

**ECONOMIC AND WORKFORCE DEVELOPMENT  
MICHAEL COHEN, DIRECTOR**



**CITY AND COUNTY OF SAN FRANCISCO  
GAVIN NEWSOM, MAYOR**

**Request For Proposals  
For Interim Uses on  
Former Central Freeway Lots**

**CITY AND COUNTY OF SAN FRANCISCO  
Gavin Newsom, Mayor**

**Issued by:  
Mayor's Office of Economic and Workforce Development  
City Hall, Room 448  
San Francisco, CA 94102**

**Contact:  
Richard Hillis  
(415) 554-4082  
[rich.hillis@sfgov.org](mailto:rich.hillis@sfgov.org)**

**Request for Proposals for Interim Uses on  
Former Central Freeway Lots**

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A. Site Map

## I. The Opportunity

The City and County of San Francisco ("City"), through its Mayor's Office of Economic and Workforce Development ("MOEWD"), is seeking proposals from qualified respondents for interim uses on several vacant lots in the City's Hayes Valley neighborhood that were vacated as part of the demolition of the former Central Freeway and construction of Octavia Boulevard.

The City envisions interim uses that will activate these parcels to provide additional amenities to the public and promote economic development, until the economy will allow for housing development on these sites.

### A. The Parcels

The City is interested in activating nine (9) vacant parcels along Octavia Boulevard. The map in Appendix 1 delineates these parcels, which are further described below:

<b>Parcel</b>	<b>Location</b>	<b>Size</b>
Parcel K	SE Corner Hayes and Octavia	12,000 sq ft
Parcel L	NE Corner Hayes and Fell	4,500 sq. ft
Parcel M	SE Corner Hayes and Fell	1,800 sq ft
Parcel N	NE Corner Hayes and Oak	1,800 sq ft
Parcel O	SE Corner Laguna and Fell	37,000 sq ft
Parcel P	NW Corner Octavia and Oak	49,500 sq ft
Parcel T	SE Corner Page and Octavia	5,500 sq ft
Parcel U	NE Corner Haight and Octavia	5,500 sq ft
Parcel V	SE Corner Haight and Octavia	12,200 sq ft

Parcels M, N, P and V were the subject of an earlier RFP for the development of housing. The City is negotiations to develop these parcels for housing, but development is not anticipated to take place for at least three years on these parcels.

Parcel K and P and currently utilized, in part, for parking. The City would consider alternative uses for these parcels that are more consistent with the City's goals and objectives outlined in this RFP

## **B. Background**

The City has worked with the neighboring Hayes Valley community for over a decade to develop Octavia Boulevard and its surroundings after the demolition of the Central Freeway from Fell Street north to Turk Street.

The City conducted a community-based public planning process, to determine the re-use strategy for the twenty-two (22) Central Freeway right-of-way parcels transferred by the State of California to the City due to the demolition of the freeway. The parcels that are the subject of this RFP are part of the parcels transferred by the State to the City

Together, the City and residents have supported a strategy for development of Octavia Boulevard and the excess parcels that has been guided by the following goals:

- Construct Octavia Boulevard and all of its associated improvements;
- Reconnect the physical fabric of the neighborhood;
- Provide the maximum feasible number of housing units on the excess parcels, including housing units affordable to low and moderate-income households; and
- Promote innovative urban infill architectural design.

Pursuant to these goals, the City expects approximately seven hundred (700) to one thousand (1,000) new housing units to be developed on the excess parcels, of which approximately fifty percent (50%) will be affordable.

Due to the current economic conditions, the City does not expect to sell many of the remaining excess parcels for housing development for at least the next three years. In the interim, the City hopes to utilize some or all of the vacant parcels for interim uses that will activate these spaces.

## **II. Key Lease Terms**

Upon successful completion of negotiations with the selected Respondent, the City anticipates entering into a lease for the site. This Section briefly describes key lease terms required by the City. The actual terms of the lease will be negotiated with the City staff.

**A. Rent**

The lease will include a minimum base rent.

**B. Term**

Not to exceed three years in length with a possible lease extension options depending on specific circumstances regarding the proposed use and the specific parcel.

**C. Maintenance/Repairs**

Lessee shall keep the premises clean, neat, safe, sanitary and in good order at all times. Lessee agrees to remove all waste, trash, rubbish, papers, cartons and refuse from said premises, to pick up trash and debris in the immediate vicinity of the premises and dispose of trash in containers provided by lessee that are large enough to adequately serve the needs of the facility.

**C. Subordination**

The City's fee ownership and rental income stream will not be subordinated.

**D. Security Deposit and Performance Bond**

In connection with the lease, the lessee, upon signing the lease, will be required to provide a security deposit equal to one month's rent.

**E. Insurance Requirements**

Lessee will be required to retain insurance policies as directed by the City.

**F. City Contracting Requirements**

The lessee shall comply with all applicable City contracting requirements, including, without limitation, the City's Non-Discrimination in Benefits Ordinance, Minimum Compensation Ordinance, Health Care Accountability Ordinance, First Source Hiring Program, and Conflict of Interest Ordinance.

**III. RFP Schedule and Selection Process**

**A. Schedule**

RFP issued:	December 1, 2009
Earliest Consideration of Proposals	December 31, 2009
RFP Closes	May 30, 2010

**B. Pre-Submittal Questions**

Any requests for information or clarification of this RFP must be submitted in writing by email to Rich Hillis at Rich.Hillis@sfgov.org. No oral inquiries will be answered.

Written responses to all questions directed to City staff will be posted on the City’s web page for this RFP. Therefore, the City strongly recommends that interested parties consult the website frequently to determine if new information regarding the RFP is available.

**C. Submittal Contents**

Proposals submitted in response to this RFP must meet the specifications set forth herein. Any major deviation from these specifications will be cause for rejection of the proposal at the City's discretion. The content and sequence of the proposals are to be as follows:

**1. Cover Letter**

A cover letter should be provided describing the respondent, the name and address of the entity submitting the proposal, the date the entity was established, and the name, address, and telephone number of the person or persons who will serve as the entity's principal contact person with the City and be authorized to make representations on behalf of the entity. The letter must bear the original signature of the person having proper authority to make the proposal for the entity.

**2. Proposal Summary**

A brief synopsis of the highlights of the proposal should be presented which summarizes the key benefits of the proposal to the City.

**3. Statement of Qualifications**

- A description of history, principal ownership structure, and staff of respondent.
- Experience and abilities in developing and managing similar facilities.
- Written references from relevant professionals or companies with whom respondent has worked.

**4. City Goals and Objectives**

The proposal should demonstrate how it would advance the City’s goals, as outlined below:

- Activate underutilized, vacant parcels
- Provide additional amenities to the public and/or promote economic development
- Provide revenue to the City.

**5. Proposed Use/Concept Plan**

Description of respondent’s plans for developing and operating the facility should be included, including any proposed improvements to the site. At a minimum, the plan should describe:

- How respondent plans to operate the venture proposed.
- Identified partners for the project, if any.
- A description of any improvements to the property with estimated cost and value and renderings/drawings, if appropriate.
- The market for the services proposed including identifying competitors and unique features of the proposed project that will meet the market demands.
- A description/drawing of proposed improvements on the site.

**6. Proposed Financial Terms**

At a minimum, the proposed financial terms should state the base rent to be paid to the City, and all other proposed financial terms so the City fully understands the intent and basis of the proposal.

**D. Submittal Deadline**

<b>Earliest Submittal Deadline:</b>	December 30, 2009 at 5:00 P.M.
<b>Email Address for Submittals:</b>	Rich.Hillis@sfgov.org

In order to reduce the amount of paper and other resources used in generating RFP proposals, the City will only accept proposals submitted electronically. Proposals must be **sent by email** to:

Rich Hillis  
Rich.Hillis@sfgov.org

Proposals may be submitted after the initial submittal date of December 30, 2009 and will be reviewed on a rolling basis every 30 days for parcels that have not been leased. Proposals received by the initial submittal date of December 30, 2009, will be reviewed and evaluated in early January.

## IV. Evaluation of Proposals and Award

### A. Selection Process Generally

All proposals will be evaluated by the City in accordance with the criteria and procedures identified in this RFP. Without limiting any of its rights described in Section VII below, the City reserves the right at its discretion to make a selection based directly on the proposals submitted or to negotiate further with one or more of the respondents. The respondent selected under this RFP will be chosen on the basis of its apparent ability to best meet the overall objectives of the City, in its sole and absolute discretion.

A selection panel shall assist with this review and shall score the proposals according to the point system and criteria listed in this RFP. Interviews with individual respondents may be required. In addition, staff may, at its sole discretion, independently investigate the qualifications of certain respondents and/or conduct interviews with members of certain respondents' team. The City reserves the right to request clarification or additional information from a respondent.

### B. Selection Criteria

#### 1. Minimum Qualifications

Each respondent must individually or collectively, in the case of an entity or joint venture, possess the following minimum experience to be considered as a possible candidate for this opportunity:

- 5 years experience in the proposed business.
- Sufficient financial capacity to undertake the proposal.
- The ability to obtain all required insurance policies required and all necessary leases and licenses required by the City.

Any proposal that does not demonstrate that the proposer meets these minimum requirements by the deadline for submittal of proposals will be considered non-responsive and will not be eligible for award of the contract.

#### 2. Evaluation Criteria

A selection committee will use the following criteria in evaluation the responses to the RFP:

	<b>Evaluation Criteria</b>	<b>Points</b>
a.	<b>Experience, Qualifications, and Financial Capability:</b> <ul style="list-style-type: none"><li>• Experience in developing, managing and operating projects of comparable size, visibility and expense.</li><li>• Experience and qualifications of respondent and key personnel related to consistent quality management, maintenance, and operation of other</li></ul>	40

	business enterprises. <ul style="list-style-type: none"> <li>• Demonstrated experience, history, or relationships in providing goods and services.</li> <li>• The respondent's ability to finance the proposed project.</li> <li>• The respondent's overall financial track record.</li> </ul>	
b.	<b>Use/Concept Plan</b> <ul style="list-style-type: none"> <li>• Consistency of the proposed project with the goals and objectives of the City, as outlined in the RFP.</li> <li>• Viability of proposed use plan.</li> <li>• Project's ability to enhance the surrounding neighborhood.</li> <li>• Respondent's plan and capacity to market and promote the facility.</li> </ul>	40
c.	<b>Proposed Financial Terms:</b> <ul style="list-style-type: none"> <li>• The proposed annual rent.</li> <li>• Amount of total projected revenue to the City and the reasonableness of respondent's underlying assumptions.</li> </ul>	20
	Total points	100

### C. Selection Committee

Following the City's receipt of submittals, the City will implement the following evaluation process of timely, complete and responsive submittals from qualified respondents. A selection committee consisting of City staff and other appropriate parties will evaluate the submittals of each respondent based on the minimum qualifications and selection criteria outlined above. Selected respondents may be interviewed by the selection committee. Those submittals meeting the minimum qualifications will be scored and ranked by the selection committee.

The City reserves the right to request clarification or additional information from individual respondents and to request that some or all respondents make presentations to the City staff, the Recreation and Park Commission, community groups and/or others. The City further reserves the right to make an award without further clarification of proposals received.

### D. Lease Negotiations

For an exclusive negotiating period of 60 days, after the Commission finalizes its selection or selections, selected respondent or respondents must submit a \$5,000 good faith deposit while the City negotiates with the selected respondent, a lease that is consistent with the terms of this RFP and the successful respondent's proposal. Upon successful agreement to all terms of the lease, the proposed lease will be taken to the Commission for approval.

In the event the General Manager of the City determines that such negotiations are not proceeding satisfactorily, the City may, upon approval by the Commission, commence

negotiations with another respondent or begin the selection process and the City will retain the deposit as liquidated damages and the respondent shall not be entitled to any refund.

## **V. Terms and Conditions for Receipt of RFP**

### **A. Errors and Omissions in RFP**

Proposers are responsible for reviewing all portions of this RFP. Proposers are to promptly notify the City, in writing, if the proposer discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to the City promptly after discovery, but in no event later than five working days prior to the date for receipt of proposals. Modifications and clarifications will be made by addenda as provided below.

### **B. Inquiries Regarding RFP**

Inquiries regarding the RFP and all oral notifications of an intent to request written modification or clarification of the RFP, must be directed via email to:

Rich Hillis

Rich.Hillis@sfgov.org

### **C. Objections to RFP Terms**

Should a proposer object on any ground to any provision or legal requirement set forth in this RFP, the proposer must, not more than ten calendar days after the RFP is issued, provide written notice to the City setting forth with specificity the grounds for the objection. The failure of a proposer to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

### **D. Change Notices**

The City may modify the RFP, prior to the proposal due date, by issuing Change Notices, which will be posted on the website. The proposer shall be responsible for ensuring that its proposal reflects any and all Change Notices issued by the City prior to the proposal due date regardless of when the proposal is submitted. Therefore, the City recommends that the proposer consult the website frequently, including shortly before the proposal due date, to determine if the proposer has downloaded all Change Notices.

### **E. Term of Proposal**

Submission of a proposal signifies that the proposed services and prices are valid for 120 calendar days from the proposal due date and that the quoted prices are genuine and not the result of collusion or any other anti-competitive activity.

### **F. Revision of Proposal**

A proposer may revise a proposal on the proposer's own initiative at any time before the deadline for submission of proposals. The proposer must submit the revised proposal in the

same manner as the original. A revised proposal must be received on or before the proposal due date.

In no case will a statement of intent to submit a revised proposal, or commencement of a revision process, extend the proposal due date for any proposer.

At any time during the proposal evaluation process, the City may require a proposer to provide oral or written clarification of its proposal. The City reserves the right to make an award without further clarifications of proposals received.

### **G. Errors and Omissions in Proposal**

Failure by the City to object to an error, omission, or deviation in the proposal will in no way modify the RFP or excuse the vendor from full compliance with the specifications of the RFP or any contract awarded pursuant to the RFP.

### **H. Financial Responsibility**

The City accepts no financial responsibility for any costs incurred by a firm in responding to this RFP. Submissions of the RFP will become the property of the City and may be used by the City in any way deemed appropriate.

### **I. Proposer's Obligations under the Campaign Reform Ordinance**

Proposers must comply with Section 1.126 of the S.F. Campaign and Governmental Conduct Code, which states:

No person who contracts with the City and County of San Francisco for the rendition of personal services, for the furnishing of any material, supplies or equipment to the City, or for selling any land or building to the City, whenever such transaction would require approval by a City elective officer, or the board on which that City elective officer serves, shall make any contribution to such an officer, or candidates for such an office, or committee controlled by such officer or candidate at any time between commencement of negotiations and the later of either (1) the termination of negotiations for such contract, or (2) three months have elapsed from the date the contract is approved by the City elective officer or the board on which that City elective officer serves.

If a proposer is negotiating for a contract that must be approved by an elected local officer or the board on which that officer serves, during the negotiation period the proposer is prohibited from making contributions to:

- the officer's re-election campaign
- a candidate for that officer's office
- a committee controlled by the officer or candidate.

The negotiation period begins with the first point of contact, either by telephone, in person,

or in writing, when a contractor approaches any city officer or employee about a particular contract, or a city officer or employee initiates communication with a potential contractor about a contract. The negotiation period ends when a contract is awarded or not awarded to the contractor. Examples of initial contacts include: (1) a vendor contacts a city officer or employee to promote himself or herself as a candidate for a contract; and (2) a city officer or employee contacts a contractor to propose that the contractor apply for a contract. Inquiries for information about a particular contract, requests for documents relating to a Request for Proposal, and requests to be placed on a mailing list do not constitute negotiations.

Violation of Section 1.126 may result in the following criminal, civil, or administrative penalties:

1. Criminal. Any person who knowingly or willfully violates section 1.126 is subject to a fine of up to \$5,000 and a jail term of not more than six months, or both.
2. Civil. Any person who intentionally or negligently violates section 1.126 may be held liable in a civil action brought by the civil prosecutor for an amount up to \$5,000.
3. Administrative. Any person who intentionally or negligently violates section 1.126 may be held liable in an administrative proceeding before the Ethics Commission held pursuant to the Charter for an amount up to \$5,000 for each violation.

For further information, proposers should contact the San Francisco Ethics Commission at (415) 581-2300.

#### **J. Sunshine Ordinance**

In accordance with S.F. Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

#### **K. Public Access to Meetings and Records**

If a proposer is a non-profit entity that receives a cumulative total per year of at least \$250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the S.F. Administrative Code, the proposer must comply with Chapter 12L. The proposer must include in its proposal (1) a statement describing its efforts to comply with the Chapter 12L provisions regarding public access to proposer's meetings and records, and (2) a summary of all complaints concerning the proposer's compliance with Chapter 12L that were filed with the City in the last two years and deemed by the City to be substantiated. The summary shall also describe the disposition of each complaint. If no such

complaints were filed, the proposer shall include a statement to that effect. Failure to comply with the reporting requirements of Chapter 12L or material misrepresentation in proposer's Chapter 12L submissions shall be grounds for rejection of the proposal and/or termination of any subsequent Agreement reached on the basis of the proposal.

**L. Reservations of Rights by the City**

The issuance of this RFP does not constitute an agreement by the City that any contract will actually be entered into by the City. The City expressly reserves the right at any time to:

1. Waive or correct any defect or informality in any response, proposal, or proposal procedure;
2. Reject any or all proposals;
3. Reissue a Request for Proposals;
4. Prior to submission deadline for proposals, modify all or any portion of the selection procedures, including deadlines for accepting responses, the specifications or requirements for any materials, equipment or services to be provided under this RFP, or the requirements for contents or format of the proposals;
5. Procure any materials, equipment or services specified in this RFP by any other means; or
6. Determine that no project will be pursued.

**M. No Waiver**

No waiver by the City of any provision of this RFP shall be implied from any failure by the City to recognize or take action on account of any failure by a proposer to observe any provision of this RFP.

**N. Protests.**

Within five working days of the City's issuance of a notice of non-responsiveness, any firm that has submitted a proposal and believes that the City has incorrectly determined that its proposal is non-responsive may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth working day following the City's issuance of the notice of non-responsiveness. The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

- **Protest of Contract Award**

Within five working days of the City's issuance of a notice of intent to award the contract, any firm that has submitted a responsive proposal and believes that the City has incorrectly selected another proposer for award may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth working day after the City's issuance of the notice of intent to award.

The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

- **Delivery of Protests**

All protests must be received by the due date. If a protest is mailed, the protestor bears the risk of non-delivery within the deadlines specified herein. Protests should be transmitted by a means that will objectively establish the date the City received the protest. Protests or notice of protests made orally (e.g., by telephone) will not be considered. Protests must be delivered to:

Nicholas A. Kinsey  
Property Manager  
San Francisco Recreation and Park City  
McLaren Lodge  
501 Stanyan Street  
San Francisco, CA 94117

# Appendix A

## Site Map