

SUBJECT: USE OF THE RFP PROCESS FOR LEASE OF CITY-OWNED LAND
POLICY NO.: 700-41
EFFECTIVE DATE: September 8, 1986

BACKGROUND:

The City of San Diego disposes of its real estate holdings through public auction sales, negotiated sales transactions and leasing, in accordance with Council Policy 700-10, Disposition of City-owned Real Property. In many cases, land is made available for development through a competitive process and a Request for Proposal (RFP) is used to advertise the availability of the property and the responses of interested candidates are used to select lessees.

PURPOSE:

It is the purpose of this policy to insure that the use of the RFP process for lease of City-owned land is open, competitive, and consistent with the best interests of the City. It is further intended that the use of the RFP process will be both objective and efficient.

POLICY:

It is the policy of the City of San Diego that the use of the RFP process for the lease of City-owned land shall be as follows:

1. Utilization

The request for proposal process will be used in all cases unless an exception is granted by the applicable Council Committee, or the City Council. When particularly complex or sensitive issues are involved, the RFP should be brought to the appropriate Council Committee for review and approval prior to its issuance. Whenever an existing lessee is seeking renewal of an expiring long-term lease, the Manager will bring the issue of renewal, with an appropriate recommendation, to the applicable Council Committee prior to issuance of an RFP. If a determination is made to negotiate renewal of the lease agreement, the consideration will be to improve services and products, and improve the lease terms in accordance with Council Policy 700-10, Disposition of City-owned Real Property.

2. Advertisement

RFPs shall be widely advertised to insure maximum exposure of the property and reasonable efforts shall be made to make the local real estate brokerage community aware of the property's availability. For particularly significant opportunities, advertisements shall also be placed in regional and/or national media.

3. Criteria

The criteria that will be used for the selection of the purchaser or lessee shall be included in the RFP. Particular emphasis shall be given to making the criteria as objective as possible.

4. Nominating Committee

The City Manager may establish an advisory committee to assist in formulating a recommendation to the Council, or where it is desirable to obtain expertise not available within the staff. In the selection of persons to participate on the nominating committee, staff shall be careful to insure that no potential conflicts of interest exists. It will generally be sufficient if potential participants are asked to verify that such a situation does not exist.

5. Interviews of Respondents

The City Manager shall determine whether any or all of the respondents are to be interviewed as a part of the selection process.

6. Report

The report transmitting recommendations concerning prospective lessees acquired through the RFP process would normally include the following information:

- a. Background information on the subject property.
- b. A description of the selection process which was used.
- c. The identities of persons who participated on the nominating committee if one was used.
- d. Identification of criteria used in the selection.
- e. Identity of all proposers.
- f. Ranking of the top proposers.
- g. An evaluation matrix to show the overall ranking results, if appropriate.

7. Confidentiality

Prior to issuance of the aforesaid report, all information submitted to the City in a proposal in response to an RFP will be kept confidential throughout the review process (which commences upon receipt of the proposal and ends upon issuance of the Manager's Report). Proposals will generally be required in two parts. Part A will consist of the basic proposal responding to specifics of the RFP. Part B will consist of backup information such as personal financial information, credit reports and other disclosures of a personal or private nature. Upon issuance of the Manager's Report, the basic proposal (Part A) becomes public information and will be made available to the general public for review upon request. However, the proposal's Part B backup information will be treated as confidential on a permanent basis. Evaluation rating data utilized by an evaluation committee will also remain confidential.

REFERENCES:

Council Policy 700-09	Leases to Noncommercial, Nonprofit Organizations in Mission Bay Park.
Council Policy 700-10	Disposition of City-owned Real Property.
Council Policy 700-11	Political Activities on Certain Properties leased to Noncommercial, Nonprofit Organizations.

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

HISTORY:

Adopted by Resolution R-251511 03/31/1980

Amended by Resolution R-260743 05/21/1984

Amended by Resolution R-266509 09/08/1986