



# REQUEST FOR PROPOSALS

## HERITAGE PARK LEASE OPPORTUNITY TO DEVELOP AND OPERATE SIX HISTORIC STRUCTURES



### COUNTY OF SAN DIEGO

REAL ESTATE SERVICES DIVISION  
5560 Overland Avenue  
Suite 410  
San Diego, California 92114  
858-694-2291  
[www.sdcre.com](http://www.sdcre.com)

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ISSUED: Monday, August 22, 2016

PROPOSALS DUE: Friday, October 21, 2016

**I. BACKGROUND**

**A. PROJECT DESCRIPTION**

The County of San Diego (County) is seeking proposals for the lease of Heritage Park and its historical structures located near Old Town State Park in San Diego, California. The purpose of this Request for Proposals (RFP) is to provide private developers/operators with an opportunity to prepare and submit a development/operating proposal for a hospitality-based venture.

**B. PROPERTY INFORMATION**

The property information contained in this RFP is for informational purposes only. Interested parties are required to verify all property information and development regulations as part of their due diligence. The County makes no representations as to the accuracy of the information contained in this RFP. A location map and site map showing the location of the property are attached as Exhibit "A".

**Property:** Portion of Assessor Parcel Number 443-340-34 consisting of approximately 7.69 acres of land and six structures available for lease totaling 16,184 square feet located at the southeast corner of Harney Street and Juan Street in San Diego.

**Property Dimensions:** Irregular shape with approximately 295 feet of frontage on the south side of Harney Street and 650 feet of frontage on the east side of Juan Street.

**Zoning/Potential Uses:** Zoned OTSDPD-PUB-PRO-PK - Old Town San Diego Planned District. This zoning designation is for County Park lands that are to be maintained as a preserve for a Victorian Era mini-community in a park-like setting. Public access to the park must be maintained. The City of San Diego is the permitting authority for projects on the property. The City of San Diego suggests that you submit your proposed project for a Preliminary Review. Information about the Preliminary Review process can be found in City of San Diego Information Bulletin 513 at the following web address:

[https://www.sandiego.gov/sites/default/files/leg\\_acy/development-services/pdf/industry/infobulletin/ib513.pdf](https://www.sandiego.gov/sites/default/files/leg_acy/development-services/pdf/industry/infobulletin/ib513.pdf).

**Existing Improvements:** Six historical buildings available for lease, maintenance barn, parking lot, and landscaped grounds. A seventh structure is located on the property but is subject to an existing lease.

**Flood Zone:** The property is located in an area outside of the 100-year flood plain

**C. EXISTING IMPROVEMENTS**

Improvements on the property that will be part of the lease include six structures featuring Victorian architecture. Building size and historical details are attached as Exhibit “B” Description of Improvements.

**D. PRE-PROPOSAL MEETING**

To obtain more detailed information regarding this opportunity, interested parties are encouraged to meet with County staff at the site on Friday, September 2, 2016 at 10:00 a.m. for a tour of the property.

**E. DELIVERY OF PROPOSALS**

Responses to this RFP are due no later than 5:00 p.m. on Friday, October 21, 2016. Late proposals are not accepted and will be returned unopened. Please deliver six (6) copies of your proposal to:

County of San Diego  
Real Estate Services Division  
Attention: Bianca Lee-Cristaldi  
5560 Overland Avenue  
Suite 410  
San Diego, California 92123-1294

It is the duty of each proposer to request any clarifying information from the County as it pertains to this RFP. Questions or requests for clarifications to the RFP should be submitted in writing to Bianca Lee-Cristaldi at the above address or at: [bianca.lee-cristaldi@sdcounty.ca.gov](mailto:bianca.lee-cristaldi@sdcounty.ca.gov). No other person should be contacted with regard to questions or clarifications specific to this project. Responses to inquiries will be posted on the Real Estate Services website at [www.sdcre.com](http://www.sdcre.com).

All proposals must be signed by an authorized officer/employee with the authority to bind the entity submitting a proposal.

**F. PROPOSED SCHEDULE**

Issue RFP	Monday, August 22, 2016
Pre-proposal tour	Friday, September 2, 2016
Proposals due to Real Estate Services	Friday, October 21, 2016
Completion of proposal evaluations and proposer selected	Friday, November 18, 2016
Lease negotiations completed	January 27, 2017
Board of Supervisors Hearing	March 2017
Lease commencement	March 2017

**G. WITHDRAWAL**

The County reserves the right to withdraw this RFP at any time without prior notice. This RFP does not commit the County to enter into a lease and no reimbursable costs may be incurred in anticipation of a lease award. The County also reserves the right to accept or reject any and all proposals, or any part thereof, for any reason whatsoever, at its sole discretion.

**H. LEASE APPROVAL**

The provisions outlined in this RFP are non-binding. A binding agreement will not be created until/unless the lease contemplated by this RFP is fully executed by the selected proposer and the County. The County is not bound by the terms of any lease until it has been formally approved by the County’s Board of Supervisors and fully executed by the County’s lease administrator.

**II. TERMS AND CONDITIONS**

**A. PREMISES**

All park grounds and six of the seven structures will be included in the lease. The McConaughy House is subject to an existing lease and should not be included as part of your response.

**B. LEASE TERM**

Proposers shall indicate the length of the lease term they are seeking.

**C. MAINTENANCE/REPAIRS/JANITORIAL SERVICE**

The selected proposer will be responsible for all maintenance, repairs and janitorial services for the structures and grounds included in the lease.

**D. UTILITIES**

The selected proposer will be responsible for paying the cost of all electricity, gas, water and sewer service to the leased property. The County is committed to energy conservation and selected proposer shall be expected to cooperate with reasonable energy conservation practices.

**E. HOURS OF OPERATION**

The property will continue to be identified as a County park and the grounds must stay open to the public year around. Temple Beth Israel will remain open to the public when events are not scheduled.

**F. INSURANCE**

The selected proposer shall provide the following minimum insurance (the lease will include the complete insurance terms):

1. A Worker's Compensation insurance policy covering all employees and subcontractors of the selected proposer.
2. Comprehensive General and Automobile Liability Insurance of \$2,000,000 combined single limit Bodily Injury and Property Damage.
3. All insurance policies shall name the County of San Diego as additional insured.

**G. SUBLEASING**

The selected proposer shall not enter into any subleases without prior written approval from the County.

**III. PROJECT REQUIREMENTS**

The minimum project requirements are as follows:

- The property is to be used for a publicly accessible hospitality based venture (e.g. restaurants, shops, hotels, bed and breakfasts, museums, etc.). The Property will continue to be identified as a County park. The grounds must stay open to the public year

around and the lessee may not charge fees to the public to access the grounds.

- Temple Beth Israel shall be maintained in accordance with properties listed on the National Historic Register.
- Some of the historical homes have been partially restored and will require additional improvements. The selected lessee shall be fully responsible for funding and completing necessary improvements to the existing structures. County funding will not be provided.
- Improvements shall maintain and complement the historic nature, integrity and designation of the structures.
- Proposed development of new structures will not impact and will be consistent with the historical period and theme of the existing structures.
- The selected lessee will be responsible for securing all necessary permits and approvals for use of the property and improvements to the structures.
- The natural slopes above and behind the park shall be maintained in a natural condition. Selected lessee will perform any required vegetation management activity necessary for fire protection purposes
- The lease shall include a revenue generation component for the county, whether through a shared revenue stream or fixed lease payments.

#### **IV. PROPOSAL EVALUATION AND SELECTION**

Written proposals will be evaluated by a selection committee designated by the County. Responses to this RFP should address all the project requirements outlined in Section III above. Responses that do not address all the project requirements will not move on to the scored evaluation. The selection committee will use the following criteria in evaluating proposals:

##### **A. DESCRIPTION OF PROPOSED PROJECT (30 points)**

1. Proposed project, including renovation of existing structures, development of new structures, if any, business plan and proposed lease term.

2. Estimated schedule for the proposed development through renovation and design and development of new buildings, if any.

**B. DEVELOPMENT TEAM (15 points)**

1. Identify each entity or partner that would entitle and develop the proposed improvements.
2. Explain the intended role of each entity or partner that would entitle and develop the proposed improvements.
3. Identify the project manager that will be the lead for the proposed development of the project.

**C. EXPERIENCE (30 points)**

Experience in developing/operating comparable projects. The following should be included:

1. Dates of projects
2. Financing approaches
3. Predevelopment activities
4. Public sector involvement

**D. FINANCIAL (25 points)**

1. Proven ability to raise capital for development of this project.
2. Demonstrated ability to pay monthly rent in accordance with a lease agreement.
3. The approximate investment the proposer will make in renovations of existing structures and proposed new development.
4. The amount of proposed rent.

Respondents may be required to present their proposal to the selection committee.

## **V. NEGOTIATIONS**

After the final recommendation of the highest ranked proposer by the selection committee, a lease document will be negotiated and prepared that incorporates terms and conditions and project requirements in this RFP and the proposer's submitted proposal. If a lease cannot be negotiated, the County may, at its sole discretion, begin negotiations with next highest ranked proposer and terminate negotiations with the previously selected proposer. The proposers will be notified of the decision of the County's selection committee. The lease is subject to approval by the County's Board of Supervisors.

## **VI. PROPRIETARY INFORMATION**

All response documents become the property of the County and subject to the Public Records Act requirements set forth in California Government Code Section 6250 and following. Information provided will be kept confidential to the extent permitted by law.

## **VII. CLAIMS AGAINST THE COUNTY**

Proposer, and its respective officers, agents, employees or representatives, shall have no claims whatsoever against the County or any of its elected officials, officers, agents, or employees arising out of or relating to this RFP or these procedures (other than those arising under a lease with your organization in accordance with the terms of the lease).

**Exhibit "A"**  
**Location Map**



**Exhibit "A"**  
**Site Map**



**Exhibit "B"**  
**Description of Improvements**

Senlis Cottage - 740 square feet



(1896) *Nineteenth Century Vernacular* - The Senlis Cottage is a modest cottage built for Eugene Senlis, an employee of San Diego Pioneer Horticulturist. This house, built without the amenities of gas, electricity, water, or sewer, is an example of dwellings occupied in the 1880s by working-class people. Park restrooms are located on the north side of the building next to the parking circle. The museum is on the west side of the cottage and would be vacated upon execution of lease with the selected proposer.

**Exhibit “B”**  
**Description of Improvements**

Sherman-Gilbert House - 3,080 square feet



(1887) *Stick Eastlake* (City Historic Site #8) - The Sherman-Gilbert House was built and first owned by John Sherman, a cousin of General William Tecumseh Sherman. The “widow’s walk” and circular window are key architectural elements of the house, which was the first structure moved to Heritage Park in 1971. From 1892 to 1965, sisters Bess and Gertrude Gilbert, patrons of art and music, brought internationally famous entertainers to receptions in their home. Among the artists were Yehudi Menuhin, Ernestine Schumann-Heink, and Artur Schnabel. The Park Ranger office is located on the bottom floor and would be vacated upon execution of lease with the selected proposer.

**Exhibit "B"**  
**Description of Improvements**

Bushyhead House - 2,464 square feet



(1887) Italianate - The Bushyhead House was built by Edward Wilkerson Bushyhead, early San Diego Sheriff, Chief of Police, and San Diego Union Newspaper owner, as a rental property. The Italianate style combines double doors with glass panels, tall protruding bay windows, regularly spaced brackets, and a low-pitched roof. The Bushyhead House (along with the Christian House and the Burton House) was moved to its Heritage Park location in 1976. Bushyhead, who was part Cherokee Indian, marched in the "Trail of Tears" during the displacement of the Southeastern tribes in 1838-39.

**Exhibit "B"**  
**Description of Improvements**

Christian House - 4,915 square feet



(1889) Queen Anne - The Christian House is a graceful residence constructed by Harfield Timberlake Christian, founder of an early San Diego abstract company. It is built in a popular late Victorian design characterized by a variety of chimneys, shingles, a corner tower, and an encircling veranda.

**Exhibit "B"**  
**Description of Improvements**

Burton House - 2,177 square feet



(1893) Classic Revival – The Burton House features pediments and dentil cornices inspired by classic sources mark this house. Henry Guild Burton, a retired Army physician, built it during a trend that by the turn of the century began to eliminate decoration.

**Exhibit "B"**  
**Description of Improvements**

Temple Beth Israel - 2,808 square feet



(1889) Classic Revival (City Historic Site #82) Temple Beth Israel is San Diego's first synagogue, constructed by the Congregation Beth Israel. The temple became temporary quarters for many religious sects before they established churches of their own. The structure reflects the church styles of the late 1800s. The first service was held on September 25, 1889.