



Think Inside the Triangle™

Request for Proposals (RFP) for the Purchase of the Westside Market Property in Downtown, Tracy, California

Issued: November 9, 2021

Pre-Submittal Meeting with City of Tracy: December 2, 2021

Written Proposals Due: By 5:00PM on January 13, 2022

1. Executive Summary

The City of Tracy is the owner of a commercial real property in the heart of downtown Tracy known as the Westside Market. The Westside Market (“Property”) is located at 729/741 N. Central Avenue, Tracy, California, Assessor’s Parcel Number (APN) 235-068-06 and is bounded to the east by N. Central Avenue, on the north by W. 8th Street, on the west by existing privately owned residential property and to the south by Jackson Alley. The Property is an immediate neighbor to the City of Tracy Grand Theatre Center for the Arts, a beautifully restored 651 seat vaudeville-era theater that attracts 50,000 patrons annually to downtown Tracy for performing arts events, classes and concerts.

The City of Tracy is seeking written proposals from development and/or operator teams to acquire and reposition a project on the 10,500 square foot (.24 acre) site. The City of Tracy seeks a qualified team to meet the City’s economic development and downtown vision objectives. They include targeting new “anchor” uses in downtown, like restaurants, office, and specialty retail that generate new visitation and activity in a mixed-use environment. The City is interested in hearing from the development and operator community and explore concepts that would enliven the downtown experience at this strategic location. Prior council direction included a sit-down restaurant as a prime tenant and envisioned a commercial only concept, mixed use project, or any similar viable project concept that complimented the operation and programming of the Grand Theatre. The City of Tracy has economic development incentives available to assist the project delivery.

Contact for Questions:

Please contact Michael Nimon, Economic Development Manager, Economic Development Division at 209-831-6493 or michael.nimon@cityoftracy.org or Barbara Harb, Economic Development Management Analyst at 209-831-6491 or barbara.harb@cityoftracy.org. Pre-submittal informational meetings are to be scheduled on Thursday, December 2, 2021. Written proposals are due to the City of Tracy Economic Development Division by 5:00PM on Thursday, January 13, 2022.



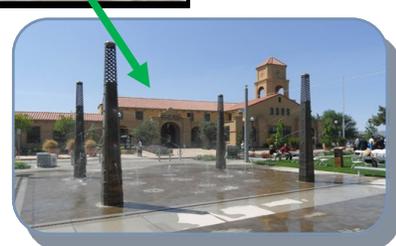
Westside Market



Grand Theatre



Transit Station



Downtown Plaza

2. About Tracy, California

Tracy, California

The City of Tracy is a full service city home to 96,000 residents with a median household income of approximately \$92,000. We are a thriving community with the highest household incomes in San Joaquin county. Tracy is where tradition, charity, and prosperity abound throughout the community and where Fortune 100 companies thrive while their employees enjoy quality schools, a variety of recreational amenities, great restaurants, safety, and shopping.

Tracy is strategically positioned to capitalize on the growth of the greater San Francisco Bay Area offering opportunities not only for relocating businesses but also residents seeking a higher quality of life in our family-friendly community. The City has experienced a boom in local job generation and are projecting future growth in the Advanced Manufacturing, Renewable Technology, and Health and Human Services employment sectors. Large employers in Tracy include Amazon, Thermo Fisher Scientific, Best Buy, Crate & Barrel, FedEx, Medline Industries, Pacific Medical, Leprino Foods, and many more.

The single family and multi-family residential housing market is also booming and creating new opportunities for local residents and those relocating for new job opportunities. By 2025, the population in Tracy is expected to exceed 100,000. Regional transit plans for Valley Link will reinforce Tracy's transportation and economic ties with the Bay Area via rapid transit system that will link nearly 500 miles of commuter and intercity rail with more than 130 stations in the Northern California Megaregion. Other public transit service options to the San Francisco Bay Area include the Altamont Commuter Express (ACE) and San Joaquin Regional Transit District (RTD) direct commuter service. Tracy's small town charm, high performing schools, unparalleled quality of life, and low crime rates make Tracy a desirable location to work, live, play and thrive.

Downtown Tracy

Downtown Tracy is attractive, historic, and vibrant, with many new shops, restaurants, retail stores and entertainment options. Downtown Tracy has been reimaged through significant public and private investment over the years including \$67 million for public improvements, infrastructure and streetscape, public parking lots, a Fire Department Administration Building, Grand Theatre Center for the Arts, and the Downtown Plaza.

New businesses are also taking off in downtown Tracy, with sales tax increase of over 150% during the last decade. Full service and specialty restaurants including the Commons, Bistro 135, Town & Country Café, Magellan's Restaurant, Junior's, Popo's, Delta Brews, the Station, Thai Café, Jasmine Thai, Tracy Thai, and Purgatory among others call downtown home. Downtown Tracy also offers clothing boutiques, fitness studios, salons, spas, flowers and gifts, groceries and general services.

Success in downtown is due in part to the efforts of Tracy City Center Association (TCCA), a non-profit district manager of the Property-Based Improvement District (PBID). TCCA is actively engaged in downtown business attraction, marketing, events and business relations to create a thriving environment. For more information about TCCA, please visit their website at <https://tracycitycenter.com/>.



Thai Jasmine and Purgatory



The Commons

2. About Tracy, California (Continued)

Grand Theatre Center for the Arts

The classical Grand Theatre, designed by architect Albert W. Cornelius, opened on August 11, 1923 as a premiere vaudeville half-house. The 37,000+ square foot facility re-opened after an extensive redevelopment of the property with 651 seats, 2 restored theaters, a dance studio, 8 classrooms and 3 art galleries. The facility hosts 50,000 patrons a year and is owned and operated by the City of Tracy. More information about the Grand Theatre Center for the Arts can be found at <http://atthegrand.org/>.



Downtown Events



The City of Tracy, and the Tracy City Center Association (TCCA), are active in promoting the arts, culture, entertainment and hometown Tracy traditions to engage and activate the downtown area. The City hosts free summer events such as the Downtown Block Party at the Downtown Plaza and Movies on the Plaza, in addition to the Artwalk centered around the Grand Theatre. TCCA has been very successful in its events line-up such as the Saturday Farmer's Market, Taps on 10th, Wine Stroll, Ornament Stroll, Halloween Parade and Christmas Parade.

Transit Station and Access to San Francisco Bay Area

The southern terminus of Downtown is marked by the newly constructed Tracy Transit Station, which has been lauded as one of the finest buildings of its kind in the region. The station is serving as the main Tracy hub for San Joaquin Regional Transit District (RTD) direct commuter bus to the Bay Area Rapid Transit (BART) Dublin station. In addition, RTD provides direct contract commuter service from the Transit Station to companies in the greater San Francisco Bay Area such as Lockheed Martin and Northrop Grumman located in Sunnyvale. RTD also provides connecting services to locations throughout the Stockton metro area.



TRACER, the City of Tracy transit service, provides fixed route and dial a ride services to Tracy residents connecting downtown to destinations such as the West Valley Mall and other job and service centers in the community. Additionally, the Valley Link Project plans for use of an existing 42-mile passenger rail line service as soon as 2027-2028. The plan envisions connecting San Joaquin county communities to existing Pleasanton/Dublin BART station with continued service to the Silicon Valley. The existing Tracy Transit Center, located a block from the property, is planned as one of seven new Valley Link stations. The City is conducting downtown visioning efforts to ensure that a balance of land uses, quality of life, infrastructure, connectivity, historic character, and community amenities continue to position this area as a vital economic and social activity center.

3. About the Property

The 10,500 square foot (.24 acre) property with a 6,300 square foot existing structure is located in the heart of downtown Tracy, adjacent to the Grand Theatre Center for the Arts, and one block from the Transit Center. Other nearby uses and amenities include the Downtown Plaza, Tracy Fire Department Administration Building, Tracy City Hall, as well as eating and drinking establishments, clothing and merchandise retailers and service related industries such as spas, flower shops, real estate, banking and others.

- A. **Street Address:** 729/741 N. Central Avenue, Tracy, California 95376
- B. **Current Owner:** City of Tracy (in fee ownership)
- C. **Legal Description:** Lots 12, 13, 14 and all that portion of Lot 15 lying Easterly of line running from a point 1.25 feet Westerly of the Westerly line of Lot 14 measured along the South side of 8th Street to a point 6.31 feet Westerly of the Westerly line of Lot 14, measured along the South line of said Lot 15, all in Block 13. The above described property being all of Lots 12, 13 and 14 and a strip off of the Easterly side of Lot 15; said strip being 1.25 feet wide on the South side of West 8th Street and 6.31 feet wide on the North side of alley, all in Block 13 in City of Tracy, according to the Official Map or Plat thereof, filed for record June 29, 1892 in Book of Maps and Plats, Vol. 2, page 63, San Joaquin County Records. APN: 235-068-06
- D. **Lot size:** 10,500 sq. ft. (.24 acre)
- E. **Existing building size:** 6,300 sq. ft. approximate area in as-is vacant condition.
- F. **Property History:** City of Tracy acquired the property in 2011. The structure is believed to be 1920's era.
- G. **General Plan Designation:** Downtown
- H. **Current Zoning:** Central Business District (CBD), which allows commercial business, service, and office facilities for the convenience of residents, retail core and cultural focus uses, and high density residential in proximity to downtown businesses and public gathering spaces. There are no height restrictions in CBD.
- I. **Flood Plain:** FEMA Flood Zone FIPS 06077, QUAD 37121-F4, Outside the 0.2% annual chance 500-yr floodplain.
- J. **Utilities:** City wet domestic utilities including water, sanitary sewer, and storm drainage are available to service property from adjacent public streets. Dry utilities such as PG&E electric and telecommunications are aerial available to service site. PG&E gas services are underground capped in public street.
- K. **Transportation and Access:** Property is bounded to the east by N. Central Avenue, on the north by W. 8th Street, on the west by existing privately owned residential property and to the south by Jackson Alley. Access to the site may be provided via W. 8th Street or Jackson Alley.

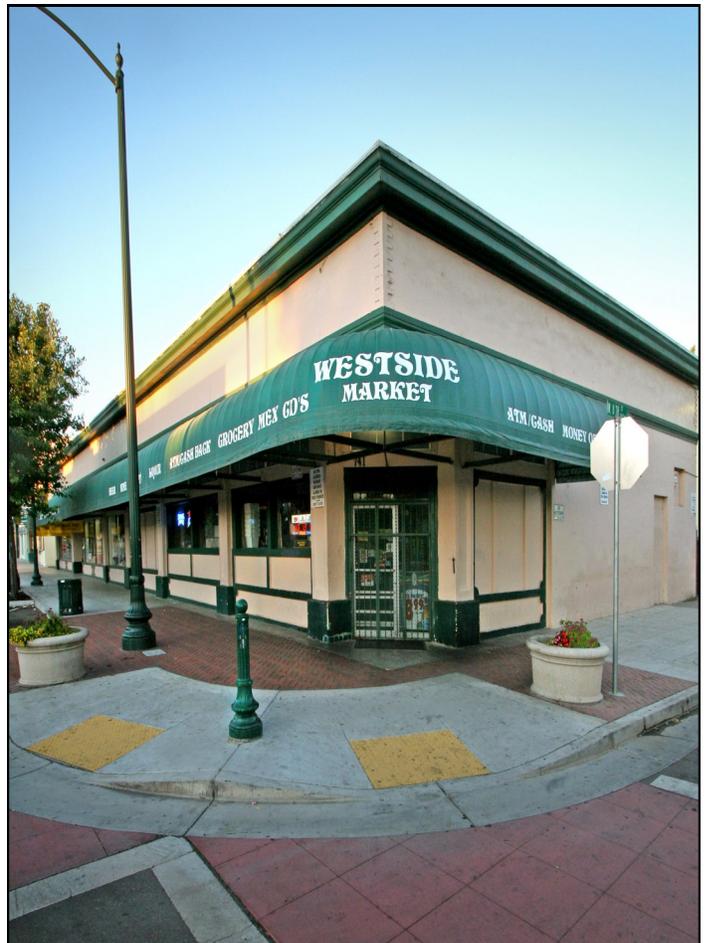
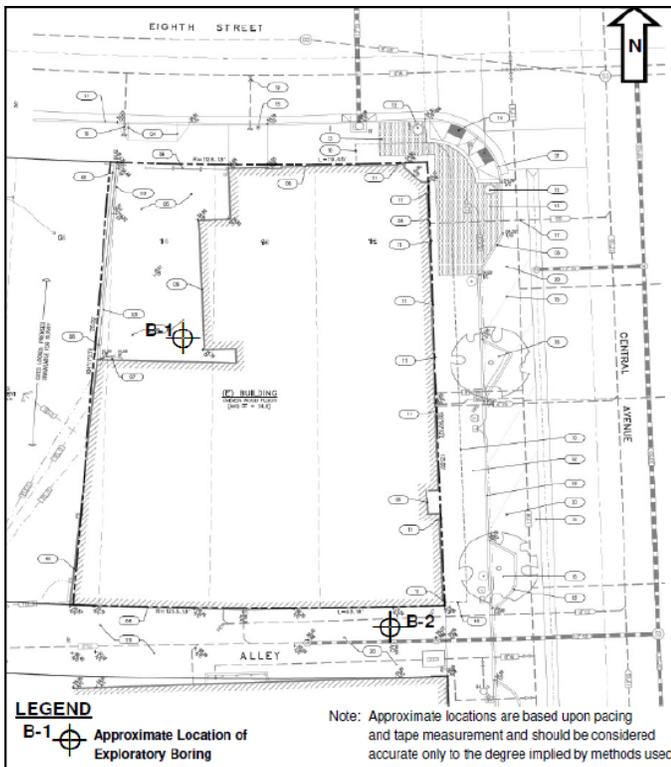


3. About the Property (Continued)

- L. **Parking:** Parking is available on-street and in City owned parking lots within 1 block of the site. The City of Tracy has waived the off street in-lieu parking fee allowing the Property to develop without on-site parking requirements or parking fees.
- M. **Site Design and Building Orientation:** The use of property should be consistent with City design standards and CBD zoning ordinance. Project development should enhance the “main street” development of the N. Central Avenue downtown corridor, with a strong pedestrian orientation.
- N. **Environmental Conditions:** The City of Tracy is in possession of a Phase 1 Environmental Site Assessment dated July 2011. The ESA did not identify any immediate environmental hazards. Additionally, the City of Tracy has hazardous materials reports for Asbestos and Lead materials available for review. The City of Tracy, through the demolition activities for the Property, has identified an underground storage tank (UST), which was subsequently removed on May 4, 2018. On December 6, 2019, San Joaquin County Environmental Health Department issued a “no further action” letter confirming completion of the work.
- O. **Appraised Value:** The Property was appraised on March 13, 2017 by Michael E. Lockard, MAI R/W-AC and was determined to have a market value of up to \$241,500 as vacant. This value will be the preliminary basis for entering into any formal negotiations between parties.
- P. **Downtown Community Benefit District:** The Property is located in the Tracy Downtown Community Benefit District (TDCBD) a Property Based Improvement District (PBID). The TDCBD extends from 2016-2024 and is subject to future renewals by voters of the district. The property assessment base rates (FY 2021) are follows and are subject to 5% annual increase thereafter:

Linear Footage	\$3.8588/LF	Lot Square Footage	\$0.0965/GSF
Building Square Footage	\$0.1874/GSF	Condo Bldg. Square Footage	\$0.2205/GSF

- Q. **Outside Dining:** The Property is located within the boundary for the outside dining program approved by Council and in effect as of November 5, 2021. This program enables downtown restaurants to build parklets in the public right of way and commits funding for full reimbursement of parklet construction for up to \$50,000 per business.



4. Economic Development Objectives

The City of Tracy is providing this RFP to solicit interest from development teams and/or operators to purchase the Westside Market Property to assist the City with implementing its vision for downtown Tracy. Tracy General Plan identifies Downtown as a focal point of community life in the City and contains a mix of uses including commercial, residential, public facilities, and community services. The General Plan calls for targeting new “anchor” uses in downtown, like restaurants, office, and specialty retail that generate new visitation and activity in a mixed-use environment. Prior Council direction identified the following objectives:

- A. Reuse the property to enhance and increase visibility for the city block, and provides a developed product that compliments the neighboring Grand Theatre Center for the Arts.
- B. Provide a commercial sit-down full service restaurant as a prime tenant.
- C. Provide new adjoining retail and commercial space.
- D. Explore the potential addition of a second or third story, which may include a mixed-use residential component.
- E. Project design that provides continuity between the old and the new in the built environment and retains the scale and the unique character of the downtown.
- F. Project design that encourages indoor-outdoor commercial activity including eating and drinking establishments with an emphasis on a brew pub use.



Concept rendering provided by ITZEN Architects Inc. for the City of Tracy. Provided for illustration only.



5. City of Tracy Business Terms

The City of Tracy is interested in obtaining written proposals from developers and/or operators with relevant experience that may lead to meeting or exceeding the City's stated economic development objectives defined in Section 4.

The City of Tracy is committed to the success of this public-private venture. Depending on the Project vision and economics, potential incentives include the following, subject to final negotiations and approval by the Tracy City Council:

- A. Furniture, Fixtures and Equipment (FFE) restaurant incentive
- B. Draw down cash incentive (subject to applicable sections of the CA. Public Contracting Code)
- C. Building and Planning Fee Rebate for Small Business tenants

The City of Tracy would seek that the selected development team agree to performance measurements which could include the following, subject to mutual approval by the parties:

- A. Receive certain project entitlements as described in the Tracy Municipal Code and approvals from the Tracy City Council as part of real property disposition and redevelopment project approval process.
- B. Purchaser takes fee simple ownership or long-term ground lease following approval of all project entitlements including Planning and/or Building Permits.

Proposals will be subject to evaluation and selection by Tracy City Council. Depending on responses received, one or more respondents may be selected for the next step, which may require submittal of project financial statements, information required for a pro-forma financial feasibility analysis, and other requested documentation to validate the intent and ability of the applicant to fulfill a desired project objective. A third party, chosen by the City, may be used to collect and analyze the required data in order to maintain the confidential nature of the information provided. After that review, the final selected respondent will be provided the opportunity to enter into an Exclusive Negotiating Rights Agreement (ENRA) with the City of Tracy, subject to approval by the Tracy City Council.



Audience meets in lobby of the Grand Theatre Center for the Arts

6. RFP Submission Requirements & Selection Criteria

Submission Process

The City of Tracy will host in-person pre-submittal meetings with interested parties on Thursday, December 2, 2021 between the hours of 9:00AM through 5:00PM. All respondents are invited to arrange a 45 minute pre-submittal informational meeting and site tour with the City of Tracy. Meetings will be arranged on a first come, first serve basis. Pre-submittal meetings may be arranged with the City of Tracy by contacting Michael Nimon, Economic Development Manager at 209-831-6493 or michael.nimon@cityoftracy.org. Information gained at these meetings may be used as part of the respondent's proposal.

Formal proposals are due by 5:00PM on Thursday, January 13, 2022 to the City of Tracy Economic Development Division located at 333 Civic Center Plaza, Tracy, California 95376. One paper copy of the proposal must be submitted. Respondents may also provide an electronic copy to michael.nimon@cityoftracy.org.

Following receipt of written proposals, the City of Tracy may choose to perform additional selection interviews with any or all of the respondents and to request and review project financial statements, information required for a pro-forma financial feasibility analysis and other documentation to validate the intent and ability of the applicant to fulfill a desired project outcome. A third party, chosen by the City, may be used to collect and analyze the required data in order to maintain the confidential nature of the information provided. The final selected respondent will be provided the opportunity to enter into an Exclusive Negotiating Rights Agreement (ENRA) with the City of Tracy, subject to approval by the Tracy City Council.

Contents of Written Proposal Package

Respondents are encouraged to provide all information as requested in this RFP and address them in the following order:

- A. Executive Summary and/or Letter of Interest from Respondent including contact information
- B. Description of project's proposed ownership and legal structure
- C. Statement of qualifications including relevant project experience
- D. Three (3) professional references, including public agency references where applicable
- E. Description of a concept project including the project vision, goals, and conceptual project implementation approach regarding how the purchaser team will address the City's economic development objectives
- F. Identified constraints or challenges to project implementation

Evaluation and Selection Criteria

The City of Tracy reserves the right to evaluate and select a respondent that best meets the needs of the City. Respondent proposals will be evaluated and ranked based on a variety of criteria including, but not limited to:

- A. Team Experience and Capability
 - Demonstrated successful experience on projects similar in scope and type to these requested by the City
 - Results of professional reference checks
- B. Project Vision and Design
 - To the extent the project advances the City of Tracy's economic development objectives
 - Proposed use is consistent and enhancing of the surrounding downtown environment

The City of Tracy reserves the right to amend this Request for Proposals (RFP) package, and the incorporated evaluation and selection criteria at its choosing. Proposals will be subject to evaluation and selection by Tracy City Council.

7. Appendices—Supplemental Property Information

All respondents are advised to visit the City of Tracy's project procurement information page (RFP Notices) at <http://www.cityoftracy.org/government/rfp-notices> for additional information regarding the RFP package.

1. [Location Map](#)
2. [Assessor's Parcel Map, APN 235-068-06](#)
3. [Preliminary Title Report, APN 235-068-06](#)
4. [Phase 1 Environmental Site Assessment](#)
5. [No Further Action Environmental Letter](#)
6. [Restricted Appraisal Report](#)
7. [Plan—Construction Documents for Demolition of Unreinforced Masonry Portion of Existing Building](#)
8. [Tracy Market Profile, 2021](#)
9. [Central Business District \(CBD\) Zoning Ordinance](#)