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**REDEVELOPMENT AGENCY  
OF THE CITY OF OAKLAND**  
*AGENDA REPORT*

TO: Office of the City/Agency Administrator  
ATTN: Deborah Edgerly  
FROM: Community and Economic Development Agency  
DATE: July 8, 2008

RE: **Report and Recommendations Regarding the Selection of a Master Developer  
for a 108-Acre Portion of the Former Oakland Army Base**

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**SUMMARY**

This report presents the results of the Request for Qualifications (RFQ) process to identify a master developer for the Gateway Development Area (GDA) of the former Oakland Army Base.

The RFQ generated 13 responses from developer teams (summarized in this report and available for viewing at the Office of the City Clerk). The responses were reviewed, analyzed, and discussed by a Review Panel, with assistance from Agency staff and technical consultants.

The RFQ process requested both team qualifications as well as preliminary proposals for development of the GDA. The purpose was to get market feedback on the feasibility of various development alternatives in the GDA. The responses indicated that retail uses, with the exception of big box or "power" retail, were constrained by several factors in particular, the difficult access to the site, lack of access to the waterfront in the Berth 21 area, as well as proximity to the waste treatment plant.

Based on the information provided by the 13 developer teams, the Review Panel reached agreement on recommendations for developing the GDA. As discussed below in this report, the Panel recommends that the GDA be developed into a high density, mixed-use center that focuses on logistics, flex office, and office uses. Retail could be included, but only as a secondary use. It will be important to establish very high standards of architecture and urban design for all aspects of the GDA, particularly in the highly visible West Gateway. The Panel proposes that its recommendations concept be used as the basis for making a final selection of the master developer for the GDA, as discussed below.

Although the RFQ allowed the Agency to gather information quickly from a broad range of developers, no single team emerged as the clear favorite based solely on the information provided in the RFQ process. The Agency will need much more detailed proposals from developers in order to have enough information to select a developer. For these reasons, the Panel is recommending that the Agency pursue a second phase of the selection process, in which a short list of four developer teams would be invited to submit proposals under a detailed Request for Proposals (RFP).

Item: \_\_\_\_\_  
Community and Economic Development Committee  
July 8, 2008

The RFP would reference the same City/Agency goals and criteria that were used in the original RFQ (as discussed below). The RFP would also be based on the Review Panel's recommended development concept for the GDA. In addition, the RFP would require developers to provide more specific information to address the policy issues identified by the Review Panel, such as: financial feasibility, development program, employment and labor, project schedule and phasing, community involvement, and other appropriate requirements. Staff would prepare and issue an RFP within the next 30 days, with proposals due in four to six months. The proposals would then be presented to the Agency Board for a final selection of the master developer.

## **FISCAL IMPACT**

This report describes responses to the Agency's RFQ for the Oakland Army Base. The RFQ responses focus on the developer teams' qualifications and, in general, they include only rough, preliminary concepts for how the Army Base might be developed. Thus, fiscal impacts cannot be analyzed at this time. Under the proposed planning process, the Agency would request detailed proposals from a select group of developer teams. Once these proposals are received, staff would be able to analyze the fiscal impacts such as: government revenue, job creation, land sale proceeds, land value, infrastructure costs, and other fiscal impacts.

## **BACKGROUND**

In 2006, the Redevelopment Agency took possession of 165 acres of the former Oakland Army Base in West Oakland. The Agency's portion of the Army Base is known as the "Gateway Development Area" (GDA), as shown in the attached map (Attachment A).

In October 2007, staff completed the land use planning for the GDA and presented its recommendations to the Agency. The Agency discussed several potential land uses for the GDA, including: port-related logistics, regional retail, and/or flex-office space (for green technology or other emerging industries). Rather than commit to a specific land use strategy, the Agency directed staff to issue an RFQ. The RFQ was intended to clarify which developers were interested in the GDA, what kind of vision each developer would propose, what types of development were most feasible from the private sector's perspective, and what public benefits might be generated.

Staff issued the RFQ in January 2008. The RFQ featured a 108-acre site, which includes all land in the GDA not already specified for a development project (site map, Attachment B). The RFQ was widely publicized and staff hosted two site tours and a pre-submittal conference. Submittals were due in March 2008; staff received 13 responses. This report presents the results of the RFQ process.

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008

## KEY ISSUES AND IMPACTS

### 1. City/Agency Goals & Criteria

The RFQ listed several policy goals that the Agency has been hoping to achieve with the Army Base development (Attachment C). These goals provided the primary criteria in evaluating the RFQ responses.

- *Gateway Development.* The GDA occupies a prominent waterfront location at the foot of the Bay Bridge. A vibrant, architecturally stunning development on this site could strengthen the City's image and symbolize Oakland's culture and vitality.
- *Job Creation.* Development of the GDA should yield a range of high-quality jobs that fit with the varying workforce skills of Oakland residents.
- *Economic Development & Sector Support.* The GDA development should target key industry sectors and maintain a dynamic, fluid plan that can respond to changing market conditions and the evolving needs of the Port of Oakland.
- *Community Benefits.* Development of the GDA could benefit West Oakland and the rest of the City by creating new jobs, business opportunities, and/or amenities (such as shopping and open space) for local residents.
- *Coordination & Support for Port Projects.* The Port of Oakland provides an important economic engine for Oakland, and the City/Agency should consider the Port's needs when determining the strategy for the GDA.
- *Green Development.* The GDA offers an outstanding opportunity to attract green industries. But regardless of the use, the new development should utilize green development principles in design, construction, energy use, and technology.
- *Government Revenue.* The GDA is anticipated to generate significant revenue from property tax increment, sales tax, and land sale proceeds.
- *Labor Relations.* As part of the development of the GDA, the Agency anticipates working collaboratively to address the interests of organized labor.
- *Equity Partnership with Local Entities.* The GDA offers an opportunity for local entities to contribute equity and to share in the risks and returns for this development.
- *Project Quality & Delivery.* Development of the GDA is a complex, long-term undertaking that will require a highly experienced, capable, and well-capitalized developer team.

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008

- *Urban Design.* The GDA should be designed to achieve a coherent, high-quality appearance; ensure the coordination of infrastructure planning and mix of uses; use distinctive, innovative architecture; create and enhance public views and waterfront open space; achieve a flexible design that can evolve over time; and address many other urban design issues.

## 2. RFQ Responses

The Agency received responses from 13 developer teams. The 13 teams and their development concepts are summarized in Table 1. Additional information on the teams and their concepts is included in Attachment D. The complete submittals have been distributed to Agency Board Members. The complete submittals are available for public viewing at the Office of the City Clerk and at the City's website: <http://www.oaklandnet.com>.

As shown in Table 1, eight of the developer teams are proposing to develop the entire 108-acre site. The five other teams proposed smaller, self-contained projects in the range of 10 to 50 acres, which potentially could be included in a larger master development strategy. Based on the preliminary information submitted by the developers, staff has compiled a matrix that compares all 13 development concepts in terms of the amount of land developed, amount of building space constructed, density of project, types of uses, and potential job generation (Attachment D). The Agency Board should exercise caution when considering the developers' estimates of jobs and project density, because in some cases they may not reflect a complete analysis of site conditions or financial feasibility.

**Table 1: List of RFQ Respondents**

Developer Team	Portion of RFQ Site they propose to develop	Primary Uses
AMB / California Capital Group	All of RFQ Site	Office, logistics/industrial
Federal Development	All of RFQ Site	Retail, office, hotel
First Industrial Realty	All of RFQ Site	Logistics/industrial, office
Hillwood	All of RFQ Site	Logistics/industrial/trade
Oakland Bay Partners	All of RFQ Site	Retail, office, hotel, film production
ProLogis/Catellus	All of RFQ Site	Logistics/industrial, office, retail, hotel
Prism Realty	All of RFQ Site	Retail, office, logistics/industrial, hotel
Triamid	All of RFQ Site	Logistics/industrial, office, hotel
Jones Development Company	15 acres	Logistics/wholesale produce sales

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008

M&L Commodities	10 acres	Logistics/cold food storage & treatment
Oakland Film Center	22 acres	Film production
PCC Logistics	14 acres	Logistics/industrial
W&E Group, Inc.	50 acres	Office, retail, trade center

### 3. Overview of RFQ Review Process

The RFQ responses were analyzed in two phases. First, the written responses were reviewed by a "Technical Advisory Group" (TAG) of City/Agency staff and consultants. The TAG provided expertise in real estate development, finance, civil and traffic engineering, land use planning and urban design, and other key disciplines. The TAG did not attempt to score or rank the RFQ submittals, but they did attempt to identify advantages, disadvantages, missing information, and/or policy issues raised by each response. As part of the TAG review process, representatives from the Joint Apprenticeship Training Committee (JATC) viewed and commented on the RFQ responses. A summary of the TAG's findings is included in Attachment E.

Next, the written responses were reviewed and judged by a 12-person Review Panel, which was appointed by the Mayor. Members of the Review Panel include representatives from: the West Oakland Community Advisory Group, the West Oakland Commerce Association, the Oakland Metropolitan Chamber of Commerce, City of Oakland, the Alameda County Labor Council, the African American Chamber of Commerce, and other business and community groups (see Attachment F).

Finally, all of the responding developer teams were invited to make an oral presentation to the Review Panel as a supplement to their written proposals. These interviews were held on several days between April 30 to May 28, 2008. Subsequently, the Review Panel deliberated on the various proposals, discussed their findings and opinions, and shaped a consensus recommendation for consideration by the City Council. The remainder of this report summarizes the conclusions and recommendations of the Review Panel.

### 4. Major Policy Issues Encountered

In reviewing the information provided by the 13 developer teams, the Review Panel encountered several key policy issues that must be considered in order to determine the best development strategy for the GDA. By debating these policy issues, the Panel was able to reach consensus on a recommended development concept for the GDA, as well as the process for selecting a master developer (all of which are discussed in Section 5 below).

- **Mixed-Use Commercial and Industrial Development.** Most of the responders to the RFQ who proposed a concept for the entire 108-site proposed a mixed use concept involving some mixture of flex-tech, R&D, light industrial, logistics, and office uses.

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008

Many considered a gateway development on the Western Gateway that involved some sort of hotel or office use.

Many of the bidders provided the view that there is a great deal of market demand for modern commercial and industrial real estate and, specifically, trade and logistics uses on the GDA due to its proximity to the Port of Oakland. In addition to a strong market for these uses, there are benefits to the City derived from co-locating logistics uses next to the Port: truck traffic could be reduced on local streets and highways and job quality would be high.

This is important to note because prior discussions of land use concepts for the GDA suggested there might be serious land-use incompatibilities between logistics-related uses and a “gateway” development. This tension does not appear to be an issue.

It is worth noting that the proposals that favored greater retail shares had little understanding of the Berth 21 limitations. Most of the water view property is adjacent to the Port’s Berth 21 project which greatly restricts taking advantage of the waterfront location. Due to the GDA’s poor soil conditions, multi-story buildings would almost certainly require expensive foundations and construction; and this could make iconic architecture more difficult to design or finance. Multi-story construction would also involve greater market risks and a longer timeline for development.

- **High Density vs. Low Density Development.** Of the 13 RFQ responses, seven emphasize single-story and/or two-story development with a Floor-to-Area Ratio (FAR) of about 0.25 to 0.35. The other six concepts emphasize multi-story, mixed-use development with a FAR of about 0.50 or higher (Attachment D). The high density concepts offer significantly higher job generation and a greater potential for distinctive architecture; but appear to involve higher financial risk, greater potential for Agency subsidy, and a longer, more uncertain timeline. The lower density concepts appear to offer the opposite – greater financial feasibility, faster and more certain development; but significantly fewer jobs and less opportunity for to establish an architectural gateway into Oakland.
- **Financial Feasibility.** Members of the Review Panel were concerned about the capacity of the developer teams to finance development of the GDA – which is a very complex, long-term project that would need to go forward in an environment where financial markets are contracting. In general, the Panel felt more comfortable with teams that could finance the project using internal funds, without the need to seek lender approval.
- **Retail Development.** The Review Panel felt that the GDA should emphasize the development of modern commercial and industrial facilities that could help attract the kinds of companies in key sectors (like green technology, light manufacturing, and logistics) that Oakland would like to capture, rather than the development of regional serving retail. The Panel agreed that retail attraction efforts for the City should be focused on attracting more retailers to downtown or West Oakland and other possible

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008

retail locations. The Panel was open to retail and hotel as secondary uses on the site.

Most developer teams felt that the GDA would not be feasible for high-end, pedestrian-oriented retail, due to the site's physical constraints and the existing competitive market for "lifestyle" retail (e.g., Bay Street, Fourth Street, etc.). While big box retail might generate jobs and revenue, it might not accomplish the greatest overall use of a waterfront, gateway site with the potential for mixed-use development. Furthermore, a big box center would attract heavy traffic to an area with constrained ingress and egress, which could potentially cause traffic issues and/or land use conflicts. Since the GDA is physically isolated from the rest of Oakland (by rail, freeway, and other barriers), there would be little or no opportunity for the GDA to serve as a catalyst to attract retail into other parts of Oakland. In addition, locating a retail center in the GDA might undermine existing retail plans for Downtown Oakland (including Jack London Square, the Broadway corridor, and Broadway Auto Row), and therefore should be considered in the context of the City's overall retail strategy. Finally, the Panel was concerned that the jobs generated by retail would have relatively low salaries and lack benefits.

- **Employment & Labor Issues.** The GDA represents an important part of Oakland's overall potential to expand and modernize its base of high-quality jobs. Members of the Review Panel felt strongly that the Agency should impose detailed requirements on the master developer to hire and train Oakland residents. In addition, the Panel suggested that the Agency explore other strategies to address labor and employment, such as requiring a multi-union labor peace agreement, setting a high percentage requirement for local hiring for both construction jobs and permanent jobs, funding for workforce training programs, establishing specific performance standards and reporting requirements, and establishing a standard format for projecting job-creation information.
- **Waterfront Open Space.** The Agency has identified the GDA as an important opportunity to provide high-quality open space along the waterfront to serve both West Oakland (which is underserved in terms of parks and amenities) and the East Bay. Part of the GDA is already reserved for waterfront open space, and there are opportunities to coordinate the planning of the GDA with the East Bay Regional Parks District, the Bay Trail initiative, and other planning efforts to provide high-quality open space in this area.
- **Benefits to Oakland Community.** In addition to jobs and open space, the GDA holds the potential to generate other benefits for West Oakland and the City in general. The GDA could be used to relocate conflicting uses out of mixed residential areas in order to help address land use conflicts in West Oakland. The GDA could also generate revenues to fund services and amenities for Oakland residents. The RFQ responses showed a wide variety of approaches to community involvement and community benefits.
- **Local Business & Equity Participation.** Members of the Review Panel were concerned about the overall master development of the GDA including appropriate opportunities for involving local small businesses and allowing one or more Oakland firms to contribute equity and to share in the risks and returns for the overall development.

Item: \_\_\_\_\_

## 5. Review Panel Recommendations

After extensive deliberations, the Review Panel reached consensus on an appropriate selection process for a master developer for the GDA. This includes (a) a stated development concept for the GDA; (b) a Request for Proposals (RFP) process; (c) a short list of developer teams that would participate in the RFP; and (d) consideration for incorporating one or more of the smaller development concepts into a master development.

### a) *Recommended Development Concept for the Oakland Army Base*

The Review Panel reached agreement on several general principles that represent a recommended development scenario for the GDA. These principles should form the basis for any future RFP to select a developer for the GDA:

- The development concept should include a mix of complementary commercial and industrial uses which can attract key industries to Oakland. The Panel believes these uses should include modern flex-tech office and industrial space, logistics facilities, and office. The new development should help provide the modern, state-of-the-art, space needed to shape Oakland into a 21<sup>st</sup> century employment center that offers Oaklanders the best range of jobs, in particular, well-paying jobs with a career path.
- The West Gateway provides the greatest opportunity to establish an iconic architectural presence in the Gateway Development Area – and therefore deserves special consideration in the planning process. The West Gateway will not become available for development until 2015 or later, therefore lagging behind the rest of the GDA by several years. It is anticipated that development of the GDA would be structured in several phases, with the Central and East Gateways developed first. This first phase would emphasize uses that generate the highest revenue and job creation. The resulting new construction, financial investment, and worker population would set the stage for a higher quality, multi-story development on the adjacent West Gateway. Uses such as a hotel, conference center, and/or office campus should be considered.
- The program could also include local-serving retail to complement the desired commercial and industrial uses. However, destination retail would be inappropriate for the site due to access constraints, consideration of the Citywide retail strategy, and the priorities of the West Oakland community (which emphasize high quality jobs over big box retail).
- The site should be developed with a high density to achieve a critical mass of key land uses, generate more jobs, and maximize opportunities for high quality design. The Floor-to-Area ratio (FAR) of each proposed use should be considered in planning the site.

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008



- Since the Central and East Gateways will be the first areas developed, their appearance will largely define the whole Gateway Development Area. A high quality of design should be required throughout the development, not just in the West Gateway. Iconic architecture need not be limited to one location or to one type of structure. Warehouses, flex spaces, and offices, can and should be architecturally meritorious, state of the art facilities.
- The West Gateway provides the greatest opportunity to establish an iconic architectural presence in the Gateway Development Area, and thus deserves special consideration in the planning process. The West Gateway will not be available for development until 2015 or later, lagging behind the rest of the GDA by several years. It is anticipated that development of the GDA would be structured in several phases, with the Central and East Gateways developed first. The first phase would emphasize uses that generate the highest revenue and job creation. The resulting new construction, financial investment, and worker population would set the stage for a higher quality, multi-story development on the adjacent West Gateway. Uses such as a hotel, conference center, and/or office campus should be considered.

#### **b) Request for Proposals**

The RFQ process allowed the Agency to gather information quickly from a broad range of interested developers. However, the Review Panel felt that the RFQ process did not provide enough detailed information to select a single developer from the pool of 13 candidates. Moreover, no single developer team emerged as the clear favorite based solely on the information provided in the RFQ process.

For these reasons, the Panel is recommending that the Agency prepare a Request for Proposals (RFP) in order to complete the selection process for identifying a master developer for the GDA. An RFP will allow the Agency to obtain much more detailed proposals that grounded in solid financial analysis, market analysis, and analysis of the GDA's site conditions. An RFP process could take four to six months and will require the competing teams to expend significant time and resources in order to refine their vision for the GDA and explain how it could be constructed. For this reason, the Panel concluded that only a small group of teams (no more than four) should be invited to submit proposals.

The RFP should use the same goals and criteria that appeared in the original RFQ (see Attachment C). The RFP should also require developers to provide more specific data to address the policy issues identified by the Review Panel (as discussed above), such as:

- Financial feasibility (including a thorough market analysis, budget, proforma, financing plan, etc.);
- Development program (including a more specific site plan and development program based on a thorough analysis of site conditions);
- Employment and labor (with more concrete estimates of the number and quality of jobs, as well as their strategies for addressing labor issues);

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008

- A concrete project schedule and phasing plan;
- A plan for community involvement; and
- Other requirements that the Agency Board deems appropriate.

### c) Short List of Teams

The Panel concluded that an RFP process would be most effective if it were limited to a small number of developer teams who are deemed to be most capable of delivering the type of project the Agency desires. Therefore, one major goal of the Review Panel was to identify a “short list” of teams that should be invited to compete in an RFP.

Several factors were considered in developing this short list. First, the Panel determined that the RFP should be limited to the teams that were proposing to master develop the entire site. This reduced the pool of candidates from 13 down to eight teams.

Next, the Panel sought to identify the teams whose experience, expertise, and core business were most closely aligned with the Panel’s preferred development concept (as described above). Several teams distinguished themselves as having the best capacity to develop a large scale, mixed-use project that focuses on logistics, office, flex office, and industrial uses.

The Panel also rated the teams based on their capacity to finance a very complex, long term development project. As mentioned above, the Panel favored teams that could finance the project using internal funds, without the need to seek lender approval. Teams were also judged on their past experience with military base conversion projects and waterfront development projects. Similarly, teams were judged based on their understanding of, and ability to address, the complex regulatory environment and site preparation issues facing the GDA. In addition, the Panel considered the teams’ approach to local participation, community involvement, and community benefits.

Based on this screening process, four more teams were eliminated by the Panel. The remaining four teams emerged as having the capacity, experience, and expertise that most closely matches the Agency’s goals for the GDA:

- AMB/California Capital Group
- Federal Development
- First Industrial Realty
- Prologis/Catellus

The Panel recommends that these four teams be invited to participate in the proposed RFP for the master development of the GDA.

### d) Inclusion of Smaller, “Stand-Alone” Projects

As shown in Table 1, the Agency received five RFQ responses that propose smaller, stand-alone projects within the GDA. The Review Panel found two of these five projects to be

Item: \_\_\_\_\_

Community and Economic Development Committee

July 8, 2008

particularly compelling: the Oakland Film Center and the Produce Market. Both of these proposed projects would be difficult to develop outside of the GDA because of their land requirements. Also, both projects would generate strategic public benefits. The Oakland Film Center would provide the facilities needed to attract more film production and multimedia firms, thereby creating substantial high-quality jobs in a key growth industry. The Produce Market would preserve an important food industry that has been in Oakland for over 80 years, while freeing up land in Jack London Square for redevelopment.

The Panel concluded that, if the Agency issues an RFP, it should require the developer to explore including the Film Center and Produce Market in the development. The three other standalone projects – i.e., PCC Logistics, W&E Group, and M&L Commodities – could also be considered for the GDA, and they would be free to negotiate with the master developer ultimately selected for the GDA. However, the Panel determined that these three businesses would be significantly easier to locate either on Port land or privately owned land elsewhere in Oakland, and therefore should not be included as required uses in the RFP.

## **SUSTAINABLE OPPORTUNITIES**

***Economic:*** The Agency's goals for potential development as described in this report would generate significant high-quality jobs and tax revenue; preserve and expand local businesses; and would increase land values in a vacant, blighted, abandoned military facility.

***Environmental:*** The Agency's goals for potential development as described in this report would provide a mechanism to fund the environmental remediation of the Army Base; improve the waterfront; and allow for the development of an urban in-fill site.

***Social Equity:*** The Agency's goals for potential development as described in this report would generate a range of jobs that are accessible to Oakland residents with a range of educational backgrounds. Revenue generated from the redevelopment of the Army Base could be used to fund open space and other community benefits for West Oakland and the rest of Oakland.

## **DISABILITY AND SENIOR CITIZEN ACCESS**

This report does not involve the approval of any specific projects or programs. Disability and senior access issues would be addressed when specific development plans are submitted to the City by a developer for review and approval.

## **RECOMMENDATIONS AND RATIONALE**

Staff recommends the Agency Board approve staff's recommendation to prepare and issue a RFP for the master development of the GDA. The RFP would incorporate the criteria, content, and other issues discussed in this report, as recommended by the Review Panel. The RFP would be limited to the four developer teams recommended by the Review Panel: AMB/California Commercial Group, Federal Development, First Industrial Realty, and Prologis/Catellus. However, the RFP would require the prospective developers to consider including the Produce Market and Oakland Film Center within the overall project.

Item: \_\_\_\_\_

Community and Economic Development Committee

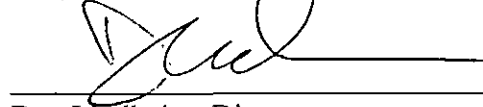
July 8, 2008

Under the proposed timeline, staff would prepare and issue the RFP within the next 30 days, with proposals due in four to six months. Staff would return to the Agency in early 2009 with the submitted proposals for the Agency to make a final selection of the master developer.

**ACTION REQUESTED OF THE CITY COUNCIL/REDEVELOPMENT AGENCY**

Staff recommends the Agency approve staff's recommendation to prepare and issue an RFP for the master development of the GDA based on recommendations of the Review Panel as described in this report.

Respectfully submitted,




Dan Lindheim, Director  
Community and Economic Development Agency

Reviewed by: Gregory Hunter  
Deputy Director, Economic Development and  
Redevelopment

Prepared by:  
Alex Greenwood  
Urban Economic Coordinator, Redevelopment Division

APPROVED AND FORWARDED TO  
THE COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE:

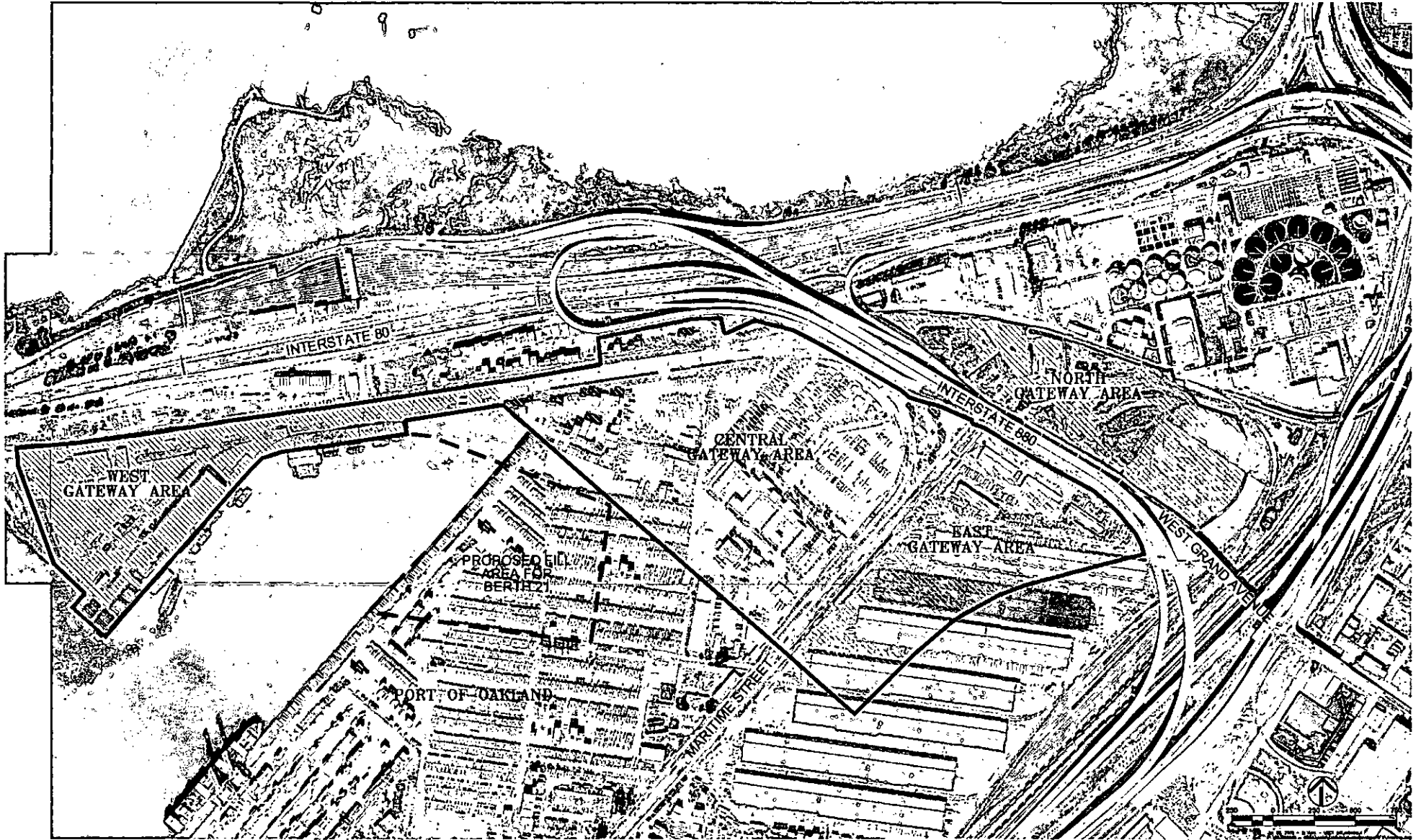
  
Office of the City/Agency Administrator

Attachments:

- Attachment A: Map of Gateway Development Area
- Attachment B: Map of 108-Acre Master Developer RFQ Area
- Attachment C: Gateway Development Area Request for Qualifications (RFQ)
- Attachment D: Comparison Matrix of RFQ Responses
- Attachment E: Technical Advisory Memorandum
- Attachment F: List of RFQ Review Panel Members

**Attachment A:**  
**Map of Gateway Development Area**

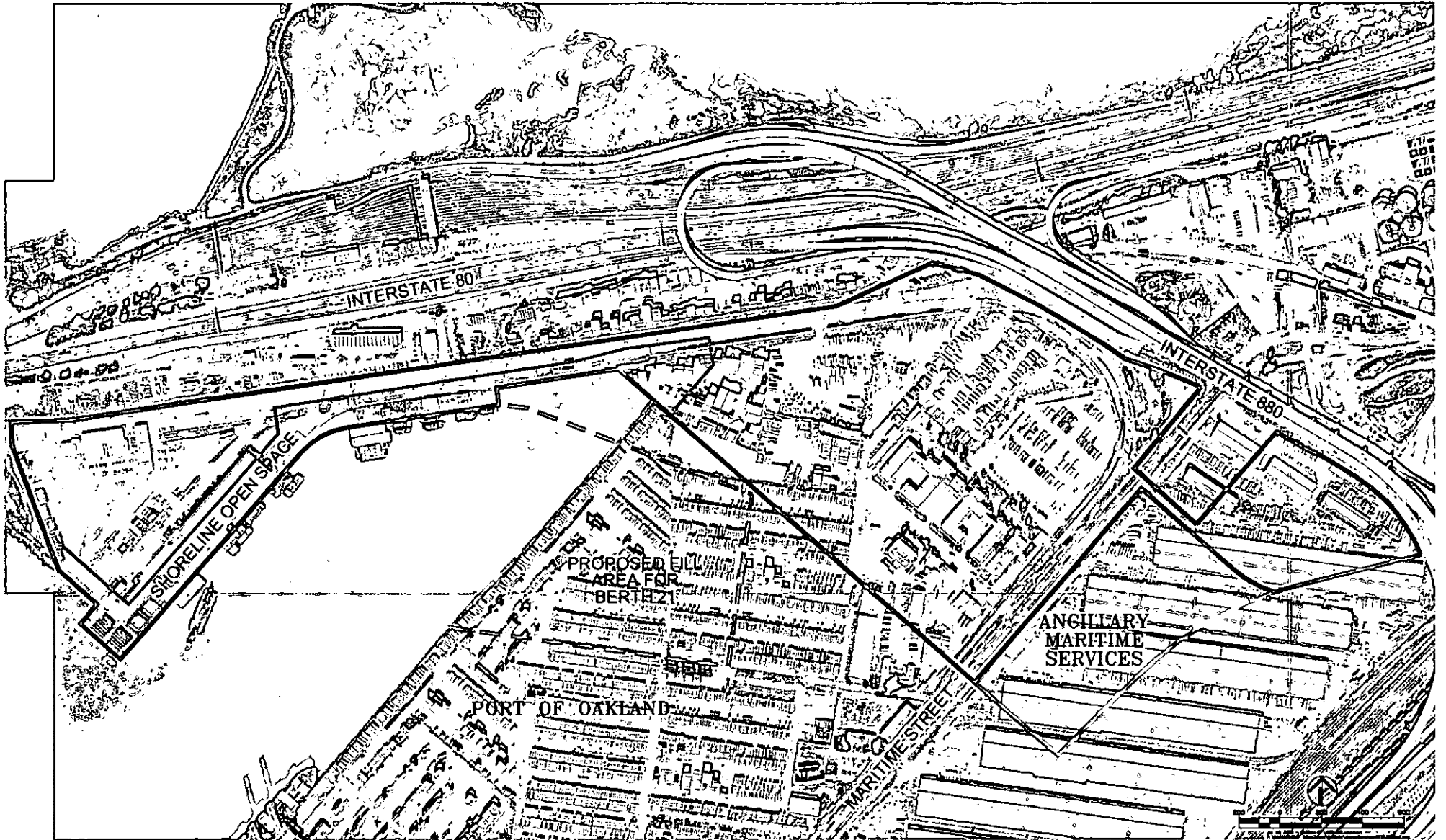
# ATTACHMENT A - GATEWAY DEVELOPMENT AREA



**Attachment B:**

**Map of 108-Acre Master Developer  
RFQ Area**

# ATTACHMENT B - MAP OF RFQ AREA





**Attachment C:**

**Gateway Development Area Request for  
Qualifications**

**REQUEST FOR QUALIFICATIONS**  
*Gateway Development Area of the  
Former Oakland Army Base*

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**CITY OF OAKLAND  
COMMUNITY AND ECONOMIC DEVELOPMENT AGENCY  
REDEVELOPMENT DIVISION**

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Submittals Due: March 10, 2008

## **TABLE OF CONTENTS**

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<b>I.</b>	<b>Summary of Request for Qualifications</b>	<b>2</b>
A.	Introduction	2
B.	RFQ Process	3
C.	Submittal Schedule	3
<b>II.</b>	<b>Project Description</b>	<b>5</b>
A.	Background	5
B.	Site Description	5
C.	Adjacent Uses	6
D.	Desired Land Uses	7
E.	Site Requirements and Restrictions	8
F.	Site Constraints	10
G.	Ground Lease of Site	11
<b>III.</b>	<b>Agency Goals and Developer Selection Criteria</b>	<b>12</b>
A.	City/Agency Goals	12
B.	Expectations of Master Developer	15
C.	Developer Selection Criteria	15
<b>IV.</b>	<b>Submittal Requirements</b>	<b>17</b>
<b>V.</b>	<b>Evaluation and Selection Process</b>	<b>20</b>
<b>VI.</b>	<b>Appendix Materials</b>	<b>23</b>
A.	Area Map	
B.	Site Map	
C.	List of Resources & Planning Documents Available at Oakland Army Base Gateway Development Area Website	
D.	DC&E Land Use Analysis (Selected Excerpt)	

# I. Summary of Request for Qualifications

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## A. Introduction

The Redevelopment Agency of the City of Oakland, California (“the Agency”), is seeking qualified parties with the vision, capability and experience to develop approximately 108 acres (“the Site”), located on the former Oakland Army Base. For Site location, see **Area Map, Attachment A**. The purpose of this Request for Qualifications (“RFQ”) is to identify potential master developer candidates capable of transforming the Site into a successful mixed use commercial and/or industrial development that creates a signature “gateway” to Oakland and provides significant economic, industrial and community benefit to the City.



The Site offers a unique development opportunity: 108 acres of undeveloped land at a highly-visible location in the geographic center of the Bay Area, located adjacent to the Port of

Oakland, with direct access and visibility from the I-80, I-580, and I-880 freeways. Situated near the base of the San Francisco-Oakland Bay Bridge, the Site will serve as a major gateway into Oakland and the East Bay.

The Site is part of the “Gateway Development Area” (“GDA”), the 165-acre portion of the former Oakland Army Base that was transferred to the Agency in 2006. Portions of the GDA are already slated for retail and industrial development, as described below. The remaining available land, totaling approximately 108 acres, is the subject of this RFQ. The Site consists of three adjacent parcels of the following approximate acreages: the “Central Gateway” (60 acres), “East Gateway” (14 acres), “West Gateway” (34 acres, of which 17.5 acres are developable for mixed uses and a 16.5-acre waterfront portion is reserved for public open space and related uses). For Site configuration, see **Site Map, Attachment B**. Development planned for the remaining areas of the GDA includes maritime-related support services (15-20 acres) and a freeway auto mall (28 acres).

Development at the former Oakland Army Base is part of a larger vision for the surrounding area that includes: over \$1 billion in Port expansion projects; 1,500 units of market-rate housing; and other projects that will extend mixed-use development from Emeryville, down Mandela Parkway, to the West Oakland BART station.

Development of the Site will require a capable, experienced developer team familiar with the unique and complex environmental, regulatory, real estate, engineering and development-related challenges of former military bases, and demonstrating the expertise, financial capacity, and commitments to implement a high quality development. Although the Redevelopment Agency has not endorsed any specific land use or development scenario for the GDA at this time, the

Agency is seeking feedback from prospective developers through this RFQ process as to what uses would be most feasible and a vision of how a proposed mix of uses would look and function.

This development opportunity is being offered as a long-term ground lease, with the terms to be negotiated once the developer has been selected. However, the Agency may be willing to consider a land sale, depending on the nature of the proposed project and other factors.

## **B. RFQ Process**

This RFQ process invites prospective developer teams to submit their qualifications as well as their vision and implementation strategy for development of the Site. The RFQ asks respondents to provide information on their (1) previous development experience; (2) financial capacity; (3) development team members; and (4) proposed project concept. Respondents are asked to articulate how their proposed project concept would fulfill Agency goals and criteria (detailed below).

The submittals will be analyzed based upon the criteria described in this RFQ. Developer teams may be requested to make a presentation before a selection panel set up by the Agency.

The recommendations of staff will then be forwarded to the Agency Board. The Agency may select a master developer at that time – in which case the Agency would enter into an Exclusive Negotiating Agreement (“ENA”) with the selected developer for the purpose of negotiating a development agreement for the site. Alternatively, the Agency may select several developers to work with Agency staff to develop a detailed proposal that would be presented to the Agency. Upon completion of the developer selection process and the ENA process, the Agency plans to negotiate a development agreement with the selected developer team, subject to approval by the Agency Board.

For questions about this RFQ, please contact Alex Greenwood, Community and Economic Development Agency, at (510) 238-6124 or [agreenwood@oaklandnet.com](mailto:agreenwood@oaklandnet.com), or visit the Redevelopment Agency website at <http://www.business2oakland.com/main/oaklandarmybase.htm>.

## **C. Submittal Schedule**

Submittals are due **March 10, 2008**. Instructions regarding format and number of submittals are provided in Section IV below.

A pre-submittal conference is scheduled to start at 2:00 p.m. on Thursday, January 24, 2008 in Hearing Room 3, Oakland City Hall, Frank Ogawa Plaza in Downtown Oakland. Two site visits are scheduled to accommodate developers' availability: January 31, 1-4 p.m. and February 8, 10 a.m.-12:30 p.m. Details will be announced at the January 24 pre-submittal meeting and posted on the Redevelopment Agency website:  
<http://www.business2oakland.com/main/oaklandarmybase.htm>.

The RFQ process is anticipated to follow the following timeline:

Pre-Submittal Meeting	January 24, 2008, 2-4 p.m.
Site Tours	January 31, 2008, 1-4 p.m.
	February 8, 2008, 10 a.m.-12:30 p.m.
Qualification Packages Due	March 10, 2008 – by 4 p.m.
Evaluation and Developer Interviews	March/April 2008
Recommendation of Qualified Developer(s) to Agency	April/May 2008

## II. Project Description

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### A. Background

The Oakland Army Base was targeted for closure in the 1995 round of the federal Base Realignment and Closure (“BRAC”) Commission, and decommissioned by the Army in 1999. In 2000, the City of Oakland established the Oakland Army Base Redevelopment Project Area, which includes the former military base and adjacent port and industrial lands. On August 7, 2003, the U.S. Army conveyed the Army Base property to the Oakland Base Reuse Authority (“OBRA”), on behalf of the Redevelopment Agency and the Port of Oakland. OBRA managed the base assets for another three years in a successful interim leasing program.

On August 7, 2006, OBRA transferred respective sections of the Army Base property to the Redevelopment Agency and the Port of Oakland. The Agency’s portion of the Army Base is a 165-acre site known as the Gateway Development Area.

### B. Site Description

The Site consists of approximately 108 gross acres of land located within the Agency’s Gateway Development Area of the former Oakland Army Base, and is bound roughly by West Grand Avenue and Burma Road (to the north) and the Port of Oakland’s Outer Harbor Terminal area (to the south and west) and Outer Harbor Intermodal Terminal (to the east). The Site consists of three adjacent parcels:

- The “Central Gateway” parcel has approximately 60 gross acres. This parcel is available for immediate development, although it has several restrictions as described below. With direct adjacency to the Port of Oakland’s Outer Harbor Terminal, frontage along Maritime Street, and direct freeway access via West Grand Avenue, this parcel has many options for development.
- The “East Gateway” parcel fronts Maritime Street, opposite from the Central Gateway, and is directly adjacent to the Port’s planned Outer Harbor Intermodal Terminal (“OHIT”) project. This parcel is already reserved for two maritime-related developments that will provide truck parking and truck services. However, approximately 14 gross acres of the East Gateway remain open for development and are being offered as part of this development opportunity.
- The “West Gateway” parcel has a total area of approximately 34 acres. Approximately 17.5 gross acres are available for mixed-use development and approximately 16.5 acres along the waterfront are required to be developed as public open space and related uses. This parcel is located at the end of a peninsula, with stunning views of the Bay and exceptional freeway visibility. The parcel is currently being leased to Caltrans as a staging area for the Bay Bridge construction project; and it will be available for development beginning in 2015.

The Site parcels can be seen on the **Site Map, Attachment B**.

Located at the foot of the Bay Bridge, the Site is central to the entire Bay Area. It includes a waterfront location, and it offers direct freeway visibility and access from I-80, I-580, and I-880. With its large, open areas of land, the Site can attract large-scale developments (e.g., industrial, flex office, and/or retail centers). Thus, the Site provides a unique development opportunity to yield significant high-quality jobs, support and enhance Port activities, provide a place for new industries, create new access to and open space along the waterfront, and generate other community benefits for Oakland and the region. At the same time, the Site is surrounded by challenging uses and structures: freeways, rail, the Port, and a wastewater treatment plant. Accordingly, the mix of uses within the Site must be planned with care, in order to minimize potential land use conflicts.

The Redevelopment Agency has compiled extensive site information for prospective developers. **Attachment C** lists the titles of the conveyance documents, environmental protocols, site analyses, and other studies that have been completed for the former Army Base and the GDA. These documents are accessible electronically at the Oakland Army Base Gateway Development Area website at: <http://www.oaklandnet.com/government/obra/hp.html> for developer teams seeking to perform due diligence on the Site. Links to these documents also are available through the Oakland Army Base Redevelopment webpage, which can be accessed at: <http://www.business2oakland.com/main/oaklandarmybase.htm>.

### **C. Adjacent Uses**

Several developments are planned for areas within or immediately adjacent to the GDA, and therefore should be considered during the master planning process. These include:

- **Freeway Auto Mall.** The Agency plans to create a freeway auto mall within the 28-acre North Gateway section of the GDA. The so-called “Bay Bridge Auto Mall” will include a minimum of six dealerships.
- **Ancillary Maritime Support.** The San Francisco Bay Conservation and Development Commission (“BCDC”) requires the Agency to develop 15 acres of Ancillary Maritime Support (“AMS”) uses in the East Gateway. To fulfill this requirement, the Agency is now in negotiations with a developer to build and operate a 15-acre Port trucking service center in the East Gateway. And, as noted above, the Agency also is in negotiations for a second truck-related development on 4 to 5 acres of land in the East Gateway.
- **Port of Oakland Outer Harbor Intermodal Terminal.** As noted above, the Port of Oakland plans to develop its inland portion of the former Army Base as an intermodal terminal, which will provide connections to the rail lines which run along the eastern and northern boundaries of the former base. The OHIT development will abut the GDA on its south, east and northeast borders.



- **Port of Oakland Berth 21 Project.** The Port has plans to develop the northwest corner of its Outer Harbor area as new Berth 21. This project will include filling approximately 44.35 acres of currently submerged Port property. Until this construction is complete, the Port will have a construction easement through the Site.
- **Caltrans Construction Activity.** Major construction is underway to rebuild the East Span of the San Francisco-Oakland Bay Bridge. Currently, Caltrans is using the West Gateway parcel as a staging area. As a result, the West Gateway will not be available for development until 2015, and must be considered a second phase of the overall development. In addition, Caltrans will continue to operate a maintenance facility on Burma Road, immediately adjacent to the Central and West Gateway parcels.
- **JATC Facility.** The Bay Area Joint Apprenticeship Training Committee (“JATC”) is a nonprofit organization that provides job training in construction and other trades. As part of the overall conveyance of the Army Base, JATC received the right to three acres within the GDA for the purpose of building a job training facility. The location of JATC’s accommodation has not been determined.
- **Existing Army Base Tenants.** Prior to the long-term development of the GDA, the Agency has been leasing space to several organizations on a short-term, interim basis. These tenants include seven logistics companies and a collaborative of 16 film production firms. The Agency is under no obligation to extend any of these leases. However, the Agency wishes to retain these businesses in Oakland and relocate them in an orderly manner when the GDA is developed.

#### **D. Desired Land Uses**

The Agency has thoroughly studied the GDA in support of pre-development planning for the Site to analyze the best land use options for development. In July 2007, the Agency contracted with the consulting firms of Design, Community & Environment (“DC&E”) and Bay Area Economics (“BAE”) to produce a comprehensive land use analysis of the GDA. DC&E outlined four possible development scenarios, based upon previous Agency and stakeholder preferences and goals for the Site, using market research, land use planning, and community input to select the mix of land uses. The report, *Pre-Development Planning for the Oakland Army Base Gateway Development Area, Final Report* (October 2007), is available at the Oakland Army Base website and highlights are included as **Attachment D**.

The Agency sought to coordinate its planning efforts with the Oakland Partnership, which is a joint planning effort sponsored by the Oakland Metropolitan Chamber of Commerce and the Office of Mayor Ronald V. Dellums. The DC&E/BAE analysis, the Oakland Partnership, various community workshops, and other analyses suggested the following categories of uses for the GDA. These uses include (not in priority order):

- **Trade & Logistics.** Since the Site is directly adjacent to the Port, it offers the opportunity to provide space for trans-load facilities, trucking, and other logistics and maritime-related

industrial uses. This type of development would support the Port's operations and long-term expansion, generate high-quality jobs in a strategic employment sector, and address goods movement issues for the region.

- **Regional Retail.** Big box and/or lifestyle retail concepts could potentially be very successful in this location, due to Site's large open parcels, central location, and freeway visibility and access. Regional retail would provide important amenities for the entire city, including filling Oakland's need for retail providing "soft goods" and "comparison goods," and would have a direct synergy with the freeway auto mall.
- **Innovative Technologies.** The Site may be able to attract a variety of emerging industries that benefit from the synergy of clusters and all demand a similar type of space. These industries include biotechnology, life sciences, film production, multimedia, green tech, and other activities that involve creative and technology-oriented work taking place in large, open, flex-office or light-industrial spaces. Several of these industries are experiencing robust growth with great potential for the future – and they may be attracted to the GDA, due to its proximity to U.C. Berkeley and other major scientific, medical, and research institutions; its central location with available land and proximity to transportation; and its access to the East Bay's community of professionals and small businesses involved in these sectors.
- **Green Technologies.** "Green tech" is one emerging sector that could thrive on the Site. A research and development park for clean technologies could be combined with innovative "closed-loop" manufacturing that utilizes recycled materials from adjacent industries to create new products.
- **Film Production.** The Agency's market research has shown a demand by the film industry for the type of large, centrally-located space that the Site offers. The Site could provide a nucleus of a strong film/media industry cluster for Oakland.

## **E. Site Requirements and Restrictions**

Over the past ten years, since it was listed for closure, the Oakland Army Base has undergone a number of legally-mandated studies connected with the conveyance of the property from the federal government and the environmental remediation required by the State of California. These studies established a series of protocols and requirements which will follow the land into the development stage. A brief summary of some of the governing documents and restrictions is provided below.

### **1. Zoning**

The site is currently zoned M-40, Heavy Industrial. Information on the zoning designation is available in the City's Municipal Code at <http://bpc.iserver.net/codes/oakland/>, Title 17 PLANNING, Chapter 17.72 M-40 HEAVY INDUSTRIAL ZONE REQUIREMENTS.

## 2. Environmental Remediation Program

The Environmental Remediation Program was completed as part of the terms of property conveyance. The Agency and subsequent property owners and occupants are subject to its terms.

- ***Covenant to Restrict Use of Property.*** The environmental deed restrictions on the former Oakland Army Base property are contained in the Covenant to Restrict Use of Property ("CRUP"), and include the following use restrictions on sensitive uses at the Site: residential housing, schools, daycare facilities, hospitals and hospices are prohibited.
- ***RAP/RMP.*** The California Department of Toxic Substances Control ("DTSC") approved a Remedial Action Plan ("RAP") and a Risk Management Plan ("RMP") to establish the environmental remediation clean-up goals and procedures that apply to this Site as well as the entire former Oakland Army Base. The Agency may require the master developer to assume some of the remediation and reporting requirements required by the RAP, RMP and CRUP. In general, the Agency will be able to reimburse the developer for qualifying remediation costs. Included are the following requirements:
  - Construction and use of groundwater wells without prior DTSC approval is prohibited.
  - Surface or subsurface soil disturbing activities are allowed but must comply with the RAP/RMP.
  - All owners and occupants must comply with the RAP/RMP in managing the property.
  - The Agency must submit an annual report to DTSC to certify compliance.
- The Agency and the Port completed the environmental investigation and testing of the Site, and have completed the remediation of several contaminated areas within the Site. Contaminated soils and groundwater are known to exist in several other areas in the Site, but it is most cost-effective to clean these sites at the same time that development starts construction. If any further remediation is required, the level and cost of remediation would depend upon a number of factors (e.g., proposed development type, utilities, configuration of internal street and parking areas, etc.).
- If the developer performs an environmental investigation on the property, the Agency shall be provided a copy of the report. The Agency will then provide the information to DTSC, the oversight regulatory agency, in accordance with the RAP/RMP and Consent Agreement.

## 3. Environmental Impact Report Fair Share Requirements

An Environmental Impact Report ("EIR") was certified for the Oakland Army Base Redevelopment Project Area in 2002; a Supplemental EIR was certified in December 2006. An

element of the EIR is a Mitigations Monitoring and Reporting Program (“MMRP”), which includes requirements related to development.

- ***EIR Mitigation Measures.*** The 2002 EIR for the Oakland Army Base Redevelopment Area identified several mitigations that must be carried out at the time that the GDA is developed and funded on a fair-share basis by the Port and the Agency or subsequent developers. For example, the EIR identifies traffic improvements that must be built. Other mitigations address air quality, cultural resources and historic preservation (see below), and the impacts of trucking in West Oakland.
- ***Historic Preservation.*** The East Gateway includes existing warehouses that contribute to a historic district. Pursuant to EIR mitigation measures, a development plan must conduct an assessment to determine the feasibility of preserving and reusing whole structures or significant elements of the historic district. If reuse is not feasible, the structures must undergo deconstruction and reuse or recycling of their components rather than conventional demolition. The Agency is conducting a joint program with the Port of Oakland to develop protocols for this process, and would work with the selected developer to determine how much (if any) of the warehouse structures could be preserved and incorporated into the development of the Site. The Agency has conducted several architectural feasibility studies of the structures and architectural features of the historic district.

#### **F. Site Constraints**

The Site has many physical challenges, real estate restrictions, and other issues that will make development complex, expensive, and long-term. Prospective developers are strongly encouraged to study the site thoroughly and to consult all of the information available through the Oakland Army Base Redevelopment webpage, which can be accessed at: <http://www.business2oakland.com/main/oaklandarmybase.htm>. Some of the major issues include:

- ***Infrastructure.*** The utilities and other infrastructure installed by the Army are obsolete. All existing roads and utilities must be replaced to service the Site. Although the West Gateway is not available for development until 2015, it is anticipated that most of the utility service must come through the Central Gateway – so that the infrastructure for both the Central and West Gateway parcels should be planned concurrently.
- ***Limited Access.*** As a former military base, the GDA currently has limited road and public transit access, and difficult bicycle and pedestrian access. Central to any development planning will be planning of new roadways, intersection improvements, and linkage to bike and pedestrian paths.

- ***Soil Conditions.*** The site was originally built on filled land and has issues with subsidence and liquefaction. As a result, new soil must be added. Buildings may need piles or other costly foundation systems to meet seismic safety standards.
- ***Ownership & Title Issues.*** Although the Agency has full ownership and control of the site, several exceptions to title exist that the Agency is in the process of resolving, and will assist developers to resolve prior to the commencement of development.
- ***Port Construction Easement.*** The Port has easement rights in the Central Gateway, to provide them with access during the construction of the adjacent Berth 21 project.
- ***West Oakland Community Fund.*** Under an agreement between the Redevelopment Agency and the Port of Oakland, a fund to benefit the West Oakland Community will be established. All developers of the GDA will be assessed a one-time contribution to this fund equal to \$20,000 per gross acre of land developed.

#### **G. Ground Lease of Site**

This development opportunity is being offered as a long-term ground lease, with the terms to be negotiated once the developer has been selected. However, the Agency may be willing to consider a land sale, depending on the nature of the proposed project and other factors.

### **III. Agency Goals and Developer Selection Criteria**

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The Agency intends to select a qualified developer team that is able to deliver a high-quality, financially successful development while achieving policy goals and development criteria. The Site has the potential to establish a new mixed-use commercial-industrial-public use area of Oakland. The new development will offer the opportunity to fulfill Redevelopment Agency goals for the former Army Base location: create a wide range of sustainable jobs, establish an iconic mixed-use development with distinctive architecture at the gateway of Oakland, embody green design, encourage innovative technologies, generate community benefits for West Oakland, support the competitiveness of the Port of Oakland, and generate significant economic growth and revenue for the City.

#### **A. City/Agency Goals**

The Agency and the City of Oakland seek to develop the Site in a manner that will advance the following overall policy goals:

- **Gateway Development.** The Site has one of the most visible locations in the entire East Bay, and includes a dramatic waterfront section at the western entrance to Oakland. For this reason, the Agency is seeking a developer that can realize the Agency's vision of an iconic development that capitalizes on the Site's uniqueness and symbolizes the vitality, innovation and culture of Oakland. This will require an integrated village of robust economic uses, good urban design, and distinctive architecture. Using these elements of high quality development, the Site can help to enhance the city's image and create business opportunities throughout Oakland.
- **Job Creation.** The Agency is committed to the GDA development as an engine for job creation. The Site should be developed with strategic industries that are expected to grow over time and provide a range of sustainable, well-paying jobs that fit with the varying workforce skills of Oakland residents and that meet or surpass the standards of the City of Oakland's Living Wage Ordinance (available at: <http://cces.oaklandnet.com/cceshome/>).
- **Green Development.** In addition to encouraging green businesses and industries, the Agency is also committed to "green" development principles – in construction, building materials, use of alternative energy sources, technology, and traffic management. Developers will be encouraged to incorporate within the project the highest standards for innovative green design and resource efficiency, including Leadership in Energy and Environmental Design (LEED) Certification for all appropriate structures. For more information on green design resources, go to: [www.stopwaste.org](http://www.stopwaste.org).
- **Community Benefits.** The GDA should be developed in a way that provides real, long-term benefits to the West Oakland community and to residents throughout Oakland. This development has the potential to create new job opportunities for local residents, business opportunities for local businesses, and/or amenities (such as shopping and open space) for

the West Oakland community. Contractors and new developments at the Site will be expected to demonstrate they are meeting the goals of the City's Living Wage Ordinance and Local and Local/Small Business Enterprise ("L/SBE") participation. Please see <http://cces.oaklandnet.com/cceshome/>.

- **Labor Relations.** The City has a long history of working collaboratively with organized labor. The Agency supports projects that have a declared Labor Harmony agreement, and at the time of executing a development agreement, the Agency anticipates working collaboratively to address the interests of organized labor.
- **Equity Partnership with Local Entities.** The Agency desires to see strong equity participation by local entities. The proportion of local equity participation in the project will be a factor in selecting a master developer team.
- **Coordination & Support for Port Projects.** The Port provides an important economic engine for Oakland and the region, and its long-term competitiveness should be supported. The Port has received over 700 acres of former military land (i.e., the Navy's Fleet and Industrial Supply Center and Oakland Army Base) which the Port is using to modernize and expand its operations. The Agency should consider the Port's needs when determining the strategy for the GDA. At the same time, it is reasonable to ask if the Port is making the most efficient use of its own land, and if it could provide more land for logistics, trucking, and other key industries.
- **Government Revenue.** The GDA must generate significant revenue from property tax increment, sales tax, and land sale proceeds.
- **Project Quality & Delivery.** For this project, the Agency seeks to partner with a developer that has demonstrated expertise and experience with similar developments.
- **Urban Design Principles.** Developers will be asked to support the following urban design and planning principles:
  - Master plan the Site to achieve a coherent, coordinated and high-quality appearance throughout the GDA and ensure the coordination of infrastructure planning and mix of uses.
  - Utilize high-quality, distinctive and innovative architecture. Create and enhance public views and access to the waterfront open space in coordination with adjacent Port activities.
  - Require a strong set of public realm improvements, including roadway design, pedestrian paths, plazas, public landscaping, etc., that reflect both the historical characteristics and the new set of uses.

- Reuse of buildings or building components on the site is strongly encouraged where financially and operationally feasible.
- Provide a range of commercial, recreational, cultural and new business activities that reinforce the destination/gateway quality of the site and provide a complimentary set of land uses that create synergy.
- Design and orient commercial and other public buildings to be sensitive to nearby industrial activities and to strengthen the urban design character of the streets and public spaces.
- Incorporate flexibility and scalability into the site layout, so that the development can continue to evolve and become more densely developed over time.
- Introduce ground level commercial activities that are directly linked with public, recreational and work spaces, to encourage pedestrian circulation and activity.
- Develop a strong, dynamic composition of taller and shorter buildings that provide new identity for the area, take advantage of its location at the foot of the Bay Bridge and acknowledge the transportation related uses that surround it (rail, water and roadway).

➤ ***Economic Development & Sector Support***

- Support industry sectors as key economic development components.
- Provide a broad range of permanent, sustainable jobs that benefit Oakland residents through living wages, entry-level and growth positions, and skills training.
- Continue an ongoing communication and collaboration with all major stakeholders, including the Oakland Partnership, Chamber of Commerce, West Oakland groups, and others.
- Lead the nation in achieving green development. This is achieved both by targeting green businesses and by incorporating green development practices into every type of development.
- Over time, maintain a dynamic and fluid plan in order to respond to changing market conditions, the evolving needs of the Port of Oakland, and with an emphasis on minimizing land use conflicts between new activities and Port operations.



## **B. Expectations of Master Developer**

The Agency is seeking a master developer to handle all aspects of the planning and development of the Site in a timely manner, according to a schedule to be determined jointly by the selected developer and the Agency. The developer's role is expected to include, but not be limited to, the following tasks:

- Developing and refining a vision and completing a master plan for the Site, working in partnership with the Agency under an Exclusive Negotiation Agreement.
- Entering into a long-term ground lease for the Site.
- Obtaining all necessary financing.
- Taking the lead role in all aspects of the development of the Site and coordination of necessary improvements with adjacent sites.
- Performing all necessary due diligence, site planning, engineering, market analysis, and other predevelopment activities.
- Resolving any outstanding title, easement, or other real estate issues necessary to complete the project.
- Securing entitlements and government approvals necessary for development of the Site.
- Preparing and securing a final subdivision map for the property, including the construction and/or installation of all on- and off-site infrastructure and utility improvements as required for the subdivision.
- Clearing, grading and preparing the site for development in general conformance with the Oakland Army Base Remedial Action Plan and other relevant documents.

## **C. Developer Selection Criteria**

In order to prepare a competitive submittal, developers will have to meet or exceed the minimum development requirements specified for the Site and the requirements of the City/Agency. The criteria for selection of master developer candidates are expected to include the following:

- Financial capacity to develop the Site.
- Successful track record of developing complex, large-scale developments, including former military sites.

- Proven ability of developer to possess or attract equity and debt capital for a project of this type as evidenced by: (a) financings of comparable projects, (b) financial status, and (c) on-going relationships with financial sources.
- Proven ability to work with public agencies, preferably redevelopment, to achieve development desired by the public sector.
- Prior relationships with quality retail, office, and/or industrial tenants.
- Proven track record of completing projects of comparable type, scope, and quality envisioned.
- Proven ability to implement projects quickly, effectively, and on budget.
- Experience with development within an urban context.
- Ability to partner with local organizations and/or address community concerns.

## **IV. Submittal Requirements**

RFQ submittals must include the information requested below. Please provide six (6) complete sets of the information requested below. The submittals should be organized into sections and separated by tabs with the same titles as those provided below. Only hard copy submittals will be considered. Electronic submittals will not be considered.

### **A. Transmittal Letter**

Please address the letter to:

Gregory Hunter  
Deputy Director, Economic Development and Redevelopment  
City of Oakland  
Community and Economic Development Agency  
250 Frank Ogawa Plaza, Suite 5313  
Oakland, CA 94612

Please identify the individual who is the point of contact for the submittal, and provide full contact information: name, mailing address, telephone and fax numbers, and email address in the Transmittal Letter.

### **B. Development Team**

Identify the lead development entity that has the legal authority to contract directly with the Agency. Identify all joint venture/limited partners and their percentage interest.

Identify all team members and include resumes of key individuals. Include as many team members as possible, specifying: developer, land use planner, financial consultant, architect, environmental and geotechnical engineers. If any anticipated team members have not been selected at the time of submittal, indicate the roles to be filled. The list of team members must include all organizations/persons performing work under sub-contracts. Joint ventures are acceptable, as long as one organization is designated as the lead development entity. A clear division of responsibilities and personnel should be outlined in the submittal with a clear delineation of authority as to each member of the team. Identify any team members that qualify as Small Local Business Enterprises (“SLBE”) and/or Local Business Enterprises (“LBE”). LBEs should submit a copy of current business license and date established in Oakland.

### **C. Proposed Project Concept**

The Agency is interested in an RFQ response that provides a comprehensive, creative vision for the project that meets and exceeds the Agency’s goals and criteria in unique and innovative ways. Please incorporate the points listed below in a description of the project concept:

- Project narrative

- How project would support Agency goals
- Development description: List of types of uses (e.g., types of industrial, flex-office, retail, etc.) and how they relate to each other and to overall GDA
- Estimates of land area (in acres) and total developed floor area (in square feet) devoted to each use
- Conceptual site plan for the proposed development
- Architectural concepts to be used
- Estimated number, types, and salary level of permanent jobs generated by project.

## **D. Qualifications**

### **1. Previous Development Experience**

Provide descriptions of comparable projects, including dates, location, concept, size, costs, and the unique challenges of the projects. Provide evidence of project experience, particularly with developments of former military sites or equally complex sites, with emphasis on the following:

- Precise role of each partner in implementing the development and managing the comparable projects;
- Financial structure of the projects, including amount and source of equity and debt financing uses. The developer should provide the names and phone numbers of lenders and any joint venture partners for up to four of the most relevant projects listed above;
- Quality of design and landscaping (provide photographs of projects);
- Demonstrated success in securing industrial, office, and/or retail tenants, including the types and quality of tenants secured;
- Current contact information for each development;
- Ability to successfully conduct market analysis as part of the master planning of a large-scale development;
- Demonstrated success in master planning and constructing the infrastructure for a development consisting of comparable size and complexity;
- Success in negotiating and developing projects in conjunction with the public sector;
- Familiarity with City of Oakland planning procedures, zoning regulations, and a range of implementation procedures; and
- Experience developing former military bases or other equally complex sites.

### **2. Financial Capacity**

Provide evidence of access to equity capital and financing resources to carry out the proposed project, supported by:

- Sources of equity that are currently available to developer for this project;
- Past history of raising capital;
- Composition of real estate portfolio by type and occupancy percentage;
- Certified letter from CPA or underwriter indicating financial capacity; and/or
- CPA-audited profit and loss *and* balance sheet statements, as well as tax returns for the past three (3) years.

Also please respond to the following questions:

- Is the development entity or any principal owners (20%+ ownership) in the proposed project involved in any litigation or disputes that could result in a financial settlement having a materially adverse effect on the respondent's ability to execute this project? If yes, please explain.
- Does the development entity or any principal owners (20%+ ownership) in the proposed project have any off-balance sheet liabilities, such as corporate or personal loan-guarantees, that could have a material adverse financial effect on the respondent's ability to execute this project? If yes, please provide details of these items.
- Has the development entity or any named individual in the proposed project ever filed for bankruptcy or had projects that have been foreclosed? If yes, please list the dates and circumstances.
- What steps is the development entity prepared to take to ensure local equity participation in the project? Please indicate whether the development team includes an Oakland-based partner and, if so, what percent of project financing they are anticipated to contribute.

#### **E. References**

Provide four (4) business-related references, giving name, company, address, and telephone number and business relationship to firm(s).

#### **F. Deadline for Submittals**

Six (6) complete sets of the submittal are due by **4:00 p.m. on Monday, March 10, 2008.**

Address submittals to:

Gregory Hunter  
Deputy Director, Economic Development and Redevelopment  
City of Oakland  
Community and Economic Development Agency  
250 Frank Ogawa Plaza, Suite 5313  
Oakland, CA 94612

Submittals must be received by due date and time. Postmarks will not be accepted. The Agency reserves the right in its sole discretion to reject any or all submittals.

For questions about this RFQ, please contact Alex Greenwood, Community and Economic Development Agency, at (510) 238-6124 or [agreenwood@oaklandnet.com](mailto:agreenwood@oaklandnet.com), or visit the Redevelopment Agency website at <http://www.business2oakland.com/main/oaklandarmybase.htm>.

## V. Evaluation and Selection Process

Developer submittals are due on March 10, 2008. The submittals will be analyzed based upon the criteria described in this RFQ. Developer teams may be requested to make a presentation before a selection panel set up by the Agency.

The recommendations of staff will then be forwarded to the Agency Board. The Agency may select a master developer at that time – in which case the Agency would enter into an Exclusive Negotiating Agreement (“ENA”) with the selected developer for the purpose of negotiating a development agreement for the site. Alternatively, the Agency may select several developers to work with Agency staff to develop a detailed proposal that would be presented to the Agency.

### Timeline

The evaluation and recommendation process is anticipated to follow the timeline summarized below:

Pre-Submittal Meeting	January 24, 2008
Site Tour(s)	Jan. 31 and Feb. 8, 2008
Qualification Packages Due	March 10, 2008
Evaluation and Developer Interviews	March/April 2008
Recommendation of Qualified Developers to City Council	April/May 2008

### Limitations

1. All responses to the RFQ become the property of the Agency.
2. This RFQ does not commit the Agency to award a contract or to pay any costs incurred in the preparation of the proposal.
3. The Agency reserves the sole right to evaluate each proposal and to accept or reject any or all proposals received as a result of this RFQ process.
4. The Agency reserves the right to cancel in part, or in its entirety, this RFQ and to waive any irregularities in the RFQ process.
5. The Agency may require Development Team to participate in negotiations and to submit technical information, or other revisions to qualifications as may result from negotiations.
6. California Public Records Act and the City of Oakland Sunshine Ordinance - Once a final award is made, all RFQ responses except certain financial and proprietary information become a matter of public record and shall be regarded by the Agency as public records. The Agency shall not in anyway be liable or responsible for the disclosure of any such records or portions thereof if the disclosure is made pursuant to a request under the

California Public Records Act or the City of Oakland Sunshine Ordinance. Respondents should be aware that under the California Public Records Act and the City of Oakland Sunshine Ordinance, all documents submitted in response to this RFQ, including financial information, are considered public records and may be subject to public disclosure.

7. The operator selected for this project shall obtain or provide proof of having a current City of Oakland Business License.
8. Council Policies and Procedures – Developers must comply with all City Council policies and established procedures.
9. Under the requirements of OMB Circular A-133 Supplement, Part 3, Section 1, the City is required to obtain certifications that contractors and sub-grantees receiving awards exceeding \$100,000 have not been suspended or debarred from participating in federally funded procurement activities.

The Agency reserves the unqualified right to modify, suspend, or terminate at its sole discretion any and all aspects of the RFQ and/or RFQ process, to obtain further information from any and all operator teams and to waive any defects as to form or content of the RFQ or any responses.

### **Required City Schedules**

Groups selected to continue in the process will be required to adhere to the City policies found in the City's contracting policies and schedules, which would be triggered by any subsidy or contribution by the Agency to the project. The schedules for professional services contracts are listed here and are available at the City of Oakland website at:

<http://cces.oaklandnet.com/cceshome/> .

**Schedule C-1:** Americans with Disabilities Act: *To be completed by Lead Developer only*

**Schedule D:** Ownership, Ethnicity and Gender Questionnaire: *To be completed by Lead Developer only*

**Schedule E:** Project Consultant Team form: *To be completed by Lead Developer only*

**Schedule M:** Independent Contractors Questionnaire Part A: *To be completed by Lead Developer only*

**Schedule N:** Declaration of Compliance – Living Wage: *To be completed by Lead Developer and all team members and subcontractors whose (anticipated) fee is in excess of \$25,000*

**Schedule N-1:** Equal Benefits Ordinance: *To be completed by Lead Developer only*

**Schedule O:** Campaign Contributions: *To be completed by Lead Developer only*

**Schedule P:** Nuclear Free Zone Disclosure form: *To be completed by Lead Developer only*

**Schedule Q:** Insurance Requirement: Informational only: *Describes Lead Developer insurance documentation requirements to be provided*

## **VI. Appendix Materials**

A. Area Map

B. Site Map

C. List of Resources & Planning Documents Available at Oakland Army Base Gateway Development Area Website

D. DC&E Land Use Analysis (Selected Excerpt)



**Attachment D:**

**Comparison Matrix of RFQ Responses  
and  
Development Team Members**

**Attachment D: Gateway Development Area RFQ  
Comparison of Project Concepts**

	AMB / California Capital Grp	Federal Dev.	First Industrial Realty	Hillwood	Jones Dev. Co	M&L Commodities	Oakland Bay Partners	PCC Logistics	ProLogis	Prism Realty	Oakland Film Center	Triamid	W&E Group, Inc.	
<b>Highlights of Project Concept</b>														
<b>1. Development Floor Area (SF)</b>														
A. Land Area Proposed	108	122	108	134	15	10	113	14	108	108	22	108	50	
B. Industrial / Film Production / Port Related	882,000		757,000	1,270,000	190,000	200,000	100,000	140,000	1,448,000	1,034,000	240,000	1,200,000		
C. Office / Flex-office / R&D	1,500,000	700,000	543,000				75,000		960,000	650,000		1,500,000	4,140,000	
D. Retail / Restaurant	15,000	1,005,000		124,000			747,000		370,000	525,000				
E. Hotel / Conference		275,000					200,000		175,000	?		500,000		
F. Floor-to-Area Ratio (FAR)	0.51	0.36	0.28	0.24	0.29	0.50	0.23	0.23	0.63	0.47	0.25	0.68	1.90	
<b>2. Employment:</b>														
A. New Jobs	3809	4,050	2,600	630	?	120	1825		7920	5,550	?	10,000	?	
B. Jobs Retained								200						
C. Jobs/Acre	35.3	33.2	24.1	4.7	?	12.0	16.2	14.3	73.3	51.4	?	92.6	?	
D. Job Quality, etc.														
<b>Note: The data in this table were compiled for the purpose of comparison of RFQ submittals, and are not presented as definitive.</b>														

Attachment D: Gateway Development Area RFQ  
 Submitter Team Members

AMB_CCG Joint Venture	Federal Oakland Assoc.	First Industrial Realty Trust	Hillwood Companies	Jones Dev. (in-house)	M&L Commodities	Oakland Bay Partners	PCC Logistics	ProLogis	Prism Realty	Oakland Film Center	Triamid	W&E Group, Inc.
AMB Property Corporation	Federal Development, LLC	First Industrial Realty Trust	(in-house)	14 Produce Merchants	M&L Commodities	Vintage Square Partners	PCC Logistics	Catellus Development Grp	Prism Realty Corp.	Oakland Film Center Business Assn.	Triamid Galaxies	W&E Group
California Capital Group	EM Johnson Interest, Inc.	CalSTRS			Transmarus	CMA	MISC		Inside Quarters Enterprises	Greenstone Development, LLC	Bottemley Design	Shanghai Institute of Architectural Design & Research Co., Ltd.
Architectural Dimensions	Lehman Brothers	Nova Property Solutions, LLC			Inland Cold Storage / Castle & Cooke	Broadreach Capital Ptnrs, LLC	Greenstone Development		Carter Burgess	Bastien & Assoc., Inc.	VBN Architects	
Tucker-Mayberry	Construction Mngemnt & Dev., Inc.	Pankow Builders, Ltd.			Value Recovery, Inc.	Urban Centre Development	Wells Fargo				Michael Willis Architects	
Northgate Environmental	Gibson, Dunn & Crutcher	Creative Consulting Svcs.			DeRevere & Assoc.		United Commercial				Arup Engineers	
Treadwell & Rollo	MBH	Global Business Advocates									Hensel Phelps Construction Co.	
Hausrath Economics Grp.	Kwan-Henmi	MIG									Fugro West	
Acumen	Powell & Partners Architects	JRDV Architects									Ritchey Real Estate	
EDAW	Bruce Jett & Assoc.	Ware Malcomb										
JWD	LFR, Inc.	Matrix Design Group, Inc.										
MVE	LFR, Inc.	Marstel-Day										
Turner Construction	OLMM	Novograde & Co., LLP										
Flatiron Corporation	Forell/Elsesser Engineers, Inc.	Nancy E. Stoltz										
	DKS Assocs	Wood Rodgers, Inc.										
	Brightworks	TranSystems										
	The Clark Group, LLC	TRC										
	Swinerton Builders	KEMRON Environ. Svcs, Inc.										
	Fine Art by Day											
	NAI BT Comm'l											
	Tramutola LLC											

**Attachment E:**  
**Technical Advisory Memorandum**

**ATTACHMENT E:**

**TECHNICAL ADVISORY MEMORANDUM**

**Contents:**

**Tier 1: Fully Responsive Submittals for Entire RFQ Site**

**Tier 2: Fully Responsive Submittals for Smaller Projects**

**Tier 3: Non-Responsive Submittals**

**TIER 1: FULLY RESPONSIVE SUBMITTALS  
THAT ENCOMPASS ENTIRE RFQ SITE**

**AMB/California Capital Group**

1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

A. Advantages/Strengths

- Strong local partnership; very familiar with Oakland and Port; operating and leasing experience.
- Team members were specifically chosen for their expertise in Port and Army Base issues. Many of the local subs have an excellent reputation and track record.
- Commitment to small/local business utilization program
- On prior projects, they have demonstrated the ability to put together an exemplary community benefit package.
- Community consideration, shows connectivity to West Oakland
- Good experience on complex projects
- All team members have either Port or military base conversion experience.
- Good local track record indicated with achieving City's LBE goals on all previous projects in Oakland.
- Demonstrated development experience
- Strong financials – according to submittal, team is well capitalized and has financial resources suitable to complete the project.
- Fully compliant with financial requirements in RFQ
- Financial stability/income from real estate investment trusts (REITs)
- Ability to complete project, according to credentials in submittal

B. Disadvantages/Weaknesses/Concerns

- The lead architect seems to have no relevant experience in industrial development or campus-style development.
- Debt seems to spike in 2010 then go down, raising questions of how this timing could affect this project.

C. Financial Capacity Analysis

- Has an investment grade rating by all three rating agencies with significant balance sheet flexibility.
- Public company traded on the New York Stock Exchange (NYSE: AMB).
- Member of the S&P 400.

- \$17.6 billion of assets under management.
- \$250 million available in cash; \$649 million in available credit; \$ 2.6 billion available in investment capacity in existing joint ventures.
- In the first quarter of 2007, AMB issued 8.37 million shares of common stock raising \$472 million in additional equity (specifically to assist in funding the expansion of AMB's global development business).
- AMB makes note that they have the ability to finance even the largest projects solely on their own balance sheet; however, they will look to bring in minority capital partners where appropriate.

## 2. PROJECT CONCEPT.

### A. Advantages/Strengths

- Big vision: Shows development designs beyond GDA into the off-site areas of Port lands, and West Oakland. Will use more than 108 acres of RFQ site.
- Proposed 3 different design variants. Planned uses are flexible.
- Noteworthy sense of challenges, good discussion points in the SOQ
- Appears to have a sophisticated approach to the development opportunity: They researched the site and came up with a feasible mixed-use project proposal that addresses financial feasibility, green development, urban design, project quality & delivery, local participation, and the City's desire for a special gateway presence.
- Their approach includes some very creative ideas (especially the logistics uses built on air space above the OHIT) and creative ways to link the Army Base development into the fabric of West Oakland.
- the "Power Tower" and the PRT (Personal Rapid Transit System) seems to be the most unique element (but very cool concepts)
- Strong job creation numbers (low to mid-salary range). Largest number of estimated jobs is 3,999 (Design B) – or 35.3 jobs/acre – which is a credible estimate.
- Port connection well thought out; emphasis on logistics/port support (Design A).
- Best approach for achieving cooperation with Port of Oakland and Oakland community.
- Significant potential for indicated uses such as: trucking, warehouse and film production.
- Interesting and innovative green development concepts: bioswales, water harvesting, green roofs. Green personal transit system. Energy generation on site: Proposed truck deck to be roofed with solar collectors to create a new source of power for the Port and surrounding community.

### B. Disadvantages/Weaknesses/Concerns

- Overall job generation potential seems low, according to project description.

- Vision may be too grand assuming partners/variables beyond current control, for example, assumption that Port of Oakland's New Berth 21 will be build-out, and that it could be utilized for specific tenant (Pasha, Inc.).
- Considers altering development plans currently underway for North and East Gateways, but without a serious or convincing discussion of why or how the currently planned developments should be relocated.
- Troubling that their proposal went so far outside the boundaries of the RFQ.
- Concern regarding the soundness of their proposal without documentation of how they would deliver the project. Is it financially feasible? They may want a [City] subsidy.
- From an engineering point of view, the proposal to utilize the Berth 21 area seems farfetched. Also, the weight of solar panels will be tremendous (could require additional shoring, and hence, higher cost to build).
- Concern from a safety (i.e., distraction) standpoint about the mirrors placed so close to freeway traffic.
- Some of the concepts may be infeasible, ill-advised, or questionable: e.g.,
  - subsurface fleet car parking garage under water at New Berth 21;
  - personal transportation system/network (counter to global view of what makes transit work);
  - "power tower;"
  - relocation of Agency's planned auto mall at the North Gateway; and
  - vertical logistics center above rail tracks at Port's Outer Harbor Intermodal Terminal (OHIT); would the Port even agree to such an idea?
- Alternative F3 has too much surface parking/retail.
- Certain schedule elements are unrealistic (e.g., permitting).
- Project description and drawings are somewhat inconsistent about how the point should be developed (big attraction vs. office campus).
- Gateway concepts are unclear.
- Proposal doesn't provide an alternative to stated concerns for the retail development in the Central Gateway Area.
- Distinction between pre- and post-2015 activities renders actual proposed project sites and uses difficult and subject to changing needs.

### 3. Questions/Missing Information

- Suggestion to move the North Gateway Auto Mall; we already received clear direction from Council.
- How would they propose to coordinate their construction with the OHIT and other Port construction projects? What assurances do they have from BNSF, UP and Port to build over OHIT and under Berth 21?
- Tax revenue not identified.
- Acknowledging that the West Gateway Area may not be available for development until 2015, what do they see changing over the years to alter their construction plans?



- After AMB's analysis of the retail construction, how many patrons do they expect throughout a given year?
- What role will AMB play if the Agency were to hire one of the proposed retail developers?
- How many jobs or what percentage of the jobs proposed will be of mid- to high-level income positions?
- If AMB feels strongly that the GDA property cannot be planned without consideration of the surrounding Port lands or the West Oakland community, what is their recommendation in making sure this happens? And what if it is not able to happen?
- How do they justify the increase of 1.7 million sq. ft. trucking platform?
- What happens if/when there is no demand for palm seed oil?
- Need more information on financial viability and government revenues.

#### 4. General Policy Issues

- To what extent is the City willing/able to support a vision that spans beyond the Gateway Area boundaries?
- Construction of tall buildings, buildings required to support exceptionally heavy loads, and/or construction of facilities below the Bay water line will be very difficult and very expensive to build – ROI likely to be negative.
- This scenario includes development outside the RFQ area. While this holistic approach may be a relevant issue for the City, it is outside the scope of this particular RFQ and puts into question this developer's focus.
- Should the GDA be considered primarily a retail/office opportunity (playing off Emeryville and the freeway exposure) or an industrial/office opportunity (playing off the Port and rail/freeway access)?

## Federal Development

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Strong and reputable developer partnership
- Flexible vision
- Appears to be qualified
- Good experience and seasoned staff
- Complete team with local and small businesses, some DBE
- Diverse and local experience
- Financial plan well-described
- Demonstrates ability to complete project.
- Some BRAC, military base exposure
- Community investment

#### B. Disadvantages/Weaknesses/Concerns

- Limited industrial/logistics development experience
- Limited California experience
- Did not highlight diversity in portfolio.
- No reference to apprenticeship/local programs
- How solid are their other financial partners?
- Lehman Brothers as a primary lender is a concern (see below).
- Proposal does not indicate understanding of City of Oakland's commitment to working cooperatively with organized labor.

#### C. Financial Capacity Analysis

- Federal and Lehman Brothers will provide the prerequisite operating capital for the Master Developer Entity, Federal Oakland Associates LLC.
- Partner Lehman Brothers Inc. currently is very weak in the market. A priority should be made to ask questions on how Federal will address financial issues if Lehman is unable to follow through with the financing.
- Does a good job in addressing the mechanisms of the financing and whether the financing arrangements will be tax-exempt or taxable in order to bring the lowest cost of project financing.
- Has a very strong history of tax credit.
- Will work with the City in order to create a tax abatement district for qualified companies to apply for tax abatement. Federal will also work with the State to

establish districts such as Oakland SmartZone, Free Trade Zone, and Business Incubators and Accelerators.

- Proposes that funding for the horizontal development be a combination of private equity and public debt through tax increment financing or the creation of a CFD (Community Facilities District).
- Federal will fund between 30% and 50% of the horizontal development costs, while total equity contributions for the vertical development will range from 15% to 40%.
- *Very thorough and in-depth finance experience.*

## 2. PROJECT CONCEPT

### A. Advantages/Strengths

- Response addresses most of the priorities, goals and criteria set forth in the RFQ.
- Submittal responsive, even with flaws.
- Project calls for between 103.5 to 128 acres and focuses on retail, office, and waterfront enjoyment, including a hotel-conference center at the West Gateway.
- The team appears to have a sophisticated approach to the development opportunity. They researched the site and came up with a feasible mixed-use project proposal that addresses financial feasibility, local participation, and the City's desire for a special gateway presence. They understand the complexity of the development.
- Although retail is the dominant use, it achieves a respectable density (0.36 FAR) and has strong urban design elements to it.
- The project achieves a critical mass of office (700,000 SF) and hotel (275,000 SF) uses in order to create a mixed-use center that promises to stand on its own yet project economic energy out to adjoining areas in West Oakland.
- The "Artisans Commons" concept is an interesting take on how to solve the East Gateway, and the reference to Vancouver's Granville Island is appropriate and intriguing. This type of development would be financially draining to the project as a whole but could give something special to differentiate this project from other generic master-planned retail-office communities.
- Job generation claim of 4,050 new jobs – or 33.8 jobs per acre – is a credible estimate.
- If the City wishes to pursue a retail strategy for the GDA, the Federal approach is probably the best option to try.
- Project addresses transportation and access issues for the development.
- Environmental/infrastructure knowledge is thorough.
- Has a green aspect to the project, a good green development vision. This is the most green, eco-friendly of the proposals.
- Good design elements/aesthetics. Architecture is the strongest component of this proposal.

- Nice visions for promenade and sculpture/amphitheater.
- Project includes adaptive reuse of historic structures.
- Great diversification of ideas and concepts.
- Would serve as a destination place for tourists and attract people from San Francisco with a possible ferry landing.
- Could be charming spot for conference center.
- The concept of mini-neighborhoods is appealing.
- Artisans Commons supports the artistic community.
- Liked the name of the project as Global Oakland.

#### B. Disadvantages/Weaknesses/Concerns

- Proposal is largely conceptual; it is likely to require significant adjustments for implementation.
- Coordination with Port activities is vaguely described.
- The intensive retail uses (and, to a lesser extent, the office uses) could cause traffic conflicts with the adjacent Port uses – although this could be partially mitigated with extensive reengineering of the surface streets.
- The marina uses would be infeasible due to the conflicts with Port container vessels using Berths 21-23.
- The hotel is sited so that it misses the views of San Francisco – which wouldn't maximize the revenue potential of that location.
- The project assumes using the Port's planned New Berth 21.
- The hotel-conference center would have to be a self-contained destination spot, in midst of incompatible uses, so visitors would want to stay there.
- High rise construction at the West Gateway would be costly, with the need for piles.
- Development plan for the East Gateway impinges on the Port's adjacent development area and does not account for the Bay Area Kenworth development planned by the Agency.
- The Artisan Commons component would be a financial drain on the rest of the project and miss an opportunity for logistics uses adjacent to the Port's planned Outer Harbor Intermodal Terminal (OHIT) on the Port's East Gateway.
- The project contains no Port support uses.
- Would Artisan's Commons be another Market Hall?
- Gateway concepts must rely on outstanding architecture at the West Gateway to differentiate it from anything else.
- There is nothing striking in the design concept.
- Project uses are not very global, as its name promises.
- The project calls for more acres than the RFQ, 128 acres, but use of extra area is not accounted for. What in their project would drop off if acres reduced to 108 acres?
- Might the retail aspect result in lower paying jobs?
- Are there environmental issues this project would raise?

### 3. QUESTIONS/MISSING INFORMATION

- Tax revenue not identified.
- How does the Outlet Retail Center compete with or complement Emeryville's?
- Same concern for the Multiplex Theater – there are two already right across the freeway.
- Need to account for the acreage: 128 acres.
- Information regarding the feasibility of the 250 room full service conference center will be desirable, especially if the center is to survive without gaming or other obvious site attractions.
- Difficult to analyze job creation capability and Local, Local Small Business Utilization. Can they fulfill promise of 4,000 well-paid jobs?
- Essential point of evaluation: Have they proposed a project which they have the ability to carry out?

### 4. GENERAL POLICY ISSUES

- Organized labor awareness
- This proposal does not include any Port support or enhancement. This is the last 60 acres of land near the Port, whereas there are other potential sites for retail.
- Should the GDA be considered primarily a retail/office opportunity (playing off Emeryville and the freeway exposure) or an industrial/office opportunity (playing off the Port and rail/freeway access)?
- Should the GDA be considered as the place to locate a conference center?

## First Industrial Realty

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Very strong team with solid background direct experience developing military bases, waterfront sites, and industrial campuses.
- Qualified to do a project of this magnitude
- Apparently strong financials
- Appears to have a deliberative and inclusive development approach
- Good local equity participation
- BRAC experience
- Flexible vision, particularly for West Gateway
- Their proposal echoes all of the Agency's goals for the project.
- Diverse, complete team with good local experience
- 93.8% occupancy track record
- Waterfront and intermodal experience
- Participation in West Oakland issues – apprenticeship/community groups
- Good green development
- Flex buildings leave options open.
- They are not short on qualifications; almost the entire package is about qualifications.

#### B. Disadvantages/Weaknesses/Concerns:

- Tax revenue is unclear.
- Maintenance of industrial base deferred until 2015.
- No demonstrated capability of generating capital.
- Made point that have no debt maturities in 2008; begs the question of their debt exposure a number of years out.
- One partner is out of Chicago; how does local participation fit in?
- Do we want a Master Developer that is going to start up a new and probably time-consuming base reuse process (of conducting more community input)?

#### C. Financial Capacity Analysis

- Trades on the New York Stock Exchange and although its stock price has fallen over the past year, still remains very solid.
- Has a senior unsecured revolving credit facility for balance sheet borrowing capacity up to \$500 million that may be increased to \$700 million, subject to conditions. Also has \$5 billion plus in their joint venture program.

- Has formed five joint ventures with CalSTRS (California State Teacher Retirement System) (same financial partner for this proposal), the second-largest public pension fund in the nation.
- First Industrial has received investment grade ratings from all three listing agencies with respect to its senior secured notes and preferred stock.

## 2. PROJECT CONCEPT

### A. Advantages/Strengths

- This appears to be a solid, economically feasible approach that achieves a very advantageous mix of industrial and office/R&D space, with a 0.28 FAR (not great, but above average).
- Exactly 108 acres are requested.
- Wants to attract high-end retail and industrial sectors as well as commercial.
- Envisions an Eco-Industrial Environment.
- Understands site and has good approach to environmental, financial, urban design, green development, and local participation issues.
- Well-vetted approach to green development: LEED, reuse, energy efficiency; "green" is the most well-defined of all topics in the proposal.
- Emphasis on job creation. Generates 2,600 jobs, which equates to 24.1 jobs per acre.
- Proposal has good environmental and geotech discussion.
- Plan includes over 700K SF of logistics/warehouse space.
- Emphasis on Gateway image.
- Emphasis on Industrial buildings, potential for later conversion.

### B. Disadvantages/Weaknesses/Concerns:

- Proposal is perhaps too vague and non-committal, containing a number of generalities.
- Proposal calls for "clean industry," but does not define it.
- West Gateway development design is non-descriptive.
- Graphics in proposal are slight.
- Proposal talks a lot about all the goals/requirements already identified in the City's RFQ, but does not provide steps or action plan on how to get there.
- Port coordination is unclear.
- Proposal discusses fast-tracking quite a bit; does not explain the importance of this timing issue.
- Design concepts are not particularly imaginative or able to achieve a stunning gateway presence. Plan includes concrete tilt up buildings, which are not a good design element.
- The density and job generation are adequate, but not as aggressive as other teams'.

### 3. QUESTIONS/MISSING INFORMATION

- Description of their vision needs to be fleshed out more.
- Fixed rate debt – presumably a good thing, but not clear.
- No maturities of debt in 2008 – what about other years out to 2016?
- Not clear on whether any retail is envisioned in flex buildings.
- What is the Iconic Beacon?
- Seem to talk a lot in generalities and did not want to box themselves into a certain type of project.
- In their attempt to remain flexible, they appear to have stopped short of putting forth a truly detailed approach. This is understandable, given the City's RFQ process, but still prevents us from fully understanding their take on the site.

### 4. GENERAL POLICY ISSUES

- To what extent do we critique a vision and plan when this was essentially a call for qualifications?
- How do we weigh a desire for exciting, attractive gateway development vs. the need for an economically feasible, location appropriate, job-generating, successful development?



## Hillwood

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Strong in-house team
- Ability to complete project
- Good project management team with DOD experience
- Good financial capacity indicated.
- Assembled a strong team with a proven track record and a lot of expertise
- The developer is obviously well capitalized through the Perot family.
- Addressed the need to develop and maintain public/private partnerships
- Proven development team.
- Very familiar with BRAC process & Brownfields redevelopments. Good track record.
- Experience with contaminated sites.
- Strong track record of comparable large-scale developments.
- Strong expertise that is housed under one firm, instead of having to create an unwieldy team of subcontractors.
- Job training for locals, Oakland Unified, Peralta College
- Many awards to their name for development, community, services
- They appear to have a very sensible, effective approach to community benefits. They will work with the City to set benchmarks and define goals. Their submittal includes specific examples of achieving and exceeding local hiring and business participation goals.
- Phasing is well thought out.
- Excellent references, strong connections and ties

#### B. Disadvantages/Weaknesses/Concerns

- Team membership and management and FedEx participation are unclear.
- Local partners are not yet identified; the CH2M Hill firm is the only one indicated.
- The proposal shows no evidence of sensitivity to Oakland political context as specified in RFQ, such as labor issues, or West Oakland community values or priorities.
- No local equity participation identified.

#### C. Financial Capacity Analysis

- Proposal does not include an Oakland-based partner.
- Number one source of equity to back the financing of the project listed is the Perot Family, which brings up many concerns.

- Hillwood has impressive real estate assets and investments for a private company; however, being a private company limits its sources of further financial backing.
- Wells Fargo has provided construction or term financing on 40 projects since 1999 totaling loan commitments in excess of \$900 million, of which have all been handled.
- Very small company in regards to financial backing.

## 2. PROJECT CONCEPT

### A. Advantages/Strengths

- Diverse and flexible development plan.
- "Anchor" tenant has been identified.
- FedEx is a definite asset to the development as a sound business with an experienced track record and successful business model. Other assets include the location on the Army Base, the access to the local freeways, and the waterways of the Bay Area.
- World Trade Center concept included.
- Plan strongly supports Port/Maritime economy.
- Appears to have very strong financial capacity.
- Development would generate 100% of its power requirements
- Green/Sustainable design concepts – nation's largest private LEED certified buildings
- Sustainable job creation, but low (880)

### B. Disadvantages/Weaknesses/Concerns

- Assumes no Port Berth 21 project is happening.
- Requires waterfront access to "Gateway World Trade Complex."
- Low jobs per acre – only 4.7.
- They highlight that 134 acres would be utilized, but the RFQ project is only 108 acres.
- Their development is based on one company, being FedEx Freight. What happens if FedEx Freight walks away or may not be comfortable with the lease?
- Is FedEx Ground the best use of the area adjacent to the Port's Outer Harbor Intermodal Terminal?
- Fed Ex facility could result in more trucks in West Oakland.
- What are the unintended consequences of this development?
- This Fed Ex facility would not support Port activities; could be a conflict, as RFQ assumes that any logistics built here would support the Port.
- Job creation is weak.
- Green development unclear.

### 3. QUESTIONS/MISSING INFORMATION

- Although CH2M Hill is identified for engineering, planning and environmental, and HPA Architects identified for architecture, the “commitment to hiring local” for geotechnical, noise, traffic, air, landscape has not been identified.
- Tax revenue generation, yes, but amount is not estimated.
- NOTE: Their total proposal is for 111.49 acres for both Master Site Plan 1 and 2 (not 134 as written in spreadsheet). Need to clarify calculation of 134 acres and how the extra land or acreage come into play?
- Green development is missing. How will development will decisions be made?
- Need more information on FedEx component:
  - Expansion or relocation of existing Airport facility?
  - Impact on truck traffic in West Oakland?
  - Job creation incorporated into data presented or additional benefits?
- Financial commitment or documentation of equity or other capital available to entity.

### 4. GENERAL POLICY ISSUES

- Shouldn't we truck traffic be limited to Port support?
- This project does not aim at using local subcontractors.
- Desire for exciting, attractive gateway development (which this development does NOT provide) vs. economically feasible, location appropriate, job-generating successful development.
- For firms proposing projects for more than 108 acres, we should consider whether the team or master developer is capable of working with the developments already planned for the North GDA and East GDA, in developing infrastructure, etc.?
- What is the implication for local participation if the developer has all its team capacity in-house?

## Oakland Bay Partners

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Strong local team, with good experience for this project, including surrounding area
- Ability to complete project
- Local business team participation
- None of these partners was a principal in the Fulton Development proposal.
- Team is familiar with the site and Oakland's development context.
- Have a viable plan to maximize government revenues, with estimated tax revenues exceeding \$5.5M per year.

#### B. Disadvantages/Weaknesses/Concerns:

- Team had financial losses in 2006 and 2007.
- Where is the investment money coming from?
- Team has no industrial/logistics development experience.

#### C. Financial Capacity Analysis

- Vintage Square Partners is wholly owned by Oakland based individuals and together with CMA will be providing 5% of the equity for the proposed project.
- Proposed project/investment will be funded by "Fund-II" which is a \$700 million closed-end real estate fund.
- As of September 30, 2007, Fund II made 27 investments, consisting of over 11.6 million square feet, 430 residential unites and four lodging related properties for an estimated transaction cost of \$1.8 billion.
- Tax returns for the past 3 years are confidential and are available for review in a private meeting with the CFO of the firm.
- Attached in-depth financial statements in their report.

### 2. PROJECT CONCEPT

#### A. Advantages/Strengths

- This appears to be one of the most feasible and easily achieved project concepts proposed.
- The project establishes a shopping destination that can stand on its own and also extend retail and office development south from Emeryville into West Oakland.

- The project proposes 747,000 sq ft for retail and restaurants and 100,000 sq ft for industrial businesses, with an estimated job generation of 1,825, on 113 acres.
- Tenants would include a variety of uses: big box retail with Target, Costco and Lowe's; a film center, 200-room hotel and business conference center.
- Proposal addresses many issues that may arise in their presentation.
- Proposal has thoughtful in-depth concepts for Green Development.

B. Disadvantages/Weaknesses/Concerns:

- The project has a much lower density than other proposed retail concepts, with extensive use of surface parking. On one hand, this could be their conclusion based on familiarity with the site's soil conditions. But the concept falls short of the Council's desire to create a special gateway development.
- The emphasis on "big box" retail calls into question the job quality and generic aspect of this concept.
- Urban design elements referenced in the RFQ are not met; surface parking is not a design feature.
- The proposal asserts that jobs in both retail and hospitality are sustainable and ongoing, as they are both growing with the service economy, but this is not the case with the current market conditions.
- The proposal provides an inadequate basis for analysis of specific project capabilities beyond concept and planning stages.
- The retail and hotel uses could cause traffic conflicts with the adjacent Port uses – although this could be partially mitigated with expensive reengineering of the surface streets.
- The proposal is for 113 acres, rather than 108 acres, as per RFQ.
- Jobs per-acre is low, at 16 jobs per acre; would need to add industrial to the mix to raise the jobs per-acre ratio. Additionally, the big box stores and hotels would provide a predominance of lower end jobs.
- Big box retail could be a problem, with competition from Emeryville so nearby. Nothing in the proposal would attract people from the greater East Bay region. The big box stores proposed are not places tourists staying at the hotels would be likely to shop.
- The concept of "green surface parking" is questionable.
- Hotel construction at the West Gateway would involve high construction costs due to the need for piles.
- There is absolutely no mention of the Port.
- Transportation issues are not addressed.
- There is no discussion of environmental or regulatory issues.
- There is no mention of a global / trade center presence.
- There is nothing striking in the design and no mention of a "Gateway" concept.

3. QUESTIONS/MISSING INFORMATION

- How do all the proposed uses interact with each other?
- Needs more discussion of site constraints.
- On what do they base their assertion that this is the last available site in the surrounding area for the development of a regional shopping center?
- Who will own/operate the Film Center they proposed?
- What do they feel is the major attraction which will attract tourists to stay in the hotel?
- Where is the investment money coming from?

#### 4. GENERAL POLICY ISSUES

- Is "Regional Shopping Center" the best use for the Central Gateway?
- Retail would have to be strategically designed for this site to work.
- Are the well-established big-box shopping centers located within 15 miles of Oakland potential competition, or would retail at this site fulfill unmet needs?
- Should the GDA be considered primarily a retail/office opportunity (playing off Emeryville and the freeway exposure) or an industrial/office opportunity (playing off the Port and rail/freeway access)?
- Is this really green development in the truest sense of the term?

## Prism Realty

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Very strong, reputable developer team. Team member is Carter-Burgess which is located in Oakland and has done work with the Port.
- Experience working in challenging communities: Compton and Chino, economically challenged areas within more affluent regions
- Iconic vision
- Different schemes interesting
- Good financial capacity indicated.

#### B. Disadvantages/Weaknesses/Concerns

- Largely review of urban design principles presented without demonstration of the requisite previous development experience.
- No local experience to highlight.
- Not very good knowledge of the area (e.g., Berth 22 instead of Berth 21 reference)
- Team roles not clear.
- Weak local business participation.
- Lack of experience with complex, large-scale developments.

#### C. Financial Capacity Analysis

- Realistic in their financial capacity approach when saying, "At this stage, it is not possible to make a financial proposal to either a lender or an equity partner as the cost structure and final arrangement with the City is not finalized."
- Have financed and completed all projects they have been involved with over the years and never with a default or late payments of any kind.
- Backed fully by McMorgan & Company for the financing of this project (subject to completion of a thorough property due diligence).
- City National Bank currently has an approximately \$50 million dollar construction facility outstanding with Prism Realty.
- City National Bank also expressed interest in backing Prism on the Oakland Gateway development project.

### 2. PROJECT CONCEPT

#### A. Advantages/Strengths

- Appears to have a sophisticated approach to the development opportunity: They demonstrated that they are familiar with the site and Oakland's development context, and they came up with a feasible mixed-use project proposal that is financially feasible.
- Although retail is the dominant use, it achieves a respectable density and has strong urban design elements to it.
- The project achieves a critical mass of retail, office, and hotel uses in order to create a mixed-use center that can stand on its own and also extend retail and office development south from Emeryville into West Oakland.
- Exactly 108 acres requested
- Over 5,000 jobs
- Good jobs per acre: 46 jobs per acre
- Because mixed use, could be flexible in mix.
- Strong retail component
- Ferry idea could enhance the retail experience and access.
- Good green development ideas
- Good recognition of infrastructure issues
- Big logistics area
- Green space buffer
- Ped/bike interaction
- Seems in line with the City's vision
- Iconic development – nice presentation for the entire development area
- West Gateway a reflection of the Jack London Square area.
- Provides support (but a little unclear) for the Port.
- Address the importance of "drawing power" to make this development stand out.
- Attraction point for bike riders, runners, family walks, etc.
- Interesting architectural concepts
- Boardwalk "Fun Zone" for community

B. Disadvantages/Weaknesses/Concerns

- Not clear how project could benefit Port activities.
- Uncertain how vertical can go on this site.
- Ferry terminal/marina is a misguided concept and would be infeasible due to the conflicts with Port container vessels using Berths 21-23.
- Hotel at the West Gateway raises construction cost concerns given fill soils and need for piles.
- Adjacent to the New Berth 21 backlands is a questionable location for a retail site.
- The proposed Oakland 'O' is half the size of the London Eye, but proposal is not clear on its financial viability as an attraction.
- The retail proposal along with the Oakland 'O' proposal would bring jobs, however, these jobs would consist of minimum wage positions.



- The proposal dismisses public transportation, which would have increased the number of pedestrians.
- The intensive retail and hotel uses (and, to a lesser extent, the office uses) could cause traffic conflicts with the adjacent Port uses – although this could be partially mitigated with expensive reengineering of the surface streets.
- Project area infringes on Port's East Gateway area.

### 3. QUESTIONS/MISSING INFORMATION

- Given the strong reputation of this firm, we were surprised at the amount of specifics that are missing from this response. It seems short, vague, and poorly organized compared to other responses.
- Proposal shows impressive vision, many images, nice presentation, but is lacking in specific write-ups for the areas, making it difficult to pin down exact concepts.
- Need more information on capacity and on who will actually be doing the work.
- Detailed financial information missing.
- Unclear reference to giving \$20K per acre to the West Oakland Community fund.
- With all the industrial development, how do they envision making this site easily accessible as an attraction for joggers, bicyclists, etc.?

### 4. GENERAL POLICY ISSUES

- Should the GDA be considered primarily a retail/office opportunity (playing off Emeryville and the freeway exposure) or an industrial/office opportunity (playing off the Port and rail/freeway access)?

## ProLogis/Catellus

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Very strong team with direct experience developing large-scale retail and/or industrial campuses
- Proven capacity for major project development
- Impressive vision
- Connectivity with Port
- Understanding current development plans
- Touched all of the bases
- Good job creation count
- Strong team with operating and leasing experience
- Ability to complete project
- Good financial capacity
- Only proposal to discuss marketing. Marketing discussion was unique amongst the proposals and welcomed.
- Solid experience, including California and local; some experience with biotech
- High sales projections; projects taxable sales revenue to be in excess of \$1 billion.
- Thorough, well presented, clearly a leader in the industry
- Experience with industrial facilities in Asia, world-wide ports
- Strong financials
- ProLogis appears to have the strength and the vision to partner in the local market.
- This is perhaps the strongest team in terms of their credibility and capacity to provide a comprehensive, effective community benefit package. Social responsibility and community benefits appear to be central to their corporate philosophy and integrated into all aspects of their operations. They provide evidence of past collaborations with local communities. They provide specific information on how they would develop a collaborative, comprehensive approach to community benefits in Oakland.
- They have an office based in Oakland. In addition, they claim to be in the process of selecting a local development partner.

#### B. Disadvantages/Weaknesses/Concerns

- Team consists of all in house.
- No local equity participation.
- Local business team participation is weak.

## C. Financial Capacity Analysis

- ProLogis operates the world's largest portfolio of industrial distribution facilities totaling more than 500 million square feet in 118 markets globally.
- 25% of ProLogis' entire industrial portfolio consists of more than 100 million square feet of high-quality distribution space serving ports in Asia, Europe and North America which ProLogis owns, manages and operates.
- Fund management business consists of more than \$12.2 billion of industrial assets under management.
- Retains 10-25% interest in all of their funds which enables them to leverage operating system and achieve higher returns on capital.
- ProLogis doesn't provide many numbers in terms of their financial capacity, so it is hard to analyze the company with an in-depth perspective.

## 2. PROJECT CONCEPT

### A. Advantages/Strengths

- The project achieves a critical mass of industrial (1,448,000sq.ft.), office (960,000sq.ft.), and retail (370,000s.f.) uses in order to create a mixed-use center that can stand on its own yet project economic energy out to adjoining areas in West Oakland.
- Understands site and has good approach to environmental, financial, urban design, green development, and local participation issues. Their addressing of traffic circulation is greatly appreciated.
- This appears to be a solid, economically feasible approach that achieves an advantageous mix of uses and a relatively urban level of density – with an outstanding 0.63 FAR.
- The proposed project generates 7,920 well-paying jobs, which equates to 73.3 jobs per acre – one of the very highest figures among any of the teams.
- Major focus on using recycled products to mitigate the impact of the development on the environment.
- The office campus at the West Gateway is an exciting solution and may lend itself to iconic architecture, as desired in the RFQ.
- Closest to complete response to the RFQ. Exactly 108 acres, as per RFQ request.
- Possibly the best proposal in the group.
- Proposed including produce market and film studios.
- Good green development
- Good design/aesthetics
- Addresses sustainable jobs, (green design), and supports some port activities.
- Only proposal to discuss traffic circulation
- Includes truck parking and services on 14 acres
- Good environmental/infrastructure discussion

- Using local talents for art
- Using local teams for engineering/design
- Promotes green internally: Energy Star, LEED, green/sustainable design concepts.
- World & Trade Center vision, very global
- Connection to existing lands and from across the bay
- Mentions ped & bike connectivity.
- Phasing well thought out.
- Compatible land use with City's goals
- Proposed development for the largest area of land among developers.

#### B. Disadvantages/Weaknesses/Concerns

- How vertical can we go on this land and is a mega-facility realistic?
- Plan calls for several tall buildings – cost to build high on fill could be prohibitive.
- Uncertain that a multi-story logistics building is feasible or viable here.
- Logistics and cross-docking activities cannot afford the costs.
- Proposal highlighted Port experience, but amount of truck parking and services and logistics/Port support was disappointing.
- Concern that hotel is not large enough to be self-supporting without other uses.
- Odd mix of industrial, retail and restaurant tenants.
- Job generation not broken down by land use.
- Traffic could become issue – this is a dense development, relative to others.
- A bit “too much” in terms of uses/combinations/density in this area.
- “Gateway” is framed by a gigantic building – is this in line with the City’s vision?
- Not particularly imaginative or able to achieve a stunning gateway presence.
- Appealing concept for the 16.5-acre shoreline park; however, an above-ground parking structure at the same location will take away from the appeal of the park.
- Austin (the city compared to Oakland for the museum proposal) has a lot more open space for alternative energy development.

#### 3. QUESTIONS/MISSING INFORMATION

- Need to elaborate on local partnerships
- They have a lot of Port experience from stated qualifications, but coordination/support activities are unclear.
- Do they envision the City maintaining the costs of the art museum?
- Where do they expect the alternative energy development to take place?

#### 4. GENERAL POLICY ISSUES

- Desire for exciting, attractive gateway development vs. economically feasible, location appropriate, job-generating, successful development.

**TIER 2: FULLY RESPONSIVE SUBMITTALS THAT  
PROPOSE A SMALLER PROJECT FOR A PORTION OF THE RFQ SITE**

**Jones Development Co.**

1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

A. Advantages/Strengths

- Clear goal and focus
- Experience in Oakland
- Seems to have sufficient financing.
- Indicates will hire from West Oakland community.

B. Disadvantages/Weaknesses/Concerns

- Team does not have a Master Developer.
- Not clear that the 14 produce merchants listed in the proposal are committed to working together and relocating to base.
- Team should clarify strategy for local hiring.
- Wholesale market would generate low sales tax revenues, although concept of adding off-hours retail public market would add to sales tax.
- Does not have experience with former military base projects.

C. Financial Capacity Analysis

- Jones Development Co. mentions that this project should not differ any from their past projects financially, raising the question of what that financing is like and what happens if the market continues to deteriorate.
- Major borrower of Wells Fargo, Mechanics Bank, Bank of the West and G.E. Credit of Richmond. Have had verbal commitments from each of the four for this project.
- Currently, Jones Development Co. is 99.7% occupied.
- Loan-to-value ratio is 43.85% with an average Net Income to Debt Service spread of 2.03 with present operating cash on hand exceeding \$3 million.

2. PROJECT CONCEPT

A. Advantages/Strengths

- Project would ensure retention of well-established, historic, Oakland-based, regional business that operates in a strategic industry (food services) and provides good jobs.

- Preservation and retention of the produce market is a long-standing community concern, voiced by WOCAG and others.
- Land use is consistent with warehousing and other logistics activities planned for the East and Central Gateways. There would be no traffic conflicts. Therefore, it could be relatively easy to identify a 10-15 acre parcel for them in the overall project.
- Project considers reuse of historic warehouse on site.
- Move of Produce Market to GDA would free up space near Jack London Square.
- Could be some opportunity to include tenants from the San Francisco Flower Mart.
- Location would be close to many forms of transportation, such as railroads, highways, and shipping.

#### B. Disadvantages/Weaknesses/Concerns

- Proposal is for only 15-20 acres of the RFQ area, and therefore provides a solution for a relatively small portion of the GDA.
- Removing 10-15 acres from the RFQ site could affect the overall economic feasibility and desirability of the primary, large-scale development.
- Proposed reuse of warehouse could be aesthetically incompatible with other development in area.
- Project contains no port support.
- The proposed retail component could be problematic in such an industrial location that is isolated from the rest of Oakland. Would there be sufficient public ambience to attract people to a farmers market? Public-serving uses could have traffic conflicts with trucks.

#### 3. QUESTIONS/MISSING INFORMATION

- What is the economic viability of the produce merchants? Can they pay rent sufficient to cover the debt service on a new, modern construction?
- Do they have the capital to construct a new facility?
- Will they generate too much traffic? What would the traffic impacts be?
- Is a flower market financially feasible at this location?
- Would this development conflict with the building of Harvest Hall in Jack London?
- Is there sufficient growth potential for this industry to make it a viable development choice for the GDA?
- Proposal does not provide details on the benefits of the project, e.g., number of jobs retained and new jobs created.

#### 4. GENERAL POLICY ISSUES

- Activates redevelopment opportunity in Jack London Square.
- Facilitates greater access to healthy, fresh food for Oakland residents.

- Supports the restaurant/food industry, which plays a key role in downtown development and neighborhood commercial revitalization.
- How should we deal with smaller proposals? If there are too many, they could erode the development area and financial feasibility for a master developer. To what extent do we want to force marriages among proposed tenants and the Master Developer?
- Should the GDA development be used for retention of established industries or for attraction of new, future-oriented industries?
- How committed is the City to preserving those jobs and helping the produce market to relocate in Oakland?
- A retail component could be incompatible with other proposed uses, unless we decide to do significant retail development at the GDA or locate it adjacent to a retail development on a portion of the GDA. Perhaps it would be better to envision this as a straight wholesale development.

## M&L Commodities

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Proven ability to do a project of this scope
- Environmentally ahead of the curve
- Proven financial capacity; well-financed
- Experience with BRAC
- California experience; 400,000 square foot cold storage facility in Stockton
- Previous project in Vernon was 95% occupied in 60 days.
- Recognized by Food Safety in 2005.
- Dole Foods Company recently bought 50% of proposal partner, "Inland Cold Storage."

#### B. Disadvantages/Weaknesses/Concerns

- Proposal consists of more information on Inland Cold Storage than on M & L Commodities.

#### C. Financial Capacity Analysis

- M&L Commodities, P.K.G. Industries and the estates known as the "Girdner Family" have utilized a series of tax strategies that use techniques such as generating skipping and gifting of asset ownership.
- Has deposit accounts with three separate banks.
- Has a loan from East West Bank in the low eight figures and has deposits in the low seven figures.
- M&L Commodities, partnered with Southwest Hid Co. out of Idaho has maintained a banking relationship with Wells Fargo for over 23 years consisting of treasury management products, commercial borrowings, and demand deposit account opened since 1985.
- Wells Fargo currently has an extended secured committed line of credit to M&L Commodities in the moderate eight-figure range.

### 2. PROJECT CONCEPT

#### A. Advantages/Strengths

- Estimates approximately 60 workers per 100,000 square feet of development.
- Project would generate significant employment tax, property tax, and sales tax revenue for the City.



- Proposed project very compatible with Port needs.
- Supports Port/Maritime economy – could provide key assistance to Port of Oakland in achieving greater share of the container market.
- Fuel cell is interesting green concept.
- Promotes growth of import/export – products are akin to “market niche.”
- Committed to green tech.
- Familiar with Port and distribution processes.
- Storage facility proposal involves the use of methyl bromide-free fumigation which will eliminate the use of outside power, thereby is “ozone friendly.”
- Simple project executed by strong, experienced company could indicate a high likelihood of success.
- Land use is consistent with warehousing and other logistics activities being considered for the East and Central Gateways. There would be no traffic conflicts. Therefore, it could be relatively easy to identify a 10-15 acre parcel for them in the overall project.
- *Will use low to zero emissions.*

#### B. Disadvantages/Weaknesses/Concerns

- Not a Master Developer proposal; only 5-10 acres requested, specifically in the Central Gateway just below proposed Berth 21.
- 120 jobs only
- Low jobs/acre
- Needs wharf, but no discussion of wharf rehab/dredging, etc.
- Proposes to serve existing clients; does not identify new clients
- No environmental, geotechnical or regulatory discussion
- Green development is weak.
- Makes good tenant, but probably not the best use for the Central Gateway.
- Does not fit with the “Gateway vision” concept for Central Gateway.
- Not very in-depth analysis of the proposed projects
- M & L is saying that Oakland’s development will be similar to Stockton’s; however, Stockton’s project is not completed.
- Very repetitive throughout the proposal.
- Removing 10-15 acres from the RFQ Site could affect the overall economic feasibility and desirability of the primary, large-scale development.

#### 3. QUESTIONS/MISSING INFORMATION

- Could they fit within the scheme of the chosen Master Developer?
- Could the Port accommodate this business on its property?
- Are there environmental concerns about the use of methyl bromide?
- Do they intend to bring the Stockton Cold Storage team to Oakland or create new jobs?

#### 4. GENERAL POLICY ISSUES

- To what extent do we want to make Master Developer accommodate other tenants?
- How much should the Agency urge the Port to accommodate such operations?
- Proposed facility could spur growth of shipping (import/export) through Port of certain agricultural products. Need to consider long-term profitability, revenues for City/Port.

## Oakland Film Center

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Established operation
- Seems very capable
- Previous experience
- Financial capabilities
- Already on-site, occupying 800-series buildings
- Committed to green, community involvement, job training
- Familiarity (through Greenstone, local partner) with base closures and urban waterfronts
- Labor and union commitment
- Local partnership

#### B. Disadvantages/Weaknesses/Concerns

- Currently the group gets a subsidized rent at the base.
- It is unclear how the revenue generated by this project will directly benefit the City.

#### C. Financial Capacity Analysis

- The Oakland Film Center Business Association has not selected a developer, but rather has assembled a design and pre-development team that can carry out the planning and pre-development phase of the project. Therefore, at this point, there is no Financial Capacity analysis to be done.

### 2. PROJECT CONCEPT

#### A. Advantages/Strengths

- Proposal presents an exciting vision that has been worked out by a team of knowledgeable professionals who have existing experience with the film industry and Oakland.
- Project would facilitate retention and dramatic expansion of well-established, Oakland-based, regional business that operates in a strategic industry (film production).
- The arts, design and digital media industries are emerging sectors that have potential for growing Oakland's economy and leading to high quality job creation.
- The project addresses the much needed local employment opportunities for the economically-disadvantaged community of West Oakland.

- Flexible in site requirements; could be located anywhere.
- Respondents are aware of the Mayor's Green Initiative by proposing a 240,000 square foot, state of the art, "green film" and television production studio on the Army Base.
- Fostering a creative industry is an effective way to strengthen and diversify the local economy with low impact to the environment.
- The project demonstrates a good green component: LEED silver, green roofs, rainwater harvesting, etc.
- Although the project has no "Gateway" concepts, such a high visibility cluster could generate an exciting sense of place.

#### B. Disadvantages/Weaknesses/Concerns

- Not a Master Development Plan, only 22 acres.
- The proposed 22-acre land area would dramatically reduce the overall economic feasibility and desirability of the primary, large-scale development of the RFQ. It may be better to seek an alternate location for this concept, or explore options that would require less land area in the GDA.
- The proposal gives a mixed financial picture.
- The proposal indicates few high paying jobs.
- There is no "Oakland focus" in the project.
- There is no port support in the plan.

#### 3. QUESTIONS/MISSING INFORMATION

- It is not clear from the proposal what they really want.
- What is their business plan?
- Proposal did not address the number of jobs this would create, although it is understood that such activities often involve temporary work on a project basis.

#### 4. GENERAL POLICY ISSUES

- How do we treat smaller proposals? Do we want to consider a 22-acre development?
- This proposal makes sense if the City has a larger vision and strategy to attract film production into West Oakland. Without such a vision, this proposal does not achieve its potential public benefit – or justify the erosion of 22 acres from the master development opportunity. We recommend (a) developing such a strategy; (b) including a scaled down version of this proposal in the GDA development program; and (c) looking for a 5-10 acre site on Mandela Parkway where they could build a Phase 2 to accommodate the rest of their proposal.

## PCC Logistics

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Current container freight station tenant that supports Port operations
- Would retain 200 well-paying jobs
- Experienced, local team to support all aspects of the project
- Local job training program
- Labor and union affiliations
- Significantly adds to the local tax base of the City of Oakland.
- Would reuse a section of the existing historic warehouse Building 808 and rehab it to a "greener" standard.
- PCC has been in the warehousing and trucking business for 20 years in Oakland; shows commitment.
- Familiar with Port and City activities
- Over-sized/over-weight freight handling specialists

#### B. Disadvantages/Weaknesses/Concerns

- Local team members not yet identified.
- Environmental and financial consultants not yet selected.
- Developer representative seems to only have residential project experience. Question ability to develop.

#### C. Financial Capacity Analysis

- Did not submit any financial capacity information, but said it was available upon request.

### 2. PROJECT CONCEPT

#### A. Advantages/Strengths

- Proposal would ensure retention of well-established, historic, Oakland-based, regional business that operates in a strategic industry (transportation/logistics) that was identified by City's Economic Strategic Plan.
- Land use is consistent with warehousing and other logistics activities planned for the East and Central Gateways. There would be no traffic conflicts. Therefore, it could be relatively easy to identify a 10-15 acre parcel for them in the overall project.

- Supports port/maritime economy; could provide key assistance to Port of Oakland in achieving greater share of the container market.
- PCC provides key services for Customs & Border Protection, as well as other agencies (e.g., FDA, USDA), so needs to be located near Port. The project in this proposal would consolidate its three facilities on 14 to 20 acres.
- Project would support the Agency's planned trucking services developers on the East Gateway: Oakland Maritime Support Services (OMSS) and Bay Area Kenworth (BAK).
- Proposal articulates a role in the Mayor's Initiative of a Green Sustainable City. Proposal is cognizant of air quality issues with exhaust fumes and traffic congestion, and understands major changes coming related to clean trucks.
- Proposed location provides proximity to the highways and railroads for a container freight station warehouse.

#### B. Disadvantages/Weaknesses/Concerns

- Not a Master Development plan, only 14 acres proposed.
- Low jobs per acre: approximately 7 jobs per acre.
- Availability of a rail spur in that area is still uncertain. (The lack of a rail spur would reduce the utility of the site to PCC.)
- Proposed green development is weak.
- Proposal of a high-rise warehouse structure does not consider the cost or complexities of building on fill soils. Proposal has no environmental or geotechnical discussion.
- Proposal only focuses on warehousing, trucking and industrial uses.
- No new job creation is mentioned in the proposal.
- Removing 10-15 acres from the RFQ site would affect the overall economic feasibility and desirability of the primary, large-scale development.
- PCC expresses an interest in working with the Agency to select a developer with demonstrated experience that can construct a build-to-suit warehouse facility on behalf of PCC Logistics.

#### 3. QUESTIONS/MISSING INFORMATION

- Financial capacity information
- Need more clarity on job creation and quality.
- Could they actually work around the other developments in the East Gateway?
- No map or graphics provided.
- Proposal states that trade industry performance and growth are declining, but at same time PCC is seeking to expand. Is that contradictory?

#### 4. GENERAL POLICY ISSUES

- This is a key tenant; however, not a master developer. Consider how to ensure this business service is retained.
- How does this tenant fit into the big picture of the GDA development?
- Should the GDA development be used for retention of established industries or for attraction of new, future-oriented industries?
- How much should the Agency urge the Port to accommodate such operations?

### TIER 3: NONRESPONSIVE SUBMITTALS

#### Triamid Galaxies

#### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

##### A. Advantages/Strengths

- Interesting project name
- Strong local participation
- Strong union ties
- Local teams
- Capable design team that is familiar with Oakland and sincere in wanting to create something special and visionary for Oakland.
- Development team familiar with Oakland.
- Understands regulatory environment.
- \$17.5M tax revenue per year
- Discusses the generation of \$16 million in taxes to Oakland

##### B. Disadvantages/Weaknesses/Concerns

- Should have addressed lack of Master Developer much earlier in the process.
- Qualifications to implement a project of this magnitude are questionable.
- No demonstrated ability to attract required capital or necessary partners required to implement concept.
- No financial reality; lacks funding

##### C. Financial Capacity Analysis

- In their submittal, under Financial Capacity, they say, "Please see the transmittal letter," but that provides no financial information. They were not able to complete the RFQ proposal in the time allotted, and asked for an extension from the City, so that could be the reason for their lack of financial information.

#### 2. PROJECT CONCEPT

##### A. Advantages/Strengths

- This proposal complies with all of the City's goals and requirements, but above all provides the vision to truly distinguish Oakland from any other East Bay cities as well as from San Francisco. A unique "global" identity.
- Iconic design. Bold design statement, but maybe unrealistic
- Diverse array of projects including infrastructure that supports Port



- Environmentally friendly concept
- Green/sustainable design concepts
- World & Trade Center vision
- Connection to existing lands and from across the bay
- Unique "Walk of Fame", "Solar City"
- Phasing well thought out
- Job generation of 10,000
- Committed to keeping homeless shelter and JATC job training facility.
- Compatible land use with City's goals; project includes: logistics, creative/office, major 450 bed hotel, R&D campus, mix use, parking structure with 12 acres of solar panels.
- Stunning design factors and Gateway ambience. Project vision generates the most excitement of all the proposals.
- Would generate 100% of its power requirements.
- Definitely would address the Green Initiative, LEED Project
- Interesting ideas about green development.
- Claims to generate 10,000 jobs – or 92.6 jobs/acre – although this seems out of step with most of the other submittals and is not substantiated.

#### B. Disadvantages/Weaknesses/Concerns

- No Master Developer
- Some of the concepts do not seem fleshed out, even for an RFQ (e.g., international trade, etc).
- Job estimates appear questionable.
- Concept not as flexible as other proposals.
- Design a bit "over the top." Green design is interesting, but seems a bit unrealistic.
- Structure proposed for Port support costly and may not be supported by revenues derived from logistics.
- Extreme weight of solar panels could make use on the filled area problematic and costly.
- Development concept and design do not seem to be rooted in financial reality.
- There could be serious development issues at the site for this project.

#### 3. QUESTIONS/MISSING INFORMATION

- Is the team capable of seeing the project through to completion?
- There is no justification or narrative explaining the 10,000 jobs generated.
- There are many questions about the financial viability of this submittal.
- The proposal does not discuss the type of tenants that would occupy the site.
- They envision a vibrant international trading and business center, but without more specifics and a Master Developer on-board it is difficult to take it seriously.

#### 4. GENERAL POLICY ISSUES

- Do we allow a respondent to submit information on the development team after the deadline considering they lost their Master Developer during the process of producing their proposal?
- Desire for exciting, attractive gateway development vs. economically feasible, location appropriate, job-generating, successful development.
- We like the idea of a Walk of Fame in Oakland, but the concept may be more suitable in Jack London Square.

## W&E Group, Inc.

### 1. DEVELOPER TEAM QUALIFICATIONS AND EXPERIENCE

#### A. Advantages/Strengths

- Proposed Jobs

#### B. Disadvantages/Weaknesses/Concerns

- They have omitted important information about the identity of their team, their past experience, and financial and technical capacity to undertake a 50-acre development.
- Absolutely no indication of their ability to develop such a gigantic, ambitious project.
- Unable to evaluate financial structure of the venture.
- No verification of the source of capital.
- Limited ties to community.
- Unrealistic business concept. Funding plan sketchy.

#### C. Financial Capacity Analysis

- References given are in Chinese, so unable to evaluate.
- Approximate cost for the proposed project is \$3.4 billion.
- Will have \$100 million for the initial capital and the rest will be funded through potential investors.
- According to proposal, W&E will raise capital through various investors in a total amount of \$2.65 billion. This raises concern of how they arrived at this number and how they are able to be so certain.

### 2. PROJECT CONCEPT

#### A. Advantages/Strengths

- Construction and building design
- Ties to China
- Innovative concept and design
- Addition of 4,000+ Chinese companies
- Small Enterprise geared to expansion of Asian market.
- A gigantic "O" structure signifying Oakland
- Job generation considerable, if each of the 4,000 companies hires a few employees.
- Consistent with City's goals to develop international trade.

## B. Disadvantages/Weaknesses/Concerns

- Does not meet the criteria contained in the RFQ
- Not a Master Developer proposal; only 50 acres requested
- Vision too narrow
- Limited ties to Port
- No real Oakland context
- *Claim of 20,000 jobs difficult to understand or substantiate.*
- No mention of any of the RFQ requirements or goals
- Building a highrise structure (20 floors with the top 15 as a hotel) with such a massive a floorplate in Bay mud would require an extraordinary foundation system involving literally thousands of piles. The developer gives no indication that they are familiar with the soils conditions of the site or what would be required to construct their building.
- The abnormal floorplate may make it difficult to lease except to a very specialized tenant submarket.
- The broad, massive cross-section would visually block views of the Bay (and Oakland) and probably would be opposed by BCDC.

## 3. QUESTIONS/MISSING INFORMATION

- There is no evidence to substantiate the claim of so many businesses being willing to locate here.
- Footprint not clear
- Lacks a lot of detail. No green development is mentioned.
- Some attachment material not translated from Chinese; unable to evaluate.

## 4. GENERAL POLICY ISSUES

- Dedication of the GDA solely to such a massive China trade center may not be the best use of the development opportunity.
- Building such a large structure is an issue from a construction and cost perspective.
- This may not be the best location for expo/trade space.

**Attachment F:**  
**List of RFQ Review Panel Members**

## Master Developer RFQ Review Panelists

Name	Title/Affiliation	Area Represented
Dan Lindheim	Director, Community and Economic Development Agency	CEDA
Gregory Hunter	Deputy Director, Economic Development and Redevelopment	Redevelopment
Eric Angstadt	Planner, Community and Economic Development Agency	Planning/Urban Design
Marisa Arrona	Staff Member, Office of Councilwoman Nancy Nadel	Council – District 3
David Chai	Chief of Staff, Mayor's Office	Mayor's Office
Zac Wald	Chief of Staff, Office of Councilwoman Jane Bruner	Council – CED Committee Chair
Judith Blackwell	Executive Director, Oakland African American Chamber of Commerce	Minority Chambers of Commerce
George Bolton	President, West Oakland Community Advisory Group (WOCAG)	WOCAG
Ray Carlisle	Oakland Workforce Investment Board	Mayor's Office task force
Sharon Cornu	Executive Secretary-Treasurer, Alameda Labor Council, AFL-CIO	Labor Issues
Karen Engel	Economic Development Director, Oakland Metropolitan Chamber of Commerce	Oakland Partnership
Norman Hooks	West Oakland Commerce Association	Economic Development Task Force