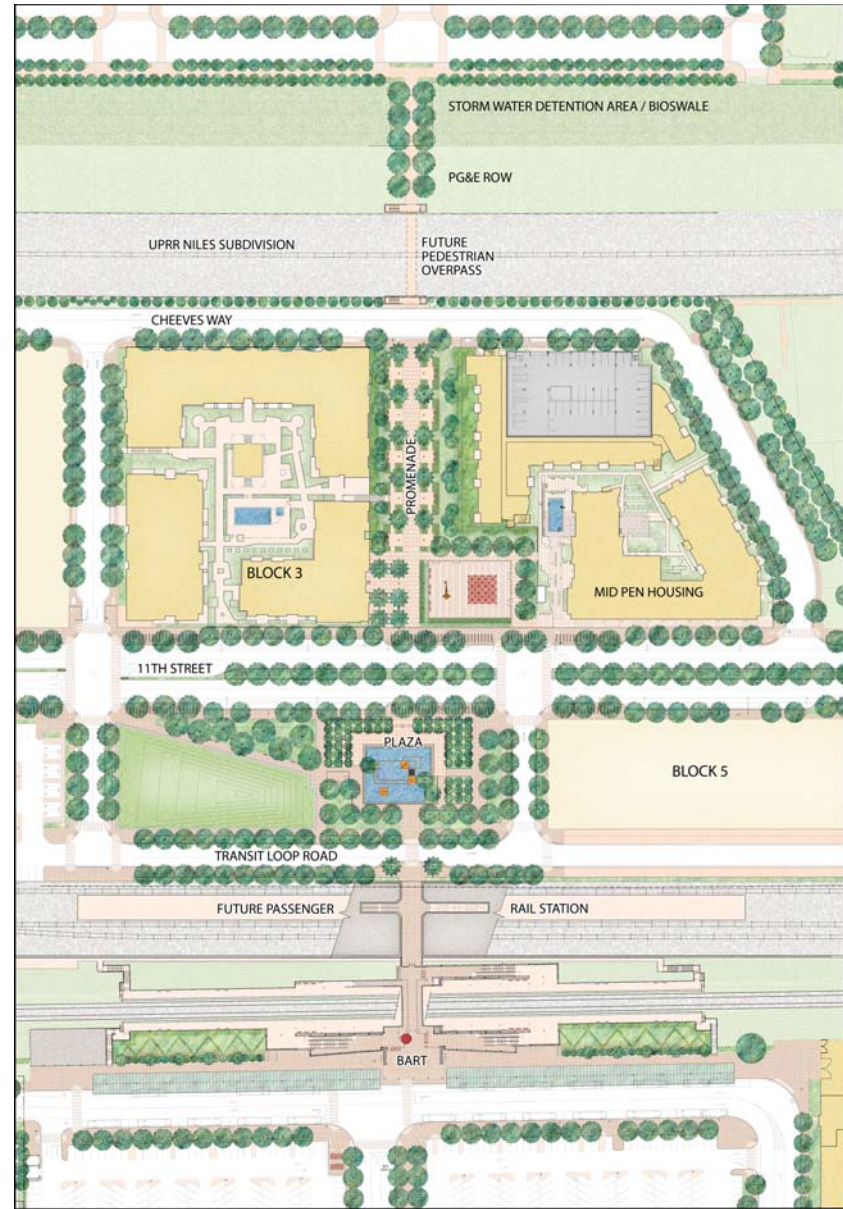
The opportunity sites include Block 3, which is planned for high-density housing, Block 2, which can accommodate either high-density housing or high-density office uses; and Blocks 1, 6, and 7, which are planned for high-density office. Blocks 2 and 3 have environmental clearances for 973 housing units, constructed at a density of 165 units per acre, and 37,500 sq. ft. of ground-floor commercial. Residential development within the Station District will not be subject to inclusionary housing fees. The City will consider all proposals but will give priority to submittals that include a development proposal for Block 3.



MidPen Housing, Occupancy 2012



East Plaza, Playground and Promenade - under construction



Focus for Residential Mixed-Use Development

THE OPPORTUNITY

Proposals may be submitted for individual blocks or a combination of blocks. City will give priority to development proposals that include Block 3.

Block 3

Block 3 encompasses a 2.7-acre site that is available for mixed-use development, which accommodates a minimum of 187 residential units and ground floor commercial with a minimum depth of 50 feet along the entire 11th Street frontage. The block has environmental clearance for construction of up to 331 residential units, 15,200 square feet of ground-floor commercial and podium parking. *Note: Residential units are required to satisfy requirements associated with State grants used to construct improvements within the Station District. Developer must be party to a contract with California Department of Housing and Community Development to deliver housing by July 1, 2017.*

Block 2

Block 2 encompasses a 3.5-acre site that is available for a mixed-use development including residential development at a minimum density of 75 units per acre and ground floor commercial with a minimum depth of 50 feet along the entire 11th Street frontage. The block has environmental clearance to construct up to 642 residential units, 22,000 square feet of ground floor commercial along 11th

Street, and podium parking garage. The block can also be developed with high-density office at a minimum FAR (Floor Area Ratio) of 1.0 and up to 4.0. Office development must include ground floor commercial with a minimum depth of 50 feet along the entire 11th Street frontage. Developers are eligible to submit proposals on Block 2 if developer agrees to deliver a minimum of 187 residential units (i.e. occupancy permits issued) on Block 3 by December 1, 2015.

Block 1

Block 1 encompasses a 2.3-acre site that is available for high-density office development with a FAR (Floor Area Ratio) minimum of 1.0 and up to 4.0. Ground-floor commercial is highly encouraged.

Block 6

Block 6 encompasses a 1.9-acre site that is available for high-density office development with a FAR (Floor Area Ratio) minimum of 1.0 and up to 4.0. Ground-floor commercial is highly encouraged.

Block 7

Block 7 encompasses a 1.4-acre site that is available for high-density office development with a FAR (Floor Area Ratio) minimum of 1.0 and up to 4.0. Ground-floor commercial is highly encouraged.

SUBMITTAL REQUIREMENTS

Development Proposal

The proposal shall identify the block(s) considered for development and include detailed information relating to anticipated use, size and scope of the development (i.e. approximate residential unit count / square footage amount); approximate number of stories; and parking.

- City will consider proposals for reduced parking requirements for residential development.
- City will consider proposals for consolidating parking for Blocks 1 and 6 in a developer-financed parking garage on Block 5. Due to the location of Block 7 in relation to Block 5, Block 7 must be self-parked
- City will require LEED Silver certification for public/private partnership projects. City would prefer that new development within the Station District obtain LEED Gold certification.
- Development shall have a strong pedestrian orientation with minimum setbacks for new development to be 15 feet from face of curb along rear and side streets and 20 feet from face of curb along 11th Street.
- New development, including new multi-family projects, shall incorporate adequate on-site recycling facilities.

- Multi-family projects can be developed as apartments or mapped for condominiums. Note: Attached fee schedule assumes the development of apartments.

City reserves the right to reject any and all submissions. Submit seven (7) copies of the development submittal and one (1) PDF copy to:

Mark Evanoff
Redevelopment Agency Manager
City of Union City
34009 Alvarado-Niles Road
Union City, CA 94587

Email: marke@unioncity.org
Telephone: (510) 675-5345

Financing and Land Purchase Price

- Include a land purchase price based on a price per residential unit for Block 3, and a price per square foot of commercial space for Blocks 1, 6, and 7. The proposal shall include either a price per residential unit or a price per square foot of commercial space for Block 2.
- Describe how the project will be financed: sources of equity funding, sources of construction loan, sources of permanent financing.

Company Information

- Identify completed projects that illustrate the quality and type of project proposed for the Station District.
- Identify a primary contact person who has the authority to sign contracts on behalf fo the Developer throughout the project.

Fees

- Submit a \$25,000 refundable deposit payable to the City of Union City. Deposit will be returned for proposals not selected.
- Proposer must submit an additional \$125,000 fee payable to the City of Union City, upon execution of the Exclusive Negotiating Agreement. Fee will be used to prepare Disposition and Development Agreement. If an Exclusive Negotiating Agreement is executed for both residential and commercial blocks, the total City Disposition and Development Fee shall be \$200,000, which includes the original \$25,000 deposit.
- Developer shall be responsible for all planning (including CEQA), building, fire, and special district fees and development fees.

CEQA

- Build-out of the Intermodal Station District has been evaluated in previous environmental clearance documents. Where feasible, the City will utilize these documents to minimize additional CEQA review. Please note that the extent of CEQA review will be dependent upon the scope of the project submitted; a review of background conditions and the regulations in effect at that time. If necessary, the City shall bring on an environmental consultant to prepare any required environmental clearance documents. Developer is responsible for paying fees associated with preparation and recordation of environmental clearance documents. In addition, developer is required to pay the City a consultant management fee equal to 64 percent of the environmental fees.
- One environmental document may be prepared if the proposal includes both commercial and residential uses.

ESTIMATE OF GOVERNMENTAL AND BUILDING PERMIT FEES

<i>Assumptions:</i>		
<i>Parcel</i>	<i>Block 3</i>	<i>Block 1</i>
<i>Type of Construction</i>	<i>Residential Rental</i>	<i>Commercial Office</i>
<i># of units</i>	<i>187</i>	<i>N/A</i>
<i>Total Square Feet</i>	<i>187,000</i>	<i>100,000</i>
<i>Estimated Valuation</i>	<i>\$50,000,000</i>	<i>\$15,000,000</i>

Fee Description	Payable to	Residential	Commercial
Capital Facilities Fee Citywide development impact fee charged to new residential construction only.	City of Union City \$8,624 per Residential Unit	\$1,612,688	N/A
Park Facilities Fee * Fee collected to contribute towards acquisition of new park land for apartment units.	City of Union City \$2,240 per Residential Unit	\$418,880	N/A
Bedroom Tax * Fee collected to contribute towards park improvements for apartment units.	City of Union City 1 BR = \$280 2 BR = \$455 3 BR = \$630	\$85,085	N/A
DIPSA Development Fee Development fee specific to residential parcels within the Decoto Industrial Park Study Area (DIPSA) to pay for infrastructure within the area.	City of Union City \$4,776 per Residential Unit	\$893,112	N/A
Fire Equipment Acquisition Fee Fee collected for acquisition of new fire equipment. The fee is \$1.40 per sq. ft. for all occupiable area above the second floor.	City of Union City	50% \$130,900	75% \$105,000
Traffic Signalization Fee Fee collected for the installation of new traffic signals. The fee is \$1,200 per unit for multi-family residential and \$4,650 per acre for commercial development.	City of Union City \$1,200 per Residential Unit	\$224,400	\$10,695
Public Art Fee 1% of valuation on Building Permit(s).	City of Union City	\$500,000	\$150,000
Permit and Plan Check Fees Approximately 1.5% of valuation on Building Permit(s).	City of Union City	\$750,000	\$225,000
Other Planning Fees Site Development review, Parcel Map, General Plan Cost Recovery Fee, 64% overhead of required studies e.g. EIR, Traffic, etc. Cost varies - estimate total of \$200,000 per development	City of Union City	\$200,000	\$200,000
Subtotal - City Fees Average per Residential Unit or Average per Commercial square foot		\$4,815,066 \$25,749	\$690,696 \$7
<i>Fees of other selected agencies - estimate only - please contact the agency for current information and amounts</i>			
School District Development Impact Fee \$4.97 per sq ft of living space for residential \$4.42 per sq ft for commercial	NHUSD	\$929,390	\$42,000
Alameda County Water Facilities Connection Charge \$4,439 per residential unit 1" meter for commercial is \$11,829	ACWD	\$830,093	\$11,829
Union Sanitary District Capacity Charges \$3,459 per residential unit \$1.63 per sq ft for commercial	USD	\$646,833	\$163,000
Subtotal - Fees of other selected agencies		\$2,406,316	\$216,829
Total Fees Average per Residential Unit or Average per Commercial square foot		\$7,221,382 \$38,617	\$907,525 \$9

* Subdivided properties are not assessed the Park Facilities Fee nor the Bedroom Tax. Instead, subdivided properties are subject to the provisions of Union City Municipal Code Section 17.30 requiring dedication of land, payment of fees, or both.

BLOCK 3 STATION DISTRICT PERFORMANCE SCHEDULE

Please note that a more detailed schedule will be drafted once a developer is chosen. The performance benchmarks are for Block 3. Performance benchmarks will be negotiated for Blocks 1, 2, 6 and 7.

August 17, 2011	Request for Proposal Issued
September 1, 2011	Pre-submittal Conference, 10:00 A.M., Construction Trailer, 11th Street off Decoto Road
September 29, 2011	Response to Request for Proposals Due
November 15, 2011	City Council Selects Developer(s). Begin negotiations of Exclusive Negotiating Agreement
February 14, 2012	City and Developer enter into an Exclusive Negotiating Agreement
February 2012 - August 2013	Processing of project applications and California Environmental Quality Act (CEQA) clearance. Public Hearings for project approval anticipated on or before August 2013. (Timeline dependent upon extent of environmental review). Concurrently with project approvals, City and Developer enter into Disposition and Development Agreement for Residential Product.
December 2014	Developer submits 90% construction drawings on Block 3 (i) letters of interest and term sheets from a construction lender and equity investors, and (ii) a financing plan demonstrating Developer's ability to commence construction within six (6) months, including identification of the sources of funds and a commitment from each source.
April 2015	Developer submits evidence of full financing for project
April 2015	Developer pulls building permits for project
April 2017	City prefers Developer to obtain occupancy permits for project. The California Department of Housing and Community Development will require the Developer to obtain occupancy permits by July 1, 2017.



0 1/4 MILE

Station District Overview



CITY TECHNICAL CONTACTS

Planning Contact

Carmela Campbell, Planning Manager
 carmelac@unioncity.org
 (510) 675-5316

Engineering

Farooq Azim, Principal Engineer
 farooqa@unioncity.org
 (510) 675-5368

Fire Codes

Bonnie Terra, Assistant Chief, Fire Marshall
 Alameda County Fire Department
 bonnie.terra@acgov.org
 (510) 670-5848

Building Codes

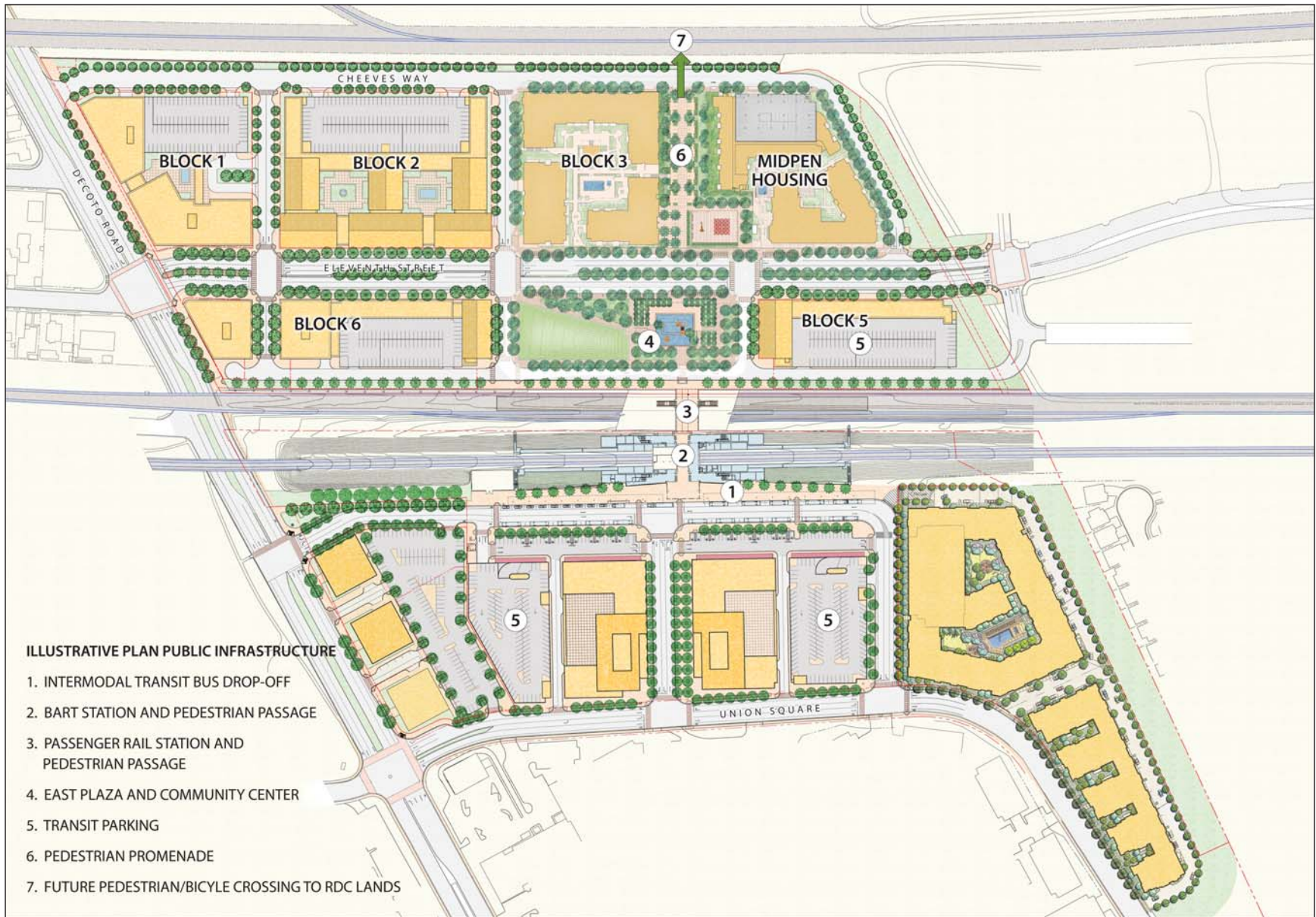
Kevin Reese, Chief Building Official
 kevinr@unioncity.org
 (510) 675-5314

Union City Police Department

Commander Kelly Musgrove
 kellym@unioncity.org
 (510) 675-5262

Planning, Development, and Building Fees

Steve Sprotte, Management Analyst
 steves@unioncity.org
 (510) 675-5393



Illustrative Concept Plan