



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



5

April 2, 1991

Transportation/Community Development
and Budget & Finance Committee
Sacramento, CA

Honorable Members in Session:

SUBJECT: Request for Proposals for a Business Development
Consultant for the Oak Park Commercial District

SUMMARY

The attached report is submitted to you for review and
recommendation prior to consideration by the Redevelopment Agency
of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolution approving
the Request for Proposals and contract execution.

Respectfully submitted,


JOHN E. MOLLOY
Deputy Executive Director

TRANSMITTAL TO COMMITTEE:


JACK R. CRIST
Deputy City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



April 16, 1991

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Request for Proposals for a Business Development
Consultant for the Oak Park Commercial District

SUMMARY

This report requests authorization for the Executive Director to:
1) issue a Request for Proposal (RFP's) for a Business Development
Consultant, and 2) enter into a contract with the selected
consultant.

BACKGROUND

The Oak Park Redevelopment Area was established in 1973. Revitalizing the neighborhood's commercial district has been a consistent goal of the Oak Park residents, the Project Area Committee (PAC), and of the Sacramento Housing and Redevelopment Agency. Due to the efforts of the Oak Park PAC, the Agency and public/private development, significant progress has been made towards the realization of this goal. Approximately \$21.9 million in tax increment and Community Development Block Grant (CDBG) funds have been utilized in Oak Park for such projects as the Oak Park Child Care Center, Pacific Coast College, and the Commercial Strip Landscaping Project.

The Agency has participated in 39 commercial facade and rehabilitation projects, either completed or in progress, totalling approximately \$1.1 million in loan and grant funds. In addition, the U.C. Davis Medical Center has invested \$44 million in expansion activities which will have a dramatic effect on the growth and rejuvenation of Oak Park.

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In spite of these efforts made by private development and Agency projects, complete economic revitalization has not taken place in Oak Park. The Oak Park commercial corridor is still plagued by high vacancies, below market rents, marginal businesses, and deteriorating buildings. Economic revitalization cannot be achieved in this area without a centralized and coordinated effort to establish and implement a business enhancement and recruitment program.

For the past year, the economic development task force of the PAC has been meeting to establish the economic development goals to be included in the Oak Park Five Year Plan. The general mission statement of the economic development strategy is to attract new businesses and retain existing business along the Oak Park commercial corridors through the leveraging of private funds by Oak Park tax increment funds (See Attachment 1). The hiring of a business development consultant is seen as a critical element necessary to accomplish the PAC's economic development goal. The key role of the business development consultant is working with the existing Oak Park businesses to organize and promote themselves and also undertake a concerted effort to attract new businesses.

Retail development along the Broadway commercial corridor will be increased by 1) implementation of an aggressive marketing and outreach plan to retailers, developers and the real estate community; 2) strengthening the existing merchants and property owners through the development of a viable business association and through individual consultations; 3) marketing of a positive Oak Park image campaign to the greater Sacramento community.

Staff has established a guideline for the Scope of Services desired for this position; payment would be dependent upon completion of those duties. The scope identifies specific actions along with associated cost and timeframes. A work plan will be submitted for the contract period of one year and will be approved by the Agency. The consultant will also submit monthly progress reports detailing progress in meeting work program goals for review by the Agency and the PAC. Funds will only be disbursed based upon progress and documentation of actual services performed as identified in the work program.

Specifically, the Business Development Consultant will work in the following areas to realize renewed economic vitality in the Oak Park area.

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Retail Recruitment

- o Develop and finalize a retail leasing mix plan for the Broadway Commercial corridor.
- o Develop a retail recruitment marketing strategy and mailer for dissemination to potential retailers and developers.
- o Form a master mailing list to execute the retail mix plan. Follow-up with each retailer contacted, show property, provide negotiating assistance between property owners and tenants if desired. Become the central source of information on space available for lease.
- o Present retail mix plan to developers, property owners and merchants by way of promotional materials, meetings and workshops.
- o Provide retail support service such as financial assistance, sales and advertising assistance.
- o Develop, along with the Agency, a financial incentive package for developers and potential retailers.

Organization

- o Establish a Broadway Business Association or strengthen existing association.
- o Support activities to strengthen the organization and participation internal to the Broadway Business Association and increase membership.
- o Establish a Business Improvement District (BID).
- o Prepare detailed 12 month work plan for 1991-1992.

Promotions and Advertising

- o Produce coordinated advertising for the retailers along the commercial strip.
- o Promote retailers and district using banners, signs, brochures, etc.

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- o Market Sacramento Housing and Redevelopment Agency (SHRA) Facade Grant and Loan Program to improve storefronts and signage.
- o Produce retail leasing and marketing brochure.

Selection Process

The Executive Director of the Agency will make the final contract award. However, recommendation will be made by a selection committee composed of:

- two Sacramento Housing and Redevelopment Commissioners
- two Oak Park Project Area Committee members
- one representative from the State Department of Commerce or Development Community
- one representative from the Agency Economic Development Department
- one representative from Oak Park's City Councilmember's Office

Proposal submission and format are shown in Attachment 2. The committee's recommendation for final selection of the consultant and retention by written agreement will be presented to the Executive Director.

The Selection Criteria are included in Attached 2.

Selection Schedule

Request for Proposal Distributed	April 23, 1991
Proposal Due Date	June 5, 1991
Written Proposals Ranked	June 14, 1991
Interview/Selection Completed	June 28, 1991
Contract Period	July 1, 1991 - June 30, 1992

Financial Implications

Forty thousand dollars (\$40,000) is available for the one year consultant contract, which must cover all requisite costs, travel and full time salary. In no event, without prior approval by the Agency, shall the monthly compensation exceed \$3,400.

The funds for the Business Development Consultant have been allocated in the Agency budget as recently revised by the Oak Park Revitalization Strategy.

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MBE\WBE EFFORTS

All efforts will be made to solicit participation by minority and women-owned consulting firms in the RFP process. The Agency's MBE\WBE policy will be followed regarding sub-contracts.

ENVIRONMENTAL REVIEW

This report recommends administrative action, and therefore, requires no environmental review.

CEQA: Exempt per 15378(b)(3)
NEPA: Not applicable - no federal funding

POLICY IMPLICATIONS

The proposed project is consistent with the Agency and City objective of enhancing the economic vitality of the Oak Park Redevelopment Area.

VOTE AND RECOMMENDATION OF THE OAK PARK PROJECT AREA COMMITTEE (PAC)

At it's regular meeting of December 5, 1990, the Oak Park PAC voted to recommend approval of the issuance of request for proposal for the Business Development Specialist and authorization for the Executive Director to issue the RFP and enter into a contract with the selected consultant. The PAC also recommended that the selection committee be composed of two Project Area Committee members, one area resident or business owner, one Sacramento Housing and Redevelopment Agency Commissioner, and one economic specialist. In addition, the PAC recommended a salary of \$50,000 per year for the Business Development Specialist. The vote was recorded as follows:

AYES: Anderson, Crump, Dansby, Lydon, Millar, Moore,
Roberts, Robinson, White
NOES: Bozeman
ABSTAIN: None
ABSENT: DeForest, Healy, Lucero

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Agency staff does not concur with the PAC recommendations regarding the composition of the selection committee and the salary of the business development consultant. First, with regards to the selection committee, staff recommends a representative from the Department of Commerce or the Development Community; the PAC recommend an area resident or business owner. Because of the technical nature of this position and the business recruitment and retail leasing expertise required, an economic development professional would be best suited to make the consultant selection. The selection committee will have two PAC members on it. These members can be area residents and/or Oak Park business people. Staff feels this should be adequate area representation. Second, staff does not concur with the PAC's recommendation for a \$50,000 salary. Staff determined a salary of \$40,000 as this is the salary being offered for the downtown retail specialist position. The two positions are very similar in scope and should have comparable salaries.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of March 27, 1991, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were recorded as follows:

AYES: Amundson, Cespedes, Diepenbrock, Moose, Yew, Strong

ABSTAIN: Simon

NOES: None

NOT PRESENT TO VOTE: Pernell, Simpson, Wooley

ABSENT: Williams

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RECOMMENDATIONS

The staff recommends adoption of the attached resolution which authorizes the Executive Director to: 1) issue a Request for Proposals for a Business Development Consultant, 2) approve the composition of selection committee as stated in this report, and 3) enter into a contract with the selected consultant.

Respectfully submitted,


JOHN E. MOLLOY
Acting Executive Director

TRANSMITTAL TO COUNCIL

WALTER J. SLIPE
City Manager

Contact Person: Leslie Fritzsche

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RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

OAK PARK REDEVELOPMENT AREA REQUEST FOR PROPOSALS

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The Executive Director is authorized to issue a Request for Proposals for consultant services to act as the Oak Park Redevelopment Area Business Development Consultant.

Section 2: The Executive Director is authorized to select the consultant after receiving recommendations from the established Selection Committee.

Section 3: The Executive Director is authorized to execute a contract for the aforementioned services with the following terms:

- a. the contract shall be for a one-year term commencing on or about June 1, 1991;
- b. the monthly compensation shall not exceed \$3,400; and
- c. the total sum for all compensation under this contract, including requisite costs and travel expenses, shall not exceed \$40,000.

CHAIR

ATTEST:

SECRETARY

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FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

EXECUTIVE SUMMARY

This document comprises the Agency's revitalization strategy for the Oak Park Redevelopment Project Area. It also represents a statement of specific goals and objectives with which to measure the success of our efforts over the next five years. The strategy recommends the following goals and actions:

I. Housing

Goal:

To maintain existing units and to increase the supply of affordable housing for residents in the Oak Park area, with a focus on homeownership opportunities for low and moderate income households.

Actions:

1. Rehabilitation of existing structures through acquisition/rehabilitation programs and marketing of existing rehabilitation loan program.
2. Development of 35-40 new single family homes through conventional and self-help methods.
3. Increase the ability of low income households to take advantage of homeownership opportunities through home loan counseling program and non-traditional housing options.
4. Continue management and maintenance of existing public housing units.

II. Economic Development

Goal:

To attract new businesses and retain existing businesses along the commercial corridors of Broadway, Stockton Blvd. and Martin Luther King Jr. Boulevard.

Actions:

1. Establish key economic development catalyst sites along the Broadway business corridor.
2. Provide facade grants and commercial loans to businesses along commercial corridors in Oak Park.
3. Retain a Business Development Consultant to foster the development

- of the Broadway commercial area as a viable retail strip.
4. Construct adequate parking facilities and eliminate intersections causing traffic flow problems.
 5. Encourage and promote the employment of Oak Park residents by businesses located in Oak Park.
 6. Expand upon and complete the Broadway Beautification Project.
 7. Purchase targeted blighted commercial property.

III. Capital Improvements

Goal: Enhancement of major Oak Park streets and public facilities.

- Actions:**
1. Design and construct McClatchy Park Renaissance Project.
 2. Investigate and determine the need for additional child care in Oak Park and review feasibility for the expansion of the existing Oak Park Child Care Center.
 3. Repair streets, curbs, gutters and construct handicapped ramps at key locations.
 4. Improve street lighting in areas adjacent to housing rehabilitation and new unit infill programs.

D R A F T

OAK PARK BUSINESS DEVELOPMENT CONSULTANT

PROPOSAL SUBMISSION AND FORMAT

Interested applicants should submit a written proposal. Six (6) copies should be sent to the attention of:

Sacramento Housing and Redevelopment Agency
c/o Joan Roberts, Agency Clerk
Administration Department, Third Floor
630 I Street
Sacramento, CA 95814

The proposals must be received on or before 5:00 p.m., June 5, 1991. Late proposals will be returned unopened.

FORMAT

Your proposal is to be submitted in the following format:

- o Cover or transmittal letter, executed by an authorized signatory of your firm or the individual contractor submitting the proposal; not to exceed one (1) page.
- o Detailed statement of the services to be provided, including the approaches and methods to be used and a tentative annual work program organized on a monthly basis; not to exceed three (3) pages.
- o Detailed statement of experience with urban, retail projects, such as those in Main Street Programs; including a list of relevant clients or employers, and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed one (1) page.
- o Detailed statement of experience providing technical business management assistance, and knowledge of business financing sources, including a list of relevant clients or employers and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed one (1) page.

- o Detailed statement of experience in identifying market potentials and deficiencies in commercial revitalization areas, and knowledge of effective mix of stores, including a list of relevant clients of employers, and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed one (1) page.
- o Detailed statement of experience in all aspects of retailing--marketing commercial property, and leasing space to local retailers, promotions, operations, maintenance and security, lease clauses including a list of relevant clients or employers and the names and phone numbers of persons who can be contacted regarding your experience; not to exceed two (2) pages.
- o If the responding entity involves more than a single individual, a description of your firm's affirmative action equal employment program and identification of the current mix of female and minority employees in relation to your entire workforce; not to exceed one (1) page.
- o Resumes of the key personnel assigned to this contract.

Contract award will be based upon the responses in the maximum ten (10) pages allotted above along with resumes, and any additional materials or information specifically requested by the Agency. All materials requested shall be contained in a single document and shall be retained by the Agency.

The Agency reserves the right to: reject any or all proposals submitted; request clarification of information submitted and/or request additional information of one or more competitors; and waive any irregularity in the proposal submission and review process. An award, if made, will be made to the firm/individual best qualified and whose proposal is deemed to be in the best interest of the Agency.

SELECTION CRITERIA

The Executive Director of the Agency will make the final contract award; however, recommendations will be made by a selection committee. The selection committee will be comprised of two Sacramento Housing and Redevelopment Commissioners, two Oak Park Project Area Committee Members, one representative from the State Department of Commerce, one representative from the Agency Economic Development Department, and one representative from Oak Park's City Councilmember's office.

The selection committee will make its recommendation by reviewing and evaluating written proposals according to the criteria listed below. Proposers will be notified of any additional required information or interviews after written proposals have been evaluated.

Evaluation criteria and the relative weight assigned to each are listed below:

WRITTEN EVALUATION

- | | |
|---|-----|
| 1. Quality of the proposed work plan | 30% |
| 2. Knowledge of and experience with urban retail projects such as the Main Street Program | 20% |
| 3. Knowledge of and experience with the provision of technical business management assistance, business financing services | 10% |
| 4. Experience in identifying market potentials and deficiencies and preparing effective leasing mix plans in shopping districts, marketing commercial property, and leasing space to local retailer | 20% |
| 5. Experience in the identification and implementation of promotional activities, advertising, and marketing commercial districts | 10% |
| 6. Knowledge and understanding of the role the Oak Park commercial area Downtown could serve in the larger market area | 5% |
| 7. Public benefit of proposed project. | 5% |

For the interviews, the following criteria will apply:

- | | |
|--|-----|
| 1. Ability to communicate orally, evidence of diplomacy, interpersonal skills | 20% |
| 2. Understanding and experience in working with urban, retail districts | 10% |
| 3. Experience identifying market potential, understanding of retail space design, effective pedestrian flow, effective mix of stores | 15% |

4. Experience with providing technical management assistance and financial assistance to small businesses 20%
5. Experience with promotional activities, advertising and marketing 15%
6. Experience with all aspects of retailing -- retail mix, operations, leasing, maintenance, security lease clauses. 20%

Written proposals and interviews will each constitute 50% of the selection decisions.

The Agency may, at its discretion, add additional criteria prior to the time of selection including past performance if contractor has previously been under contract to the Agency.

The individual/firm selected for contract award will enter into a contract with the Agency which will include all standard conditions of such contracts.

TENTATIVE SELECTION SCHEDULE

Proposal Due Date	June 5, 1991
Selection Completion	June 28, 1991
Contract Period	July 1, 1991 - June 30, 1992

Contract: Leslie Fritzsche, Program Manager
Neighborhood Development
Sacramento Housing and Redevelopment Agency
600 I Street, Suite 250
Sacramento, California 95838

(916) 440-1315

REQUEST FOR PROPOSAL

BUSINESS DEVELOPMENT CONSULTANT

The Sacramento Housing and Redevelopment Agency (Agency) is currently soliciting consultants for the position of Business Development Specialist for the Oak Park Commercial District.

The business development consultant would work under the direction of the Agency and be in liaison with the Broadway Business Association (to be established). Primary responsibility for the specialist is to support the Agency and to establish a centralized retail recruitment strategy for the Broadway Commercial Strip target area (See map, Attachment RFP-1); attract a well working mix of commercial users, attract commercial developer through marketing and image building activities and support existing business through technical assistance.

The business development consultant's responsibilities include the following broad tasks:

- o Improve shopping experience and create a sense of destination and uniqueness through building scale, merchandise, tenant mix and adept promotion. Implement a public space art and activities program.
- o Fill the existing voids in the merchandising categories. Stabilize retail sales and increase volume.
- o Attract established, as well as, unique entrepreneurial retail tenants through focussed tenant solicitation.
- o Improve storefront design, signage, awnings, and banners etc., through the development of an overall 'streetscape plan for Broadway Commercial Strip.
- o Improve the relationship and linkage among the Oak Park PAC, Broadway Business Association, Stockton Boulevard Business and Property Owner's Association and the U.C. Davis Medical Center.
- o Develop business assistance program and resources for new or existing businesses in need of technical assistance.

- o Establish a Business Improvement District along Broadway.
- o Develop a strategy for the establishment of a business incubator in Oak Park.

In recent years the Oak Park Redevelopment Project Area has seen an economic resurgence trend due to the efforts of the Oak Park Project Area Committee, the Agency and public/private development such as U.C. Davis Medical Center expansion, the Oak Park Child Care Center, Pacific Coast College, Commercial Strip Landscaping Project, etc. In spite of these efforts a true economic renaissance will not be actualized unless a continuity of effort and an efficient use of resources is developed. The timing is right to pursue the next level of economic growth in the Oak Park Redevelopment Project Area.

The Agency feels that retail development along the Broadway Commercial Strip will be increased by: 1) strengthening the existing merchants and property owners through the development of a viable business association; 2) implementation of an aggressive marketing and outreach plan to retailers, developers and the real estate community; 3) implementation of a positive image of Oak Park to the greater Sacramento Community and; 4) the development of basic theme/streetscape for the Broadway Commercial Strip.

SCOPE OF WORK

Specifically, the Agency is looking for a Business Development Specialist to accomplish the following activities.

Retail Recruitment

- o Develop and finalize a retail mix for the Broadway Commercial Strip.
- o Develop a retail recruitment marketing strategy and mailer for dissemination to potential retailers and developers.
- o Form a master mailing list to execute the retail mix plan. Follow-up with each retailer contracted, show property, provide negotiating assistance between property owners and tenants if desired. Become the central source of information on space available for lease or purchase.
- o Present retail mix plan to developers, property owners and merchants by way of promotional materials, meetings, and workshops.

- o Provide retail support service such as financial assistance, sales and advertising assistance.
- o Develop along with the Agency, a financial incentive package for developers and potential retailers.

Organization

- o Establish a Broadway Business Association or strengthen existing association.
- o Support activities to strengthen the organization and participation internal to the Broadway Business Association and increase membership.
- o Establish a business improvement area.
- o Prepare detailed 12-month workplan for 1990-91.
- o Develop a Broadway Commercial Strip 'theme' and streetscape design.

Promotions and Advertising

- o Produce coordinated advertising for the Broadway Commercial Strip as budget will allow. Promote district identity using banners, signs, brochures, etc.
- o Market SHRA facade grant and loan program to improve storefronts and signage.
- o Produce retail leasing and marketing brochure.

The consultant will be required to submit a detailed work plan for the contract period within 30 days of the commencement of the contract which will be approved by the Oak Park Project Area Committee (PAC), the Sacramento Housing and Redevelopment Agency (Agency). The work program shall specify how the above activities will be accomplished within the terms of the contract and identify specific actions along with the associated costs and timeframes required to meet the work program.

The consultant will also submit monthly progress reports detailing progress in meeting work program goals for review by the Agency and PAC. Funds will only be disbursed based upon progress and documentation of actual service performed as identified in the work program.

Request for Proposal
Business Development Specialist
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FUNDING AND DURATION OF CONTRACT

Forty Thousand Dollars (\$40,000) is available for the one year consultant contract, which must cover all requisite costs, travel and salary. In no event, without prior approval by the Agency, shall the monthly compensation exceed \$3,400. An additional \$20,000 will be available for retaining a design/architect consultant to develop the theme/streetscape plan.

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