



City of St. Helena
REQUEST FOR PROPOSAL

Development Opportunity
Downtown St. Helena Main Street

*For the development of the 1480 Main Street
St. Helena, California
A.P.N. 009-211-016*



For the Development of 1480 Main Street (City Hall) in St. Helena, CA
(A.P.N. 009-211-016)

Timeline	Date	Time
RFP Issue Date	Tuesday, June 21, 2016	
Site Tour Date	Wednesday, July 6, 2016	11 AM PST
Deadline to Submit Questions	Wednesday, August 3, 2016	5:00 PM PST
Deadline to Submit Proposals	Friday, August 19, 2016	5:00 PM PST

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I. INTRODUCTION

The City of St. Helena is seeking qualified proposals for the purchase and/or long-term lease and development (the “Project”) of an approximately 0.88 acre site (A.P.N. 009-211-016) located at 1480 Main Street, St. Helena, CA (the “Site”). The City will entertain viable development options to develop the Site in a manner that best meets the goals, needs and vision of the community including a public/private partnership.

The City of St. Helena

St. Helena is located in the heart of world-renowned Napa Valley, which is considered the most rural of all the San Francisco Bay Area counties. This is partly due to the extensive land area consumed by lakes, rivers, forests and craggy mountains and partly by human design. Napa County stepped out in front of the rest of the United States in the 1960’s by adopting the first agricultural land protection policy. Known to locals as the Ag Preserve, the policy was then and is to this day, a groundbreaking land use policy that protects the agricultural character and quality of this unique valley by asserting that agriculture and open space are the “best use” for this extraordinarily fertile land. As a result the opportunity to purchase or lease 5.6 vacant acres in downtown St. Helena is very rare.

St. Helena is one of five municipalities located within Napa County, which has a total population of 141,660 people. The City of St. Helena has a population of approximately 6,000 people and is approximately 5 square miles in size. Despite its small stature, St. Helena is a full service city with its own Police Department, Public Library, Building Department, Water and Sewer Departments, and Fire Department. The St. Helena Unified School District includes a primary school, elementary school, middle school and high school.

The City was incorporated in 1876 and is considered one of the most picturesque cities in California. Located at the narrow, central portion of the Napa Valley, the dominant western and eastern mountain ranges touch the city edges. The downtown Main Street is a designated National Register District and many residential neighborhoods retain the charm of the 19th and early 20th centuries. The City is known for exceptional agricultural soils that produce

outstanding wines. Small family wineries and large internationally-known wineries are located within the city limits. The City is known for fine dining and shopping as well as quiet family-friendly neighborhoods.

Napa Valley and St Helena are also major tourist destinations. For additional information, please see the 2014 Napa Valley Visitor Industry Economic Impact Report as well as its 2014 Visitor Profile Report (link below).

A FEW KEY FACTS FROM THESE REPORTS

In 2014, the Napa Valley welcomed a total of 3.3 million visitors.

86.4 percent of visitors were from the United States and 13.6 percent were international visitors.

The Napa Valley visitor industry generated \$1.63 billion in total visitor spending inside the county, most of which was generated from local hotel guests (\$1.2 billion, or 75 percent of the total).

Hotel guests spent an average of \$389 per person, per day.

Visitors staying in a lodging property spent an average of 2.9 days in the Napa Valley.

93 percent of visitors said they are “likely or very likely” to return.

City Demographics

2014 Residential Sales Data

City	Sales	Median Sales Price
St. Helena	57	\$1,025,000
Yountville	15	780,000
Napa	446	540,000
Calistoga	28	530,000
Am. Canyon	74	396,350

Demographics

2013 Population

➤ 5,862

Population change since 2000

➤ +1.1%

Male population

➤ 2,904 (49.5%)

Female Population

➤ 2,958 (50.4%)

Median Resident age

➤ 46.8 years

California Median age

➤ 35.4 years

St. Helena Median Household Income 2009-2013

➤ \$77,786

California Median Household Income 2009-2013

➤ \$61,094

Median Monthly Housing Cost Renter Occupied 2013

➤ \$1,634

Median Monthly Housing Cost Owner Occupied 2013

➤ \$1,898

RFP Purpose and Project Site

The Site is actually a 1.5 acre parcel currently developed with the St Helena City Hall, Police Department (both located within one building) and the St Helena Fire Station. The City Hall/Police Department structure was originally built on approximately half of the parcel in 1955, and has reached the end of its functional life. The other half of the parcel is developed with a contemporary and full service Fire Station which this request anticipates will be preserved and maintained through re-development of the City Hall portion of the site by any chosen project. The Site at 1480 Main Street is a very desirable location in the heart of St. Helena, well suited for a commercial development due to its prominence and proximity to City amenities.

In response to the City's current financial status, the City Council has set as a goal of securing the City's financial future and staff sees development of the 1480 Main Street property as a potential step toward achieving that goal. Nearly 75% of the City's \$10 million General Fund revenues are derived from property tax (\$3.3 million), sales tax (\$2.7 million) and Transient Occupancy Tax (\$1.7 million). Re-development of this property with an appropriate project could provide additional property taxes, sales taxes and/or Transit Occupancy Taxes, and responses to this RFP are expected to clearly demonstrate any expected City benefits in these areas. However, while revenue generation is a goal of the project, St. Helena is also committed to selecting a high quality development project that balances revenue generation, financial viability, aesthetic appeal and significant community benefit.

Selection Criteria are described in greater detail in Section V herein, and will include the Project's Community Benefits (improving and maintaining the design aesthetic and appearance of Main Street, the successful relocation of City Hall and the St Helena Police Department with minimal interruption of services, project interaction with Lyman Park, maintenance of the St. Helena Fire Station functionality and access, etc.), Economic Impact (stimulating direct and indirect economic activity in the local municipality and region) and the project's fiscal viability along with the Developer's financial stability and development experience. Each party that submits a response ("Proposal") to this Request for Proposals ("RFP") is referred to herein as a "Respondent," and the Respondent that is conditionally designated through this RFP process is referred to herein as the "Designated Developer."

II. RFP TIMELINE

Site Tour Date:	July 6, 2016, at 11:00 AM PST
Deadline to Submit Questions:	August 3, 2016, at 5:00 PM PST
Deadline to Submit Proposals:	August 19, 2016, at 5:00 PM PST

III. SITE DESCRIPTION

Site Summary

The Site provides a unique development opportunity and is noteworthy for its location, prominence and proximity to downtown St Helena amenities. The (approximately) 0.88 acre City Hall/Police Station portion of the parcel (A.P.N. 009-211-016) is located at 1480 Main Street within the heart of St. Helena in the beautiful Napa Valley and has three separate street frontages and access points (Main Street, Britton Way and Railroad Avenue). As mentioned the site is currently developed with multiple civic uses, however the City Hall and Police Station operations occur from a structure which is functionally obsolete due to its age and general state of decline. The property abuts Lyman Park to the south and the St. Helena Fire Department Fire Station to the north-east. Although the property fronts onto Main Street, vehicular access onto the site is via Britton Way (a direct roadway with street parking) which ends at the Fire Station. A secondary vehicular access and parking lot is located off of Railroad Avenue.

The parcel is currently designated Public & Quasi-Public by the City of St. Helena General Plan (1993) and Zoning Code. **However, the City has initiated a change to designate the 0.88 acre project site as Central Business with the current General Plan update** (changes formally initiated by the City Council November 24, 2015). The Draft General Plan was released in April 2016 and is available for review on the City's website.

Depending on the scope of the proposal, it is anticipated subdivision of the property to separate the Fire Station from the remaining portion of the site and rezoning the project site to be consistent with Central Business land use designation will be required to facilitate the development of the portion of the property included in the RFP. Additionally, infrastructure upgrades may be required and roadway improvements could be triggered based on the project scale and outcome of the environmental review of the project.

Surrounding Area

St. Helena is one of the most desirable communities in the Napa Valley and is bolstered by an excellent school district, high quality of life and sizable real estate values. The Site is centrally located within downtown, with approximately 150 linear feet of Main Street frontage.

Site Infrastructure and Access and Maintenance Responsibilities

Power to the Site is supplied by Pacific Gas and Electric. Water and sewer infrastructure is available to the Site from Main Street and Britton Lane and are provided by the City of St. Helena. Adequate sewer capacity is available however some utility infrastructure upgrades may be required to facilitate development of the site. The Designated Developer will need to provide a sewer master plan, preliminary hydrology and storm drain design, and preliminary storm water quality plan per BASMAA requirements to further document the development potential of the Site based on the available infrastructure as components of their development applications.

Development Criteria

The City of St. Helena General Plan and Zoning Code identify a number of specific development criteria and limitations. While most respondents will be familiar with researching these type of documents for development criteria and guidelines, several specific regulations (listed below) are notable and worth mentioning in this RFP.

Floor Area Limitations

The City of St Helena utilizes Floor Area Ratios to determine the appropriate square footage of individual retail buildings in the Central Business Zoning District. Generally, individual structures are limited to a maximum Floor Area Ratio of 10,000 square feet however this may be increased subject to specific criteria upon approval of a Use Permit by the Planning Commission. Even with Use Permit approval however, maximum foot-prints for individual buildings shall not exceed 10,000 square feet in area (Zoning Code Section 17.48.070 C. 2.)

Growth Management System

The City of St. Helena has a residential growth management system (Zoning Code Section 17.152) which limits the maximum number of residential dwelling units that can be constructed in any one year to nine (9). Affordable units and units of 850 square feet or less are deemed to count as one-half of a unit for Growth Management purposes.

Additionally, the City has not met the Growth Management allotment of nine new residential dwelling units per year and there is currently a bank of 60 units available to residential projects that propose 40% of the total unit count as affordable. Any proposals which incorporate a residential component should meet the requirements and/or request utilization of these “banked” units as a component of their response submittal.

Water Neutrality

The City of St. Helena has adopted a Water Neutrality Ordinance (Municipal Code Section 13.12.050), which requires new development to “completely offset its water requirement”. While there is some flexibility to allow developers to utilize creative and innovative methods of mitigating a project’s water use, it is important Respondent’s understand and identify implementation of this policy as a component of their proposals. Refer to Saint Helena Municipal Code Section 13.12 Water Use Efficiency and Use Guidelines for more details.

Economic Development Incentives

The City of St. Helena is supportive of development of the Site and is particularly interested in proposals that both enhance the revenue prospects for the City and provide significant community benefits. Any specific requests for fee deferrals, cost sharing agreements, recouping of costs through tax concessions, or similar requests known by respondents at the time of responding to the RFP should be clearly identified and justified as an aspect of the proposal.



Formula Businesses

It should be understood that the City of St Helena strives to support local business and in this vein, requires any "formula business" to gain Use Permit approval. For information on the definition and process for approval of a 'Formula Business" see zoning code section 17.48.030. Formula restaurants and time shares are prohibited from operating within St. Helena.

IV. PROPOSAL REQUIREMENTS

The following are the submission requirements for all Proposals. The City of St. Helena reserves the right, in its sole discretion, to reject any Proposal that is deemed incomplete or unresponsive to the RFP requirements. The City of St. Helena also reserves the right, in its sole discretion, to reject any and all Proposals for any reason or for no reason, and to proceed (or not proceed) with the development of the Site (either by itself or in conjunction with one or more third-party(ies)) without completing this RFP process.

In evaluating the capabilities of each Respondent, the City may utilize any and all information available (including information not provided by the Respondent). Proposals should clearly and concisely state the unique capabilities, experience, and advantages of the Respondent, and demonstrate the Respondent's capability to satisfy the requirements and objectives set forth in this RFP.

Ideally, respondents should seek to limit proposal length to 30 pages of text and a total of 100 pages for the entire proposal including any attachments or appendices.

A. Transaction Structure and Certain Costs

It is intended that the Site will be conveyed/leased to the Designated Developer upon approval of an executed disposition and development agreement for the Site. A public/private partnership will also be considered.

The Designated Developer will be required to enter into a Disposition and Development Agreement that provides the terms of any phasing of the Project, specifies purchase/lease terms, cost/revenue sharing, and infrastructure improvements which also defines agreements to develop the Site in compliance with the proposed development plan.

The City is requesting Proposals for sale and/or long term lease of the Site. The City reserves the right to request revised proposals that reflect a lease of the land only, or a sale or lease of all or a portion of the improvements, or a combination thereof including a public/private partnership. A minimum two year transition plan for all functions currently housed in the City Hall and Police Station buildings must be included in the proposal. St. Helena reserves the right to make such requests to all Respondents or to a subset of all Respondents as set forth in Section V. Selection Criteria. The determination of whether the City will elect to dispose of the Site by sale, lease, or a combination thereof will depend on the offers received, and the City's assessment of the best interests of the Community. Any such Respondents still under consideration shall be given the opportunity to revise their Proposals and any related provisions of the RFP will be amended or deemed amended as necessary.

Please also note that Section VIII. of this RFP requires that the Designated Developer enter into an Exclusive Negotiation Agreement with St. Helena that, commencing from the date of its conditional designation, will require the Designated Developer to pay:

1. A \$50,000 deposit to secure the Designated Developer's good faith efforts to process the required project approvals with the City and negotiate the Disposition and Development Agreement regarding the acquisition and development of the Site;
2. The City's out-of-pocket costs and expenses incurred in connection with processing the Project entitlements and negotiating the Disposition and Development Agreement with the Designated Developer of the Site,

including, without limitation, costs and expenses of the City's third party economic, financial and engineering consultants and legal counsel;

3. All development application review fees;
4. All costs associated with the required environmental analysis.

Respondent should assume that the Site, including any and all improvements, infrastructure and equipment at the Site, will be sold/leased "AS IS" and "WHERE IS" without any representation, warranty, or guaranty as to quantity, quality, title, character, condition, size, or kind or that the same is in condition or fit to be used for the Designated Developer's purpose.

B. Required Elements of the Proposal

The City is seeking highly professional and complete proposals that will clearly demonstrate the qualifications, experience and abilities of the Respondents. Past design and development experience with similar projects on locally owned properties will be important criteria in evaluating proposals. Respondents shall following the format outlined in this RFP. Proposals shall not exceed 100 pages. One original proposal, one unbound proposal, ten (10) bound copies and one digital copy shall be submitted.

1. Respondent Description

Each Proposal must include a description of the Respondent owner or the development team, including:

- The intended form and structure of the ownership. Any proposed partnership or joint venture must be clearly explained. A chart/diagram of the proposed ownership structure (percentages) of ownership/lease rights and investment must be included.
- Name, address, phone number and email of each member of the Respondent owner or development team. Respondents must provide the Federal EIN numbers (if applicable) of the development entity and identify a primary contact person.
- Current operating budget and previous three (3) years of certified audited financials for all entities with an ownership percentage in the Proposal.
- A copy of the most recent credit report for key members of the ownership team.

- Documentation addressing whether the Respondent, or any participating member of the team, has been involved in any litigation or legal dispute regarding a real estate venture during the past seven (7) years.
- Evidence of financial ability to acquire the Site and develop the Project including letters of interest and/or intent from equity sources and lenders. Include a five-year proforma that details costs, expected income, proposed funding sources and developer's expected profit or return.
- Evidence of Designated Developer's commitment to pay, from the date of its conditional designation: (i) the security deposit; and (ii) the City's out-of-pocket costs and expenses incurred in connection with the Project and the disposition to the Designated Developer of the Site, including, without limitation, costs and expenses of consultants and legal counsel.
- Any additional documentation or information evidencing the strength of the Respondent and its ability to complete the Project in a timely manner.
- Disclosure of any existing or contemplated relationship with any other person or entity, including relationships with any parent, subsidiary or affiliated firm, which would constitute an actual or potential conflict of interest in connection with Respondents' Proposal or selection as the Designated Developer and completing the project. Respondents must also indicate how they will notify the City if a conflict arises at any point after the submission of this Response, and how such a conflict would be resolved.

Every effort will be made by the City to maintain the confidentiality of the above propriety information.

2. Project Description

The Project description should include a detailed narrative describing all relevant aspects of the Project and any plans/timing of phasing of the development. The description should address:

- The proposed use(s).

- Type, bulk and size of each component of the development (gross and net square footages, Floor Area Ratios and total building foot print and height).
- Description of the proposed uses, a list of potential tenants or tenant types and any letters of interest and/or intent from potential tenants.
- The description should address how this project will advance the objectives set forth in Section V "Selection Criteria" below.

3. Site Plan and Architectural Design

It is expected that the proposed design, materials and site plan of the proposed development acknowledge and support St. Helena's reputation as a world-class destination for both residents and visitors. The design of the project must acknowledge the site context and the historic development patterns of the City. The proposal is expected to result in a timeless design, appropriate for both the setting and location within the City.

Each entity submitting a Proposal must provide the following:

- A summary of the proposed building program for the Project with square footages for each use.
- At a minimum, a set of concept sketches on 8.5" x 11" paper, showing the proposed Project and a set of schematic renderings of the proposed Project showing the principal elevations and massing, floor plans for each use, streetscape and landscape plans, entry features and signage.
- A description of the proposed exterior materials and other relevant specifications.
- A description of sustainable building practices that will be incorporated into the project during construction/renovation and operation of the improvements.
- A description of the anticipated entitlement process demonstrating a general understanding of the City of St. Helena development requirements
- A description of the basic infrastructure needs to accommodate the proposed development (as referenced in Section III above).

4. Development Timeframe

Respondent must submit a development timeline (subdivided into phases, if necessary), identifying the estimated length of time to reach key milestones, including: processing of entitlements; commencement and completion of design; financing; commencement and completion of construction; potential tenants; and anticipated occupancy for each component of the development program. Any contingencies that may affect this time line should also be identified.

5. Temporary Relocation or Construction of new City Hall and Police Station

Proposals should include a comprehensive minimum two-year plan for temporary relocation of all staff and services located in the City Hall and Police Station buildings or a plan for the construction of a new City Hall and Police Station including proposed location and financing.

6. Mechanical, Equipment, Infrastructure

Proposal should outline all necessary development, including modifications to existing infrastructure from current "as-is" condition, and include an estimated scope, schedule, budget and funding sources for these necessary modifications.

7. Team Member Qualifications

Proposals should include a list of and background information for all key members of the development team, including:

- Identification and qualifications of each member of the development team, including all persons or entities that will design, develop, or operate the Project, as well as the attorney, engineer, general contractor and other professionals, as appropriate, including leasing and management, who will be involved with this Project.
- A description of similar projects undertaken by the members of the Respondent's team.
- A summary of the availability of each of the principal members of each firm and their availability for commitment to the Project.
- Documentation addressing whether any participating team members have been involved in litigation or legal dispute regarding a real estate venture during the past five years.

- Background information of the owner, including resumes describing the relevant experience of all principal members. This information must be submitted for every participant in a joint venture and should highlight similar projects (including a project description and approximate dollar value for each).

V. SELECTION CRITERIA

City staff will complete a review and evaluation of the qualifications and proposals submitted by Respondents to this RFP based on the selection criteria described below. City staff may assemble an evaluation committee to provide technical expertise if necessary. The City may request that Respondents clarify or supplement information submitted, and may interview some or all Respondents. If, based upon evaluations of proposals, the City determines there are multiple viable and competitive proposals, staff will notify finalists to make presentations to staff and an evaluation committee for the purpose of ranking the proposals for City Council consideration. Selected Respondents will receive additional instructions about the interview format and any further requests for information.

The City, in its sole discretion, may select one of the Respondents for the purpose of negotiating an Exclusive Negotiation Agreement (ENA) with the City for the proposed acquisition and development of the Site as described further below. The City reserves the right to reject any and all submittals, request additional information and/or modify the selection process schedule.

The City retains the sole right to determine timing, arrangement and method of public presentations throughout the selection process. Respondents are cautioned not to take any actions to promote or advertise their interests except in the context of the process being undertaken by the City.

In evaluating received Proposals, the City will consider the following Selection Criteria to select the Designated Developer:



C. Overall Project Plan

- Project's overall benefit to the community including enhancements to Lyman Park
- Project Design and architectural compatibility with City of St. Helena
- Environmental Impact: The incorporation of sustainable building practices including adaptive reuse, the degree of LEED or Energy Star Certification, and overall impact of the project on the environment, including any on-site renewable energy generation and water conservation.

D. Overall Financial Benefits and Feasibility of the Project

- *Economic benefit to the City of St. Helena General Fund:* The projects overall and ongoing projected revenue generation to the City.
- *Employment Impact:* Creation of construction and permanent on-site jobs and payroll. Indirect job creation through on-site job training programs may also be considered.
- *Economic Impact:* Projected expenditures, construction costs, annual operating costs and other direct spending that will help support local

economic activity while also providing diversity in the retail and housing options for residents and visitors. The City will also consider the impact of indirect spending that the Project will generate and any applicable tax revenues

- *Financial Feasibility:* Respondent's demonstrated financial condition to complete the Project; availability of identifiable funding sources to finance the Project; sufficient revenue to support operating revenues, scheduled payments related to capital costs, reserve fund contributors and debt service.



E. Strength and Experience of Development Team

- *Development Team Qualifications:* Experience, development skills, and financial resources necessary to complete a high-quality Project on time and within budget.

F. Schedule

- *Schedule and Timing:* Proven ability to complete the Project in a timely manner.

Prior to selecting the Designated Developer, the City reserves the right to remove Respondents from competitive consideration at one or more points throughout the solicitation based on these criteria and/or a failure to achieve minimum satisfaction of the Selection Criteria. In order to remain in competitive consideration, Respondents are encouraged to present their most competitive Proposal.

Proposals may be reviewed by The City and other governmental officials. The sale/lease of the Site may be subject to various approvals, as required under applicable law and regulation.



VI. DEVELOPER DUE DILIGENCE

“As Is, Where Is” Condition

Respondents should assume that the Site, including land, improvements, and any supporting building infrastructure, will be sold or long-term leased “AS IS” and “WHERE IS” without representation, warranty, or guarantee as to quantity, quality, title, character, condition, size, or kind, or that the same is in condition or fit to be used for the Respondent's purpose (e.g., long term-leased for development, conveyed by quitclaim, etc.).

SUBMISSIONS

Ten (10) hard copies and one (1) electronic copy (in the form of a flash drive or CD-ROM) of the Proposal identified by “1480 Main Street RFP” must be received by **5:00 PM PST on August 19, 2016**, at the following address:

**City of St. Helena
1480 Main Street
St. Helena, CA 94574
Attn: Noah Housh, Planning and Community Improvement Director
Re: 1480 Main Street RFP**

RFP Inquiries

The City will accept written questions via email from prospective Respondents regarding the RFP. All questions must be submitted in written (electronic) form to:

Noah Housh, Planning and Community Improvement Director
nhoush@cityofstheleena.org

Questions regarding this RFP should be received by Wednesday, **August 3, 2016**. All questions (timely) received and the responses thereto will be posted on the City of St. Helena website at:

No information other than through the process outlined above will be provided once the RFP has been released. Respondents shall not direct questions to any other person within the City of St. Helena, including staff, appointed officials, elected officials or consultants to the City. Contacting other individuals may result in elimination from the RFP review process. It is essential that all potential

Respondents and interested parties adhere to this directive so that the communications are consistent and the process remains fair, objective and transparent. Failure to adhere to this single point of contact directive shall be a basis for the City to disqualify a Respondent in its sole discretion.

Site Tours

Potential Respondents may also attend a Site tour that is anticipated to be scheduled on or around **July 6, 2016, at 11:00 AM PST**. Please email nhoush@cityofsthenelena.org at least three business days in advance if you plan on participating in the Site tour. The City may choose to offer one or more additional tour(s) at its discretion.

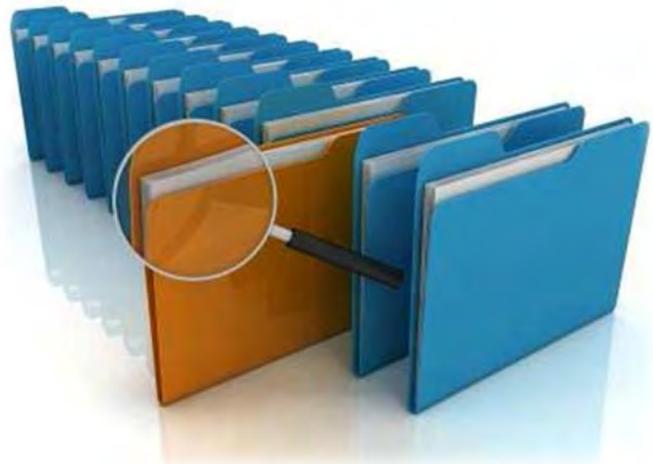
The City of St. Helena reserves the right to modify this RFP schedule at its discretion. Notification of changes in connection with this RFP will be made available to all interested parties by e-mail and via the City of St. Helena website at:

<http://www.cityofsthenelena.org/content/planning>

Proposals are Public Records

Each Respondent is hereby informed that, upon submittal of its proposal to the City in accordance with this RFP, the proposal is the property of the City.

- Unless otherwise compelled by a court order, the City will not disclose any proposal while the City conducts its deliberative process in accordance with the procedures identified in this RFP. However, after the City either enters into an Exclusive Negotiating Agreement with the Designated Developer, or the City rejects all proposals, the City shall consider each proposal subject to the public disclosure requirements of the California Public Records Act (California Government Code sections 6250, *et seq.*), unless there is a legal exception to public disclosure.



- If a Respondent believes that any portion of its proposal is subject to a legal exception to public disclosure, the Respondent shall: (1) clearly mark the relevant portions of its proposal “Confidential”, and (2) upon request from the City, identify the legal basis for exception from disclosure under the Public Records Act. By submitting its proposal, the Respondent agrees to defend, indemnify, and hold the City harmless from any claim by any third party for the public disclosure of the “Confidential” portion of the proposal.

VII. DISPOSITION PROCESS

If the City selects a Respondent with whom to further negotiate, that Respondent, or the “Designated Developer”, will be expected to enter into an Exclusive Negotiation Agreement (ENA) with the City for the proposed acquisition and development of the Site. The ENA is not transferable and not assignable. The initial term of the ENA will be for a period of 12 months from the date of the City Council's approval of the ENA with the Designated Developer. If the City and the Designated Developer fail to enter into an ENA within 90 days after selection, the initially selected Designated Developer will have no further rights with respect to the Site or this RFP, and the City may, at its option, select another developer from those development teams submitting proposals in response to the RFP.

A copy of proposed form of ENA is attached hereto as Exhibit C. Each Respondent shall identify any proposed changes to the ENA by providing requested additions, deletions or modifications.

During the term of the ENA the Designated Developer will be obligated to timely and diligently process the required land use entitlements for the Project and negotiate with the City regarding the terms of disposition of the Site and development of the Project thereon. The ENA will also require payment by the Designated Developer of expenses as described throughout this RFP. At the expiration of the ENA term, it is anticipated that the land use entitlements for the Project will have been secured by the Designated Developer and the City and Developer will have negotiated a Disposition and Development Agreement for consideration by the City Council.

Deposit

A deposit is not required to be submitted with a proposal. Upon the City Council's approval of an ENA, the Designated Developer shall be required to deposit a good faith deposit with the City. The deposit amount of \$50,000 will be established in the ENA, and will secure the Designated Developer's obligation to negotiate diligently and in good faith regarding the final terms of the property disposition and development, and all other terms of the final DDA. If the Designated Developer and City enter into a DDA, the deposit may be applied to the good faith deposit required under the DDA. If the Designated Developer and City fail to enter into a DDA, the good faith deposit will be refunded to the Designated Developer, unless the Designated Developer has failed to meet the milestones set forth in the ENA or to otherwise negotiate diligently and in good faith, in which case the deposit shall be retained by the City as liquidated damages.



Disposition and Development Agreement

During the Exclusive Negotiation period, the City and Designated Developer will attempt to finalize the specific terms for disposition and development of the Site to be set forth in a Disposition and Development Agreement (DDA). The DDA will include the purchase price, terms, and conditions for site acquisition and development, including conditions precedent to closing and milestones and time frames for development of the Site.

Note that the City will not pay commissions to brokers for the transaction and will require the Designated Developer to indemnify the City against any claims for broker's commission.

VIII. CONCLUSION

Thank you for taking interest in the City of St. Helena and this RFP.

X. INSURANCE REQUIREMENTS

The Designated Developer will be expected to provide pursuant to the ERN evidence of the following insurance requirements (at a minimum and to the extent applicable), as listed below:

- A. Commercial General Liability insurance
 - \$1 million per occurrence / \$2 million aggregate.
- B. Auto Liability insurance
 - \$1 million per occurrence
- C. Excess Umbrella Liability insurance
 - \$10 million per occurrence / \$10 million aggregate minimum
- D. Professional Liability insurance
 - \$1 to \$3 million minimum (preferably \$5 million)
- E. Worker's Compensation & Employer's Liability insurance
 - At State statutory limits.
- F. Disability insurance coverage
 - At State statutory limits.



XI. LINKS TO INFORMATION

All documents listed below can be found at:

<http://www.cityofstheleena.org/Main-and-Adams-Street>

- Water Neutrality Policy
- Draft 2035 General Plan
- Growth Management System
- Visit Napa Valley.com
- Water Master Plan
- Water and Sewer Facilities Maps
- BASMAA Stormwater Manual
- Draft Exclusive Negotiation Agreement (ENA)
- Main Street Current Land Use Designations Graphic