

1101 West Broadway RFP

November 23, 2005

Written questions, answers and updates.

- This message is to update you on a couple of items you can consider prior to proposals submission for the 1101 West Broadway RFP. In response to a request for a Phase 1 for the building I have found an Asbestos and Hazard Survey Report for the 1101 building. I do not have this in an electronic format. I have it at the front desk (2nd Floor of the Crown Roller Mill, 105 Fifth Avenue) for your review. Feel free to review it during regular business hours. The receptionist will find a conference room for you. The document cannot leave the building, but we will make copies (\$1 for the first page, \$0.25 for each additional page). Please work with the receptionist for timing of the copies (we will try complete copying before the end of the day if reviewed before 2 p.m.).
- As a reminder on the offer price for the property, please determine your price on a reasonable offer for the value of the property based on your overall concept and redevelopment plan. As I stated during the pre-proposal conference the City will expect to receive compensation for the building and adjoining parcels, but we will evaluate the offer price as a component of the overall concept and the level of public benefit of the proposal. Staff and the selected developer will determine the exact sale price during negotiations of the redevelopment contract.
- Remember the deadline is November 30, 2005 at 4:00 p.m. If you have questions, they are due by the end of the week (November 25). I will not be in the office Thursday and Friday due to the Thanksgiving holiday. I will answer all questions by the end of the day on Monday, November 28. I would suggest sending any last minute questions as soon as possible for quicker responses.
- Please see the property tax calculator for taxes payable in 2005 listed separately on the website. The file contains three sheets. Use the first sheet for commercial/industrial property. The other two sheets are used for residential rental and ownership property.

In all cases, you simply enter in the Estimated Market Value (EMV) of the property and the model calculates total property taxes below.

You can determine EMV one of two ways, (1) look for comparable property in the area and derive an approximate value from there, or (2) discuss your proposed development with the City assessor's office (only chose this option if your proposal is very detailed).

Reporting potential tax base in you proposals should be approximate values.

Q1: I would like to know what type of information is needed for the Market Research and how I can get the information you need. Does it need to be commissioned by a research company? How specific does it have to be? and finally what sources do I have to include.

A1: Please provide information that you deem needed to provide a basis for your proposal. If you believe you need to commission a report do so. Or if you do not need that level of detail provide a rationale for why it is not needed.

Q2: What level of financial statements is required?

A2: The purpose of this requirement is to determine a proposer's financial wherewithal and ability to complete a project. So, as much information as can be provided to make that case is desired. That said, proposers must provide, if you prefer under separate cover to CPED Director Lee Sheehy, two years of financial statements. For proposers that propose forming a new entity, then financial statements for the partners is acceptable. For proposers that have real estate holdings or other assets in individual ownership structures (such as LLC or LLP) then a portfolio of the assets with worth, representative

financial statements, and description of ownership structure. Enhancements such as personal net worth statements or tax returns of the principals in the new entity are also acceptable in addition to financial statements.

Q3: The proposal contents state we “must include the following information in the following order with corresponding section numbering” but there is not a #7. The proposal requirements skip from 6 to 8, do you mind if 8, 9, 10 and 11 move up in sequence to 7, 8,9,10?

A3: Skip number 7. Number it 1,2,3,4,5,6,8,9,so on.
In response to a request for estimating tax base please see the following.