



**REPORT TO THE CITY COUNCIL
AND THE REDEVELOPMENT
AGENCY BOARD**

AGENDA ITEM NO. 2:45pm A
COUNCIL MEETING 9/17/09
APPROVED BY _____

September 17, 2009

FROM: LARRY WESTERLUND, Councilmember
District Four

SUBJECT: DIRECT RDA AND CITY STAFF TO DRAFT A JOINT REQUEST FOR PROPOSAL (RFP) CONSISTENT WITH THE BROAD OBJECTIVE AND DEAL POINTS SET FORTH BELOW IN THIS REPORT TO SOLICIT DEVELOPMENT PROPOSALS FOR THE FRESNO METROPOLITAN MUSEUM BLOCK AND THE PARCEL ACROSS STREET AND RETURN TO COUNCIL NO LATER THAN NOVEMBER 1, 2009 FOR FINAL APPROVAL PRIOR TO GOING OUT WITH THE RFP.

The City of Fresno is currently in the process of taking ownership and control of the parcels once owned by the Fresno Metropolitan Museum bounded by Fulton, Van Ness, Calaveras and Stanislaus Streets and an additional parcel just across the street and north of the Old Fresno Bee building located in downtown Fresno. A total of nearly 3 acres provides an unprecedented opportunity to develop nearly an entire uptown city block in a huge step forward in the revitalization of the Cultural Arts District and a significant step for downtown rehabilitation.

The block anchored by the newly rehabilitated Fresno Bee Building, occupied by the Fresno Metropolitan Museum, has all the elements, including openness, density capacity, and surrounding amenities to make for an exceptional mixed use development project. Given the total size of the property, it is an attractive candidate for retail and commercial on the ground floors and housing and loft spaces above.

The broad policy objective of the RFP would be to partner with a development company of sufficient size, experience and financial capacity to build out the entire block at a three or four story level with a design and facade complimentary to the rehabilitated Fresno Bee Building. The objective would be to give the block a vibrant and lively uptown charm with a feel complementary of the stately Bee building.

Consistent with the objective set forth above the deal structure should include the following:

1. The Timing. Now that the City of Fresno is in the process of gaining control of the Met parcels, it is appropriate to approach the private sector regarding partnership opportunities to develop the surrounding block. Within the next 90 days, City and RDA staff will draft an RFP to be returned to Mayor and Council for final approval. Upon approval, staff would then distribute the RFP to development firms on a national, state and local basis.

2. The Process. City and RDA staff should develop and bring back to Mayor and Council for review a plan for the development of the entire block and northern parcel, with exception of the actual Museum building footprint. Given the recent adoption of the Redevelopment Improvement Act and the City Better Business Act, development of the property should be done by way of an RFP which is an open and the most equitable avenue to solicit developer interest.
3. The Project Area. The project area, as stated above, would be the entire block, less the Old Fresno Bee Building. All the property needs to be included in the RFP. The planning of the block and northern parcel should include adequate parking for the project and the Met Museum, even if ultimately not all of the property is included in this one development.
4. The Team. The RFP and any subsequent project would be a joint City and RDA project. The RDA staff would be the technical lead for the project process and the financial analysis in partnership with the City Downtown and Community Revitalization. The City Downtown and Community Revitalization Department would be the technical lead for design, function, use and form. A joint project with the City and RDA is the appropriate and logical team to bring this RFP and project forward.
5. The Concept. The RFP needs to request developers to propose a lively mixed use project with sufficient density (likely some combination of three or four stories in height), matching and complementing the Old Fresno Bee building, which leads to 24 hour activity, consistent with the Central Area Community Plan and the RTKL study done by the RDA. Furthermore, the RFP would be consistent with the principals of smart growth, sustainable development and consistent with the development principals anticipated with the new downtown specific plan¹.

Soliciting development concepts for the Met Museum block and the northern parcel through this RFP process is the most cost effective means of obtaining a market driven revitalization of a significant piece of the Cultural Arts District.

¹ Given the length of the specific planning process (most likely in excess of 2 years from today) and the City's financial circumstances this project should not be required to wait for the conclusion of the downtown specific plan.