

To: Supervisor Lisa Bartlett

From: Jim Miller, Bob Mardian, Donna Kalez, John Hicks, Rodger Beard (for The Dana Point Boaters Association)

Date: December 22, 2015

Re: Recommendations *pertaining to Orange County's proposed solicitation of a PRIVATE PUBLIC PARTNERSHIP – REQUEST FOR QUALIFICATIONS (RFQ) AND SUBSEQUENT REQUEST FOR PROPOSAL (RFP)*

This is a jointly authored revision of the previous submission by the first four parties listed above.

### ***HISTORICAL BACKGROUND OF THE HARBOR REVITALIZATION***

The Dana Point Harbor was built in the early 1970's as a small boat harbor that included independent merchants, restaurants, educational and recreational services.

- **We (Merchants and DPBA) recommend** the RFQ and subsequent RFP include historical background of the harbor revitalization specifically referencing the creation of a comprehensive stakeholder Task Force in 1997 to assist with the development of the revitalization plan. Through consensus the task Force created the 12 Guiding Principals as a framework for the harbor revitalization plan.
- **We (Merchants and DPBA) recommend** the RFQ and subsequent RFP include the 12 Guiding Principles of the Harbor Revitalization to serve as a guideline for the selected developer to be mindful of when planning the project and negotiating new leases.
- **We (DPBA and Merchants) recommend** the RFQ and subsequent RFP include the Dana Point Tidelands Trust agreement. RFP introductory language should stipulate that all proposed project design elements shall be either: A) Incrementally supportive of maritime / boating harbor uses (preferred) or B) Incidental to and not in any way conflicting with these uses.

This introductory language should also assure that the developer is mindful when planning the project construction process, to minimize adverse impacts upon all maritime / boating uses during construction.

- **We (DPBA and Merchants) recommend** the RFQ and RFP include the Dana Point Harbor LCP in force at the time the RFQ and RFP is published, including waterside configuration information previously accepted by the California Coastal Commission. The RFQ and RFP introductory language should mandate that acceptable responses shall provide information regarding each developer proposed LCP variance or modification to the existing waterside configuration, and broadly describe the business case for each proposal.

The RFP introductory language should mandate that acceptable responses shall provide detailed information concerning proposed variance or modification described above, including development and operations revenues, costs and the differential associated with each, plus a narrative for each positive or negative potential impact upon harbor uses and tenants, including the general public, non-profit organizations, merchants and boaters.

### **PRIVATE PUBLIC PARTNERSHIP (P3)**

It is self-evident that skills, related qualifications and applicable experience necessary to successfully develop / build the landside and the waterside revitalization projects are much different. This is also self-evident from an ongoing operational standpoint as well.

The landside is in many respects a conventional commercial development, however there are unique and important considerations. For example, per the 12 Guiding Principles, it is necessary to demonstrate commitment to retaining and protecting the existing harbor culture with its strong sense of community, as well as to continue successful co-operation with, and service to the recreational boating community.

On the waterside, including the Embarcadero dry storage marina, one needs to look no further than the two existing waterside marina developer / operators. From both design / build and ongoing operational standpoints, the stark differences in the past performance are well known and documented. Competence here is a vitally important consideration since creating and preserving a proper harbor is, above all, the stated purpose of the Tidelands Trust.

- **We (DPBA and Merchants) recommend the RFQ and subsequent RFP incorporate language and be structured in such a way that landside and waterside respondent qualifications can be readily be evaluated separately, both design / build and operational performance standpoints, as well as in aggregate.**
- **We (DPBA and Merchants) recommend that if one developer is the most qualified, competent candidate in each of the four discrete scoring categories (Landside Design / Build, Waterside Design / Build, Landside Ongoing Operations, Waterside Ongoing Operations) that a single developer for the entire revitalization should be selected. However, if this is not the case, then P3 agreements should be established separately for landside and waterside.**

### **CURRENT MERCHANT LEASING OPTIONS**

Many of the current harbor merchants have supported the Harbor Revitalization since the effort to create a plan started in 1997. Support included merchants attending numerous Task Force, Coastal Commission and City Council meetings. Many current merchants and restaurant owners were previously notified of their new designated leasehold site within the new commercial core plan.

- **We (Merchants and DPBA) recommend the RFP require the selected developer to offer current harbor merchants and restaurant owners the “*Right of First Refusal*” for new operating leases in the commercial core project.**

### **CONSTRUCTION PHASE EMBARCADERO TENANT AND CUSTOMER IMPACT MITIGATION PLAN**

A construction phase plan for mitigation of adverse impacts upon Embarcadero tenants (boaters storing their boats and trailers onsite) and customers (tenants and day use boaters) should be included as a requirement for RFP responses.

- **We (DPBA and Merchants) recommend the RFQ and RFP stipulate that the selected developer shall organize both construction plans and actual project work to minimize the disruption to tenant storage as well as customer use of the Embarcadero. Further, RFP responses should explain in general terms**

how this would be accomplished and specify the number of dry storage boaters to be required to leave the harbor during each project phase (an amended LCP requirement, should this be required).

- We (DPBA and Merchants) recommend the RFQ and RFP stipulate that the selected developer shall provide boater tenants temporarily displaced from the Embarcadero during construction with priority access, and not charge any day user fees (for example, for launching or parking) when they bring their boat to the Embarcadero for launch and retrieval.

### ***CONSTRUCTION PHASE PARKING MANAGEMENT***

A construction phase parking management plan should be included in the RFP.

**We (Merchants and DPBA) recommend** the selected developer:

- Fund the cost of a shuttle service necessary to transport harbor employees and adversely impacted recreational boaters to designated offsite parking locations.
- Install sufficient directional signage to assist vehicle parking, identify pedestrian pathway access for the general public as well as for adversely impacted boat slip and dry storage boaters.
- Include valet parking as an option to assist with vehicle parking and traffic flow.

**We (DPBA and Merchants) recommend** the selected developer:

- In addition to offsite parking shuttle and valet service discussed above, properly respond to the special needs of recreational boaters that extend beyond those of the general public. For adversely impacted boaters, these needs include timely and consistently available extended duration parking (sometimes days instead of hours) as well as providing timely, conveniently available ways and means for transport of cargo and provisions to / from their boats.

### ***CONSTRUCTION PHASE COMMUNICATION***

There will be intense stakeholder and public interest in the progress of the harbor revitalization plan during the construction phase. A successful and timely construction process requires effective communication with existing merchants, stakeholders, contractors, and the community.

- **We (Merchants and DPBA) recommend** the RFP require the developer to include a Construction Communication Plan designed to provide a steady flow of communication between the developer, construction teams, existing merchants, adversely impacted boaters and the boater community at large, other stakeholders, and the community.

## **CONSTRUCTION PHASE MARKETING**

The construction phase of the harbor revitalization will disrupt normal business activity in the harbor resulting in reduced revenue to current harbor merchants as well as the County of Orange. Merchants and the County must be proactive in an effort stimulate business in the harbor during construction.

- **We (Merchants and DPBA) recommend the RFP require the developer to include a Construction Phase Marketing Plan which includes community outreach, boater tenant outreach, media communication, and marketing funds to stimulate harbor business during the construction phase.**